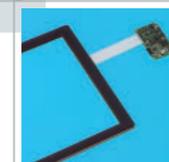
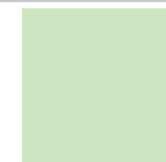
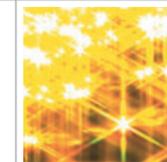
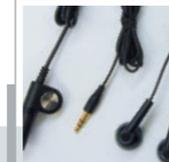




5-5, Togoshi 6-chome, Shinagawa-ku, Tokyo 142-8511, JAPAN  
Telephone: 81-3-3785-1111 Fax: 81-3-3785-1878  
<http://www.smk.co.jp/>

## SEMI ANNUAL REPORT 2006

For the six months ended September 30, 2006



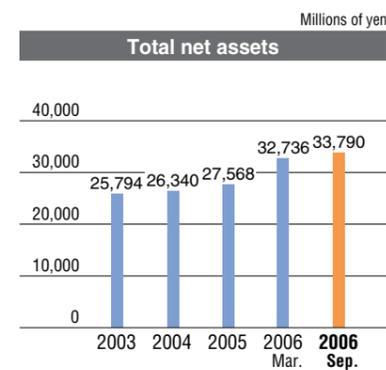
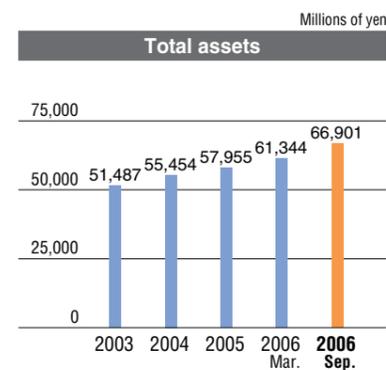
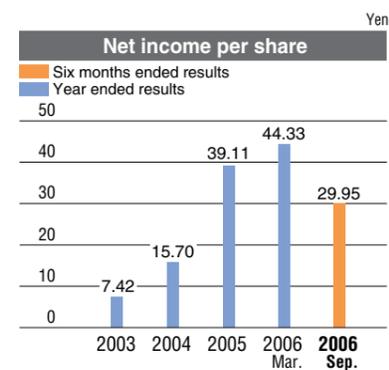
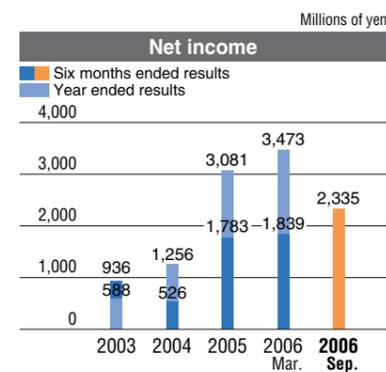
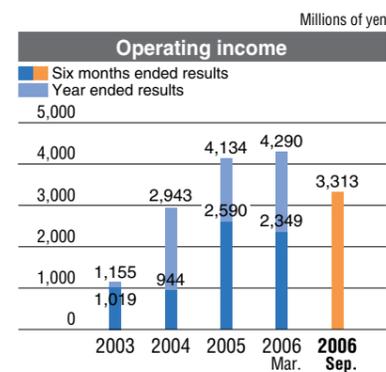
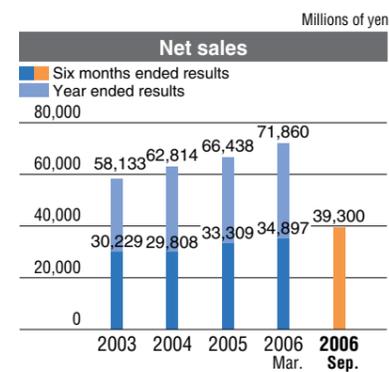
SMK CORPORATION

# Financial Highlights

SMK Corporation and Consolidated Subsidiaries

Six months ended September 30	Millions of yen		Thousands of U.S. dollars	Millions of yen
	2005	2006	2006	2006 Year ended March 31
<b>Operating Results</b>				
Net sales	¥ 34,897	¥ 39,300	\$ 333,336	¥ 71,860
Operating income	2,349	3,313	28,105	4,290
Net income	1,839	2,335	19,810	3,473
<b>Financial Position</b>				
Total assets	¥ 59,371	¥ 66,901	\$ 567,439	¥ 61,344
Total net assets	29,056	33,790	286,608	32,736
<b>Per Share Data</b>				
Net income	Yen		U.S. dollars	Yen
Basic	¥ 24.25	¥ 29.95	\$ 0.25	¥ 44.33
Diluted	24.17	29.90	0.25	44.13

Note: The U.S. dollar amounts represent translations of Japanese yen, for convenience only, at the rate of ¥117.90 = U.S.\$1.00.



# To Our Shareholders and Investors

## Performance Overview

Looking at the world economy during the six-month period, the U.S. and East Asian as well as European economies were all buoyant despite uncertainties such as the possibility of a U.S. economy slowdown as a result of monetary tightening and soaring oil prices. In the Japanese economy, capital investment expanded and corporate profits remained robust with the help of rising exports in response to growing overseas demand.

The electronics industry enjoyed particularly healthy market conditions with worldwide growth in demand chiefly for cellular phones and new digital home appliances, despite the impact of sharp rises in oil and raw materials prices.

