



March 31, 2006

To whom it may concerned:

Company name : NAGANO KEIKI CO., LTD.
(hereinafter referred to as "NKS")
Function and name of director : Shigeru Miyashita,
President and Representative Director
(Second Section of the Tokyo Stock Exchange ; Code No. 7715)
Contact person: Masahiro Mashima,
Board Director,
Manager,
Management Planning
(TEL 81-3-3776-5379)

Information regarding acquisition (affiliation) of shares of Ashcroft Holdings, Inc.

NKS has decided in its board meeting held on March 31, 2006 to acquire 100% share of Ashcroft Holdings, Inc., a company in Delaware, U.S. and affiliate the company comprehensively. Details are as follows:

Description

1. Reason of acquisition

NKS has been developing the business of pressure gauge and pressure sensor in both Japanese and overseas market placing manufacturing locations in Japan. NKS is a dedicated manufacturer of pressure measurement instruments with pressure element/pressure sensor element whose range is diversifying from super high pressure to differential pressure. Ashcroft Holdings Inc. has been NKS's partner in a joint venture company for years and is a world famous brand. Acquiring shares of the company allows NKS to make rapid progress towards realization of worldwide business deployment.

2. Profile of the affiliated company (Ashcroft Holdings, Inc.)

Ashcroft Holdings, Inc. is a company established on August 22, 2005 due to a transfer of Gauge business from Dresser Inc. (company of Delaware, U.S.) to KPS Special Situations Funds (Delaware U.S. limited partnership) implemented as of November 30, 2005.

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|--------------------|--------------------------------------------|
| (1) Company name | Ashcroft Holdings, Inc. |
| (2) Representative | John McKenna |
| (3) Location | 250 East Main St. Stratford, CT 06614, USA |

- (4)Established August 22, 2005
- (5)Main business contents Manufacturing and sales of pressure gauges, thermometers and pressure sensors
- (6)Account end December 31
- (7)Number of employees About 900
- (8)Main locations of business United States, Brazil, Germany, etc
- (9)Capital 17,500,000 USD
- (10)Number of capital stock issued 100
- (11)Ratio of shareholding KPS Special Situations Fund II, L.P. 48.1%
KPS Special Situations Fund II(A), L.P. 51.9%

(12)Financial performance of late fiscal years

(Unit : 1 million USD)

	Jan. to Dec. 2005 Proforma base(*1)	Jan. to Dec. 2006 Forecast
Sales	106.9	112.6
EBITDA	4.7	11.3
EBIT	1.4	7.2
Total assets	53.0	53.0
Stockholders' equity	15.7	20.4

(*1)Until November 2005, figures of management accounting as a sales department of Dresser Inc. are used. For December, consolidated figures as Ashcroft Holdings, Inc. are used. Both figures are non-audited and proforma base.

3. Profile of original shareowner

(1)Company name	KPS Special Situations Fund II, L.P.	KPS Special Situations Fund II(A), L.P.
(2)Representative	Michael Psaros	Michael Psaros
(3)Location of HQ	200 Park Avenue New York NY 10166 USA	200 Park Avenue New York NY 10166 USA
(4)Main business contents	Investment fund	Investment fund
(5)Relation with NKS	No personnel or capital relations with NKS.	No personnel or capital relations with NKS.

4. Number of acquired shares, acquisition price and condition of owned shares before/after the acquisition

(1) Number of owned shares before the transfer 0 (ownership ratio : 0%)

(2) Number of acquired shares 100

(Corporate value : 55,000,000 USD)

Estimated breakdown of company value is as follows: Share acquisition value is 33,000,000 USD, refinancing value of interest-bearing debt is 22,000,000 USD.

(3) Number of owned shares after the transfer 100 (ownership ratio : 100%)

5. Schedule

Decision of board meeting : March 31, 2006

Planned date of transfer of stock certificate : May 30, 2006

6. Future prospects

This share acquisition will not influence the account settlement of fiscal year 2005. Final figures in NKS's consolidated financial statements for fiscal year 2006 influenced by this acquisition are yet to be settled at this time. It will be reported as soon as the figures are settled.

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