Under these circumstances, our commitment to improving product quality and reducing costs resulted in higher profits compared with the same period a year earlier. Thanks to the steady performance of connectors for cellular phones supplied to overseas customers and remote control units for flat-panel televisions, etc.

## “Innovation and Creation”: Practicing Speedy Company Management

Based on its corporate philosophy, SMK is “committed to the advancement of mankind through the development of the information society, by integrating its current technological strengths and creating advanced technology” with the specific goal of “establishing its position as the leading supplier for information technology infrastructure in the global information society.”

In recent years, the product life cycle has been shortening and price competition has been intensifying. In response, we must continue to change at a faster pace than our competitors do, to ensure steady profit expansion and corporate growth. In this light, we are addressing “Innovation and Creation” and “Practicing Speedy Company Management,” which are our slogans for this fiscal year.

In June 2006, SMK appointed four new executive officers, including Paul Evans, president of SMK Electronics Corporation U.S.A., to rejuvenate its management. We believe that this move will further strengthen our management system and enable us to promptly adapt to change.



Terutaka Ikeda  
Chairman and Chief Executive Officer

Tetsuya Nakamura  
President and Chief Operating Officer

## Seventh Middle-Term Plan

We will kick off SMK’s Seventh Middle-Term Plan for three year in April 2007. With the aim of achieving sales of 100 billion yen while maintaining appropriate profits, we are working to develop new growth strategies. We are determined to meet our target by ensuring that every single employee understands and commits to this middle-term plan. In the future, SMK will focus on stepping up the appeal of its products, primarily to the IT market, including cellular phones with multiple advanced functions, in which further demand growth is anticipated. Moreover, we will produce proprietary technologies and strategic products through closer collaboration between the product development sector and sales sector to enable us to enter new markets aggressively.

That concludes this summary of our management policy. Your understanding and continued support to the Company would be greatly appreciated.

December 2006

Terutaka Ikeda  
Chairman and Chief Executive Officer

Tetsuya Nakamura  
President and Chief Operating Officer

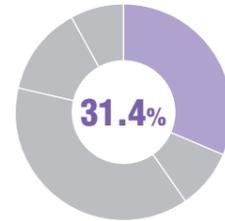
# Sales and Market Overview

Net Sales (Millions of yen)		
2005	2006 Mar.	2006 Sep.

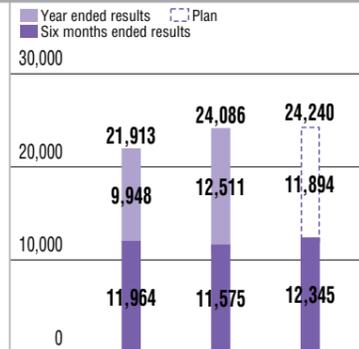
## Audio-Visual



5-deck Jack Board



Audio-visual parts  
12,345 million yen

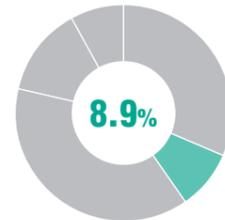


As LCD, PDP and other flat-panel televisions are increasing market penetration, sales expanded, principally with remote control units. Sales of set-top boxes on projectors exhibited strong sales performance in overseas markets. We will continue with the development of connectors for high speed transfer and with expanding our array of interface connectors in response to full high-vision.

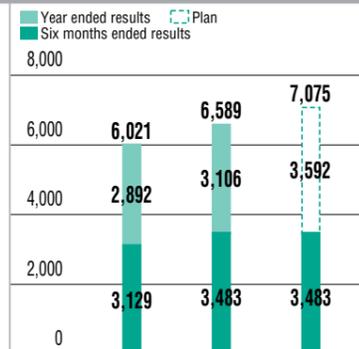
## Car Electronics



"Force-feedback" touch panels

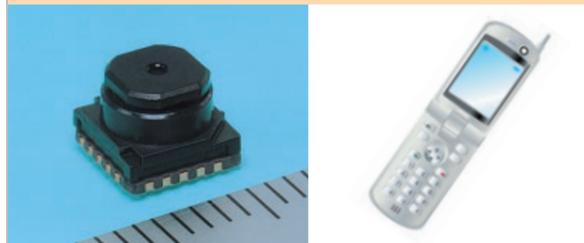


Electronic instruments  
3,483 million yen

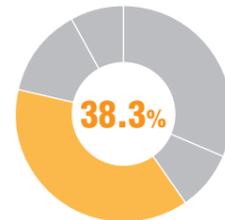


In the car audio and car navigation system market, the market for receptacles is expanding with rising demand for connection with portable audio equipment. In the North American market, digital radios showed steady growth in subscriptions, producing strong demand for coaxial connectors. In the future, we will continue to focus our efforts on new areas, such as components for car mounted cameras, Bluetooth modules and other new areas.

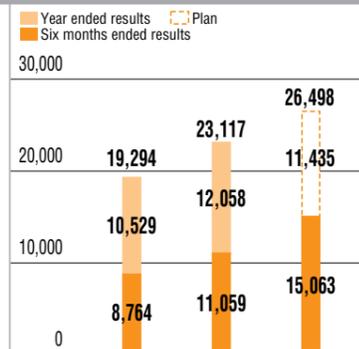
## Communication



Camera modules



Communications parts  
15,063 million yen

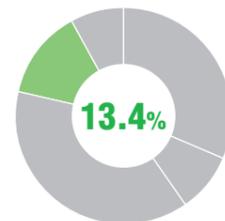


Demand for cellular phones in the BRICs markets expand and replacement demand in Europe showed steady development. Sales of cellular phone components for major overseas manufacturers saw solid growth. We will continue to expand our range of card connectors, operation switches and accessories in order to respond proactively to needs for multifunction music cellular phones and other devices with added functionality.

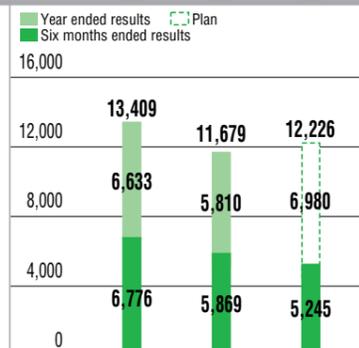
## Information



xD-4in1 card connectors

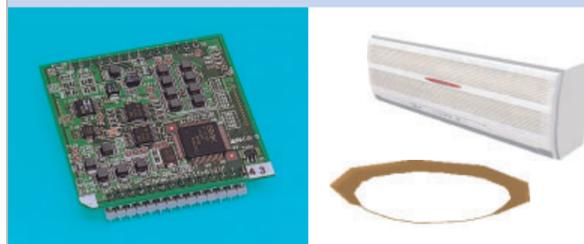


Information parts  
5,245 million yen

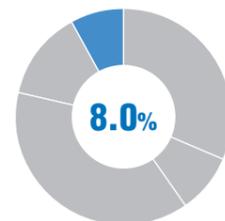


In the information market, the market was generally robust with growing sales of notebook PCs and rising demand for digital still cameras. Amid the powerful tide of markdowns, the operating environment remains difficult, but we will move ahead with the development of products suited to next-generation operating system for personal computers and other products by anticipating future needs by promoting sales of high frequency components to the ever-growing wireless LAN market.

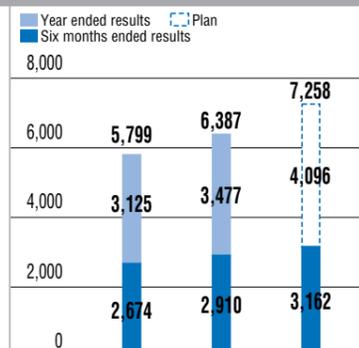
## Home Electronics



DS-SS Modulation/Demodulation Engine for PLC



Electronic toys, home electronics and other parts  
3,162 million yen



In the home electronics and housing equipment market, SMK enjoyed sales growth in remote control units for air-conditioners and lighting fixtures. To satisfy market needs, we broadened the product line of terminal board connectors for air-conditioners. We will redouble our efforts in new areas with growth potential that reflect the trend towards environmental protection, and energy saving, such as Eco Cute water heaters and solar electric power generation.

## Future Outlook

In the electronic component industry, although uncertainties remained in the second half of the fiscal year under review, the market will benefit from the upward trend in the new digital home equipment market, mainly in Japan, the United States and Europe, over the medium and long terms with positive demand for cellular phones in domestic and overseas markets including the BRIC areas, business growth is expected to go on. To continue our corporate growth under an increasingly difficult economic climate, we will boost our efforts to respond swiftly to growth areas, to pioneer new markets, we are developing new products and technologies that meet our customers' needs, upgrading our manufacturing technologies and establishing more efficient sales systems to enhance the utilization of telecommunications, IT and digital home appliances. In addition, in response to the expected decline in the prices of digital home appliance sets, we will endeavor to increase cost effectiveness and enhance our business performance. For the coming fiscal year, we anticipate an increase in consolidated net sales of 7.6% year-on-year to 77.3 billion yen, with ordinary income amounting to 6.4 billion yen (up 16.1% year-on-year) and net income of 3.9 billion yen (up 12.3% year-on-year).

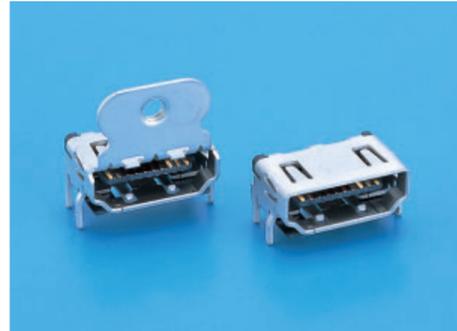
## SMK developed HDMI Type A receptacle

SMK has developed an HDMI-compliant Type A receptacle and put it into mass production.

This new product is an interface connector which is designed for use in flat panel televisions, DVD systems and other equipment, and enables fast transfer of all digital image signals, digital sound signals and control signals via a single cable. This receptacle, meeting the High Definition Multimedia Interface (HDMI) specification and attracting market attention as a next generation multimedia interface, permits a reduction in the number of input/output terminals of equipment, and simplification of connections.

Stability of the shield is ensured as a counter-electromagnetic interference (EMI) measure by designing the structure of the shell to be a four-point contact and rear shield system. Efforts continue to be made to enhance options for different types. For instance, one of the types is designed with a flange on which panel mounting screws are to be secured will enhance strength against the stress that is applied when cables are inserted or extracted in unintended directions.

Note: HDMI is a trademark of HDMI Licensing, LLC.



HDMI Standard Type A receptacle

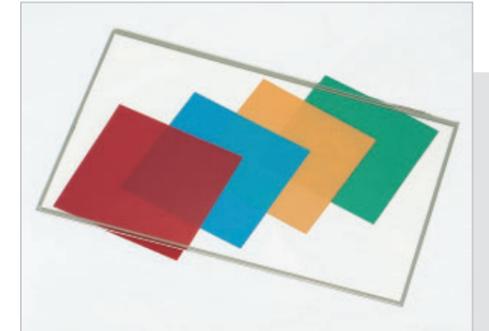
## SMK developed resistance sensitive system touch panel for high-resolution LCD

SMK has recently developed and started marketing a high-resolution LCD-applicable resistance sensitive system touch panel. This touch panel is our response to the market's strong requirements.

In recent years, in association with the progress of PC performance, opportunities to view TV programs, movies or images taken with digital cameras on a PC screen have become increasingly frequent, and LCD panels are fast becoming increasingly high resolution capable.

The combination of a conventional film/glass type resistance sensitive touch panel and a high-resolution LCD panel will develop significant glare, causing something like a flicker with viewers' eyes and substantial deterioration in look.

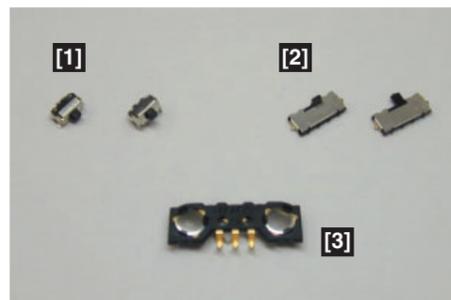
Our high-resolution LCD-applicable resistance sensitive touch panel has a smoother of touch panel surface, achieved by reducing the size of the filler contained in the coating agent. Moreover, adjustment of the amount of the filler to an appropriate level allows realization of a anti-glare finish touch panel without affecting the previously available Haze value—a function that prevents background reflection on the screen.



High-resolution LCD-applicable resistance sensitive touch panels

## New products introduced for supporting switch business

SMK has been making intensive efforts to develop new products with the aim of expanding our switch business. Supplying products that anticipate the trend towards downsizing and the multi-functionality of cellular phones and digital cameras, we are contributing to the development of smaller-sized equipment and enhanced reliability.



**[1] Small horizontal MT switch-II**

Featuring the industry's smallest size with a depth of 2.35 mm

**[2] Thin-type slide switch**

Featuring the industry's smallest size with a mounting area of 29.33 mm<sup>2</sup>

**[3] 2-dome switch**

Employing a spring contact system for higher mounting strength



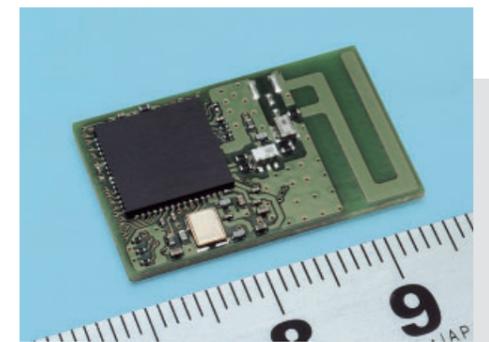
## SMK developed 2.4 GHz band wireless communication module (IEEE 802.15.4 compliant)

SMK has developed a 2.4 GHz band wireless communication module (IEEE 802.15.4 compliant), which will be introduced to the market in the spring of 2007.

Growth in demand for RF communication modules has been seen in a number of market sectors in recent years. The IEEE 802.15.4 has attracted the attention of the market as a short distance wireless communication standard that will open the way to low current consumption and high cost effectiveness.

This market trend has prompted us to develop this low current-consuming 2.4 GHz band wireless communication module, which is IEEE 802.15.4 compliant and successfully delivers ease of use and low current consumption.

The addition of this module to our product line will broaden our repertoire of RF communication modules.



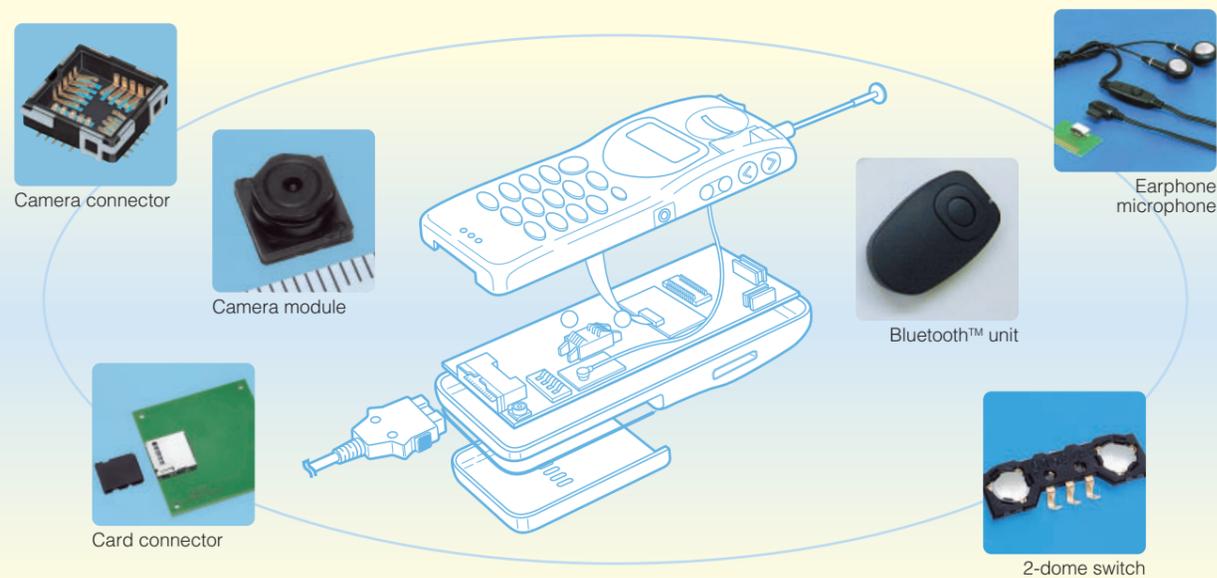
2.4 GHz band wireless communication module (IEEE 802.15.4 standard compliant)

## Special Features I: SMK's Approach to the Cellular Phone Market

### New products developed and released to meet growing demand for cellular phone components

Recent years have seen growth in cellular phone subscriber numbers all over the world. In line with this trend, SMK has been working hard to develop and release new products such as camera connectors, system connectors and others.

In the Japanese market, cellular phones are evolving into multi-functional mobile handsets with higher performance. SMK is striving to bolster its array of products, including earphone-microphones and Bluetooth™ receivers.



### TOPICS Ceremony held to celebrate 10th Anniversary

July 2006 marked the 10th anniversary of the foundation of SMK Electronics (Shenzhen) Co., Ltd. A commemorative ceremony to mark this occasion was held at Wuzhon Guest House, which is run by the Shenzhen City Government.

The celebration was a success, with 350 people attending, including some 30 guests of honor and representatives of the company's staff. SMK Electronics (Shenzhen) Co., Ltd. was set up as a subsidiary of SMK in July 1996. Initially, it had around 70 employees and approximate annual net sales of 450 million yen. In the past few years, production has expanded each year with the help of strong demand, especially for cellular phone connectors. In line with this greater output, it executed a 1.6-fold enlargement of its factory area in July. The number of employees has now risen to more than 4,000.

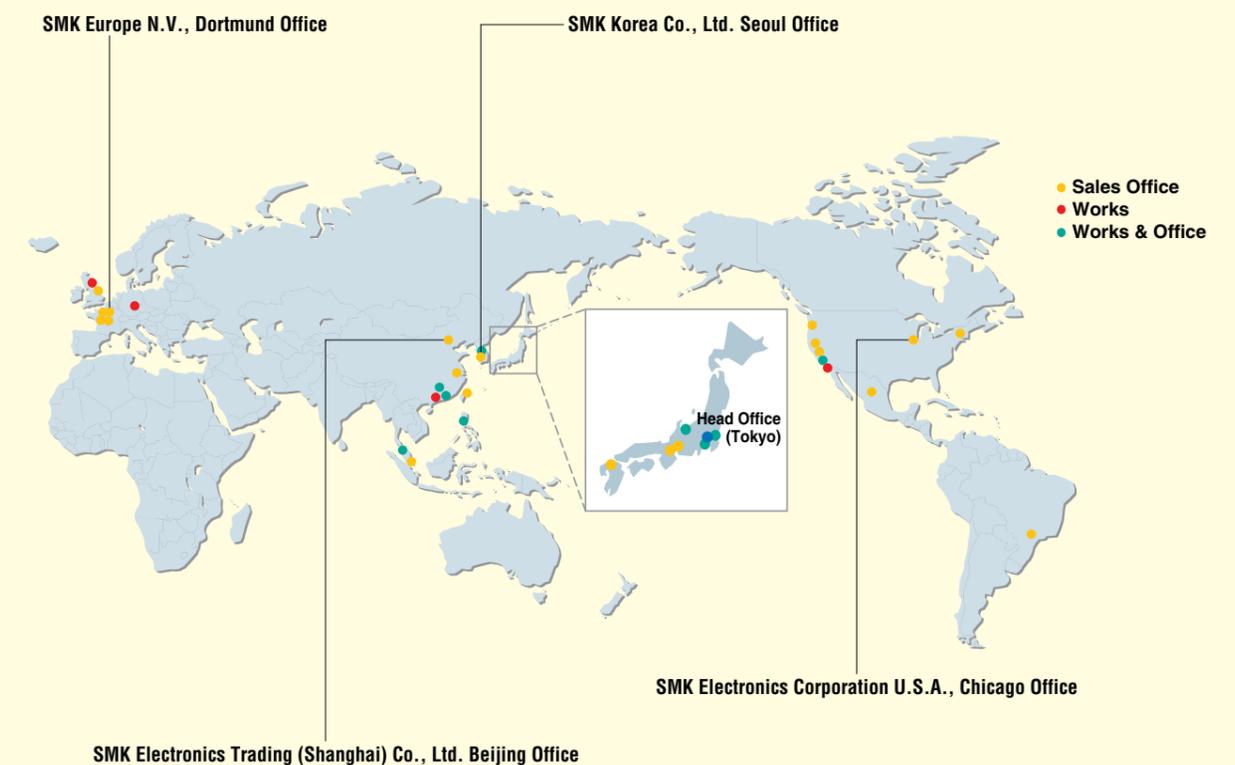


## Special Features II: Overseas Expansion

### Sales offices launched in three overseas locations to strengthen sales activities

SMK has recently opened another three new sales offices in Germany, Chicago and Beijing with the aim of expanding its business and improving customer service. In South Korea, the sales office relocated to Seocho-gu in Seoul to broaden marketing operations, and also increased its workforce.

These three offices will expand sales by stepping up sales promotion activities targeting local customers.



#### ASIA

SMK High-Tech Taiwan Trading Co., Ltd.  
 SMK Electronics (H.K.) Ltd.  
 SMK Trading (H.K.) Ltd.  
 SMK Dongguan Gaobu Factory  
 SMK Electronics (Shenzhen) Co., Ltd.  
 SMK Electronics Trading (Shanghai) Co., Ltd.  
 SMK Electronics Trading (Shanghai) Co., Ltd. Beijing Office  
 SMK Electronics Int'l Trading (Shanghai) Co., Ltd.  
 SMK Electronics Singapore Pte. Ltd.  
 SMK Electronics (Malaysia) Sdn. Bhd.  
 SMK Electronics (Philis.) Corporation  
 SMK Korea Co., Ltd.  
 SMK Korea Co., Ltd. Seoul Office

#### EUROPE

SMK Europe N.V.  
 SMK Europe N.V., U.K. Branch  
 SMK Europe N.V., France Branch  
 SMK Europe N.V., Munich Office  
 SMK Europe N.V., Dortmund Office  
 SMK (U.K.) Ltd.  
 SMK Hungary Kft.

#### NORTH AMERICA

SMK Electronics Corporation U.S.A.  
 SMK Electronics Corporation U.S.A., East Office  
 SMK Electronics Corporation U.S.A., San Jose Office  
 SMK Electronics Corporation U.S.A., Los Angeles Office  
 SMK Electronics Corporation U.S.A., Seattle Office  
 SMK Electronics Corporation U.S.A., Guadalajara Office  
 SMK Electronics Corporation U.S.A., Chicago Office  
 SMK Manufacturing, Inc.  
 SMK Electronica S.A. de C.V.

#### SOUTH AMERICA

SMK São Paulo Indústria Eletrônica Ltda.

# Consolidated Balance Sheets

SMK Corporation and Consolidated Subsidiaries  
As of September 30

Assets	Millions of yen		Thousands of U.S. dollars	Millions of yen
	2005	2006	2006	As of March 31 2006
<b>Current assets</b>				
Cash and cash equivalents	¥ 7,243	¥ 7,146	\$ 60,614	¥ 8,464
Time deposits	282	111	944	225
Notes and accounts receivable, trade	20,523	23,514	199,439	20,448
Allowance for doubtful accounts	(19)	(63)	(540)	(60)
Inventories	5,674	6,756	57,305	5,597
Deferred tax assets	546	722	6,122	839
Other current assets	783	1,499	12,717	1,285
	35,032	39,685	336,601	36,798
<b>Investments and long-term loans</b>				
Investment securities	3,767	5,113	43,370	4,308
Long-term loans receivable	1,137	1,001	8,485	1,018
Other investments	1,699	1,719	14,582	1,691
Allowance for doubtful accounts	(395)	(425)	(3,605)	(383)
	6,208	7,408	62,832	6,634
<b>Property, plant and equipment</b>				
Land	3,594	4,365	37,026	3,598
Buildings	15,614	16,115	136,687	15,667
Machinery and equipment	38,012	38,058	322,795	36,603
Construction in progress	—	38	318	140
	57,220	58,576	496,826	56,008
Less-Accumulated depreciation	(40,566)	(40,025)	(339,479)	(39,294)
	16,654	18,551	157,347	16,714
<b>Other assets</b>				
Deferred tax assets	1,350	1,013	8,595	966
Intangible assets	127	244	2,064	232
	1,477	1,257	10,659	1,198
<b>Total assets</b>	¥ 59,371	¥ 66,901	\$ 567,439	¥ 61,344

Liabilities and net assets	Millions of yen		Thousands of U.S. dollars	Millions of yen
	2005	2006	2006	As of March 31 2006
<b>Current liabilities</b>				
Short-term loans payable	¥ 7,756	¥ 13,728	\$ 116,435	¥ 9,968
Notes and accounts payable, trade	5,252	5,611	47,587	5,108
Accrued income taxes	675	881	7,475	590
Accrued bonuses	804	874	7,414	992
Account payable, non trade	8,077	6,078	51,551	4,482
Other current liabilities	1,011	1,243	10,542	1,080
	23,575	28,415	241,004	22,220
<b>Long-term liabilities</b>				
Corporate bond	300	300	2,545	300
Long-term debt	4,369	2,868	24,322	4,151
Accrued employees' retirement benefits	1,380	847	7,181	1,234
Accrued directors' and officers' retirement benefits	336	322	2,730	345
Other long-term liabilities	355	359	3,049	358
	6,740	4,696	39,827	6,388
<b>Net assets</b>				
<b>Shareholders' equity</b>				
Common stock				
Authorized: 195,961,274 shares				
Issued and outstanding: 79,000,000 shares	7,996	7,996	67,827	7,996
Capital surplus	12,057	12,399	105,166	12,429
Retained earnings	11,589	14,568	123,561	12,683
Treasury stock	(1,474)	(981)	(8,319)	(312)
	30,168	33,982	288,235	32,796
<b>Valuation and translation adjustments</b>				
Net unrealized gains on available-for-sale securities	425	620	5,259	840
Foreign currency translation adjustments	(1,537)	(819)	(6,947)	(906)
	(1,112)	(199)	(1,688)	(66)
<b>Minority Interests</b>	—	7	61	6
	29,056	33,790	286,608	32,736
<b>Total liabilities and net assets</b>	¥ 59,371	¥ 66,901	\$ 567,439	¥ 61,344

Note: The U.S. dollar amounts represent translations of Japanese yen, for convenience only, at the rate of ¥117.90 = U.S.\$1.00.

# Consolidated Statements of Income

SMK Corporation and Consolidated Subsidiaries  
Six months ended September 30

	Millions of yen		Thousands of U.S. dollars	Millions of yen
	2005	2006	2006	Year ended March 31 2006
<b>Net sales</b>	¥ 34,897	¥ 39,300	\$ 333,336	¥ 71,860
<b>Cost of sales</b>	29,064	32,275	273,749	60,470
<b>Selling, general and administrative expenses</b>	3,484	3,712	31,482	7,100
<b>Operating income</b>	2,349	3,313	28,105	4,290
<b>Other income</b>				
Interest and dividend income	65	118	1,000	178
Rent income	393	408	3,458	785
Foreign exchange gain, net	328	156	1,322	605
Gain on sales of fixed assets	17	55	469	77
Other	55	132	1,123	140
Total other income	858	869	7,372	1,785
<b>Other expenses</b>				
Interest expenses	74	100	845	168
Loss on disposal of fixed assets	97	129	1,093	273
Bad debt expenses	0	42	362	29
Other	152	202	1,713	547
Total other expenses	323	473	4,013	1,017
<b>Income before income taxes</b>	2,884	3,709	31,464	5,058
<b>Income taxes</b>				
Current	1,050	1,153	9,777	1,772
Deferred	(5)	220	1,870	(190)
<b>Minority interest</b>	—	1	7	3
<b>Net income</b>	¥ 1,839	¥ 2,335	\$ 19,810	¥ 3,473
<b>Per share data</b>	Yen		U.S. dollars	Yen
Net income				
Basic	¥ 24.25	¥ 29.95	\$ 0.25	¥ 44.33
Diluted	24.17	29.90	0.25	44.13

Note: The U.S. dollar amounts represent translations of Japanese yen, for convenience only, at the rate of ¥117.90 = U.S.\$1.00.

# Consolidated Statements of Cash Flows

SMK Corporation and Consolidated Subsidiaries  
Six months ended September 30

	Millions of yen		Thousands of U.S. dollars	Millions of yen
	2005	2006	2006	Year ended March 31 2006
<b>Cash flows from operating activities</b>				
Income before income taxes	¥ 2,884	¥ 3,709	\$ 31,464	¥ 5,058
Depreciation and amortization	1,482	1,631	13,836	3,395
Decrease in accrued employees' retirement benefits	(166)	(389)	(3,303)	(313)
Increase (decrease) in accrued directors' and officers' retirement benefits	24	(23)	(198)	34
Increase (decrease) in allowance for doubtful accounts	(10)	44	370	16
Interest and dividend income	(65)	(118)	(1,000)	(178)
Interest expenses	74	100	845	168
Loss on disposal of fixed assets	97	129	1,093	273
Increase (decrease) in notes and accounts receivable, trade	(131)	(3,123)	(26,489)	256
Increase in inventories	(206)	(1,119)	(9,493)	(0)
Increase (decrease) in notes and accounts payable, trade	(41)	340	2,884	(791)
Other, net	(95)	1,200	10,182	316
Subtotal	3,847	2,381	20,191	8,234
Interest and dividend received	75	115	978	175
Interest paid	(74)	(96)	(815)	(171)
Income taxes paid	(887)	(938)	(7,955)	(1,673)
<b>Net cash provided by operating activities</b>	2,961	1,462	12,399	6,565
<b>Cash flows from investing activities</b>				
Payments for time deposits	(176)	(78)	(662)	(231)
Proceeds from time deposits	77	197	1,672	204
Purchases of fixed assets	(1,862)	(3,565)	(30,235)	(3,946)
Proceeds from sale of fixed assets	110	119	1,012	289
Purchases of intangible fixed assets	(5)	(31)	(261)	(27)
Purchases of investment securities	(5)	(1,170)	(9,926)	(69)
Proceeds from sale of investment securities	3	—	—	3
Purchases of subsidiaries' stock	(67)	—	—	(82)
Payment for loans receivable	(80)	(53)	(451)	(444)
Collection of loans receivable	4	81	685	108
Other, net	4	—	2	(7)
<b>Net cash used in investing activities</b>	(1,997)	(4,500)	(38,164)	(4,202)
<b>Cash flows from financing activities</b>				
Increase (decrease) in short-term loans payable	(50)	2,883	24,456	(1,570)
Proceeds from long-term debt	—	—	—	200
Payments of long-term debt	(320)	(406)	(3,446)	(698)
Purchases of treasury stock	(36)	(738)	(6,262)	(74)
Proceeds from sale of treasury stock	91	42	355	1,681
Dividends paid	(752)	(403)	(3,416)	(1,133)
Other, net	6	0	0	12
<b>Net cash used in (provided by) financing activities</b>	(1,061)	1,378	11,687	(1,582)
<b>Effect of exchange rate changes on cash and cash equivalents</b>	35	27	226	373
<b>Increase (decrease) in cash and cash equivalents</b>	(62)	(1,633)	(13,852)	1,154
<b>Cash and cash equivalents at beginning of year</b>	7,314	8,464	71,793	7,314
<b>Increase in cash and cash equivalents arising from inclusion of a subsidiary in consolidation</b>	—	315	2,673	5
<b>Decrease in cash and cash equivalents due to exclusion of a subsidiary from consolidation</b>	(9)	—	—	(9)
<b>Cash and cash equivalents at end of six months and year</b>	¥ 7,243	¥ 7,146	\$ 60,614	¥ 8,464

Note: The U.S. dollar amounts represent translations of Japanese yen, for convenience only, at the rate of ¥117.90 = U.S.\$1.00.

# Board of Directors and Corporate Auditors

(As of September 30, 2006)

## DIRECTORS



**Tetsuya Nakamura**  
President and COO

**Terutaka Ikeda**  
Chairman and CEO

**Kenji Kobayashi**  
Director, Senior Executive Vice President  
Sales Division



**Yasumitsu Ikeda**  
Director, Executive Vice President  
Corporate Planning

**Tadashi Yamoto**  
Director, Senior Executive Vice President  
Research and Development

**Yuji Tanahashi**  
Director

## AUDITORS



**Jun Sugimoto**  
Auditor

**Shigenobu Oyashiki**  
Auditor

**Yoshio Tada**  
Auditor

**Takeshi Nakamura**  
Auditor

## CORPORATE EXECUTIVE OFFICERS



**Hajime Yamada**  
Executive Vice President  
Chief Financial Officer

**Makoto Irisawa**  
Executive Vice President  
Human Resources  
and General Affairs

**Yoshiyuki Kaku**  
Executive Vice President  
Connection System Division

**Mitsuru Ito**  
Vice President  
Chief Information Officer  
(Computer and Network)

**Yu Hosoya**  
Vice President  
Business Affairs



**Hirozumi Kawabata**  
Vice President  
Sales Division, Europe

**Hideo Matsumoto**  
Vice President  
Sales Division, China

**Yoshio Sakurai**  
Vice President  
Production Engineering and  
Environmental Protection

**Akira Utazaki**  
Vice President  
Deputy Division Director  
of Sales Division

**Mikio Wakabayashi**  
Vice President  
Functional Components  
Division

**Paul Evans**  
Vice President  
Sales Division, Americas

## Corporate Data

(As of September 30, 2006)

<b>Name:</b>	SMK Corporation
<b>Established:</b>	January 15, 1929
<b>Primary business:</b>	Manufacture and sale of various electronic machinery and parts used in power, communications and electronic equipment, other industrial machinery, information equipment, etc.
<b>Capital:</b>	7,996,828,021 yen
<b>Stock exchange listing:</b>	Tokyo Stock Exchange
<b>Transfer agent:</b>	Mitsubishi UFJ Trust and Banking Corporation
<b>Independent auditors:</b>	Ernst & Young ShinNihon Tokyo, Japan
<b>Employees (SMK-Group):</b>	12,678
<b>Head office:</b>	5-5, Togoshi 6-chome, Shinagawa-ku, Tokyo 142-8511, Japan TEL 81-3-3785-1111 FAX 81-3-3785-1878
<b>Subsidiaries &amp; Affiliates:</b>	
<b>Domestic:</b>	Subsidiaries - 8 companies Affiliates - 3 companies
<b>Overseas:</b>	Subsidiaries - 19 companies
<b>Website:</b>	<a href="http://www.smk.co.jp/">http://www.smk.co.jp/</a>

### Shares and Shareholders

<b>Authorized shares:</b>	195,961,274
<b>Issued shares:</b>	79,000,000
<b>Number of shareholders:</b>	12,037

Major Shareholders (top ten)	Shares Owned (1,000 shares)	Percentage of Shares (%)
Japan Trustee Services Bank, Ltd.	6,626	8.39
Nippon Life Insurance Company	4,001	5.06
Mizuho Corporate Bank, Ltd.	3,722	4.71
Dai Nippon Printing Co., Ltd.	3,200	4.05
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,134	3.97
Mitsubishi UFJ Trust and Banking Corporation	2,520	3.19
Terutaka Ikeda	1,962	2.48
SMK Cooperating Company Share Holding Association	1,720	2.18
The Master Trust Bank of Japan, Ltd.	1,671	2.12
Meiji Yasuda Life Insurance Company	1,536	1.95

Note: Of the above shares owned by major shareholders, the following number of shares are held in trust operations:

Japan Trustee Services Bank, Ltd.:	6,626 thousand shares
Mitsubishi UFJ Trust and Banking Corporation:	583 thousand
The Master Trust Bank of Japan, Ltd.:	1,671 thousand
Meiji Yasuda Life Insurance Company:	54 thousand