

This is a translation of the original quarterly financial report in Japanese. In the event of any discrepancy, the original report in Japanese shall prevail.

Consolidated Financial Results
for the First Quarter of the Year Ending March 31, 2007
(April 1 to June 30, 2006)

July 27, 2006

Listed Company: Cybernet Systems Co., Ltd.
 Stock Listing: the First Section of Tokyo Stock Exchange
 Code Number: 4312
 Location of Head Office: Tokyo
 (URL <http://www.cybernet.co.jp>)
 Representative: Kuniaki Tanaka, Representative Director and President
 Contact: Hiroshi Takahashi, Managing Director
 Tel: +81-3-5978-5401

1. Preparation of the Fourth Quarter Financial Results
 - (1) Adoption of a simplified accounting method: No
 - (2) Any change in accounting method from the last fiscal year: No
 - (3) Any change in scope of consolidation and equity method of accounting: No

2. Financial and Operating Results for the First Quarter of the Year Ending March 31, 2007 (April 1 to June 30, 2006)

(1) Consolidated Operating Results

Note: Amounts less than one million yen omitted.

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2006	4,918	11.8	603	(11.0)	633	(10.8)
Three months ended June 30, 2005	4,400	-	678	-	710	-
(Reference) Year ended March 31, 2006	17,399	-	2,301	-	2,548	-

	Net income		Net income per share – basic	Net income per share – diluted
	Millions of yen	%	Yen	Yen
Three months ended June 30, 2006	347	(13.7)	1,099.43	1,092.79
Three months ended June 30, 2005	402	-	3,860.66	3,788.97
(Reference) Year ended March 31, 2006	1,503	-	4,593.41	4,531.50

Notes:

1. Percentages for net sales, operating income, ordinary income and net income for the first quarter ended June 30, 2006 represent changes compared with the first quarter ended June 30, 2005.
2. The company began to prepare consolidated financial statements from the year ended March 31, 2006.
3. The company executed a stock split on July 20, 2005 at the ratio of 3 shares for each common share (share allotment without compensation).

[Qualitative Information regarding the Consolidated Business Results for the First Quarter Ended June 30, 2006]

The progress of the results of the company for the first quarter was as planned and the sales were 4,918 million yen (increase of 11.8% from the same period last year).

With respect to the profit, although the gross profit increased as compared with the same period last year, selling, general and administrative expenses increased due to proactive promotion of recruitment, education and training in order to prepare for the future business growth, and ordinary income of 633 million yen (decrease of 10.8% from the same period last year) and net income of 347 million yen (decrease of 13.7% from the same period last year) were recorded.

The transfer of business of Keihin Art Work K.K. and one other company in May 2006 enabled us to provide the technology for printed electronic circuit board design and simulation, and now we can provide advanced services such as contracted design and analysis using the CAE software also in the electronic circuit field.

The business breakdown by segment is as follows: the CAE Solution Services Business (our group's core field) posted sales of 4,251 million yen (increase of 14.7% from the same period last year), following increase in the manufacturing industry's willingness to invest in the digitization; On the other hand, as for the Network Solution Services Business the sales were just 667 million yen (decrease of 3.8% from the same period last year), because we could not launch new products as we had planned.

(2) Consolidated Financial Position

	Total assets	Net assets	Capital ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Three months ended June 30, 2006	13,360	9,182	68.7	28,987.71
Three months ended June 30, 2005	12,192	8,332	68.3	79,826.18
(Reference) Year ended March 31, 2006	13,812	9,126	66.1	28,665.87

Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of the term
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Three months ended June 30, 2006	525	(682)	(174)	2,755
Three months ended June 30, 2005	349	(96)	(649)	2,392
(Reference) Year ended March 31, 2006	1,854	(512)	(1,064)	3,081

[Qualitative Information regarding the Consolidated Financial Position for the First Quarter Ended June 30, 2006]

1. Change in consolidated financial position

The total assets for the first quarter ended June 30, 2006 were 13,360 million yen, which was a decrease of 451 million yen from the end of the previous consolidated fiscal year. The main factor of such decrease was the payment of income taxes. In addition, we recorded net assets of 9,182 million yen and capital ratio of 68.7%, which was an increase of 2.6 points from the end of the previous consolidated fiscal year.

2. Consolidated cash flows

Cash and cash equivalents (hereinafter "cash") at end of the first quarter amounted to 2,755 million yen.

- * Net cash provided by operating activities was 525 million yen, which was mainly due to income before income taxes of 633 million yen and decrease in trade receivables of 791 million yen, despite decrease of 623 million yen in payables and payment of income tax of 424 million yen.
- * Net cash used in investing activities was 682 million yen, mainly attributable to payment of 208 million yen as a result of the transfer of business of Keihin Art Work K.K. and one other company and net expenditure of 413 million yen for acquisition and redemption of securities.
- * Net cash used in financing activities was 174 million yen mainly due to 188 million yen for dividends payment.

[Reference]

Forecast for the Year Ending March 31, 2007 (April 1, 2006 to March 31, 2007)

Consolidated forecast

	Net sales	Ordinary income	Net income
	Millions of yen	Millions of yen	Millions of yen
Half Year	9,750	1,225	715
Full Year	20,200	2,700	1,565

Non-consolidated forecast

	Net sales	Ordinary income	Net income
	Millions of yen	Millions of yen	Millions of yen
Half Year	8,250	1,267	736
Full Year	16,800	2,670	1,535

[Qualitative Information regarding Forecast for the Year Ending March 31, 2007]

The result for the first quarter has progressed as planned. Therefore, the full year forecast figures announced on April 27, 2006 have not changed for the half and full year.

The above forecasts are forward-looking statements which represent the judgment of management based on currently available information. The actual results may differ from the above forecasts due to the economic situation and conditions of business operation.

[Attached documents]

1. Consolidated Balance Sheet for the First Quarter (Summary)
2. Consolidated Statement of Income for the First Quarter (Summary)
3. Consolidated Statement of Change in Shareholders' Equity for the First Quarter
4. Consolidated Statement of Cash Flows for the First Quarter
5. Segment Information
6. Purchases, Orders Received and Sales (Consolidated)
7. Non-consolidated Balance Sheet for the First Quarter
8. Non-consolidated Statement of Income for the First Quarter

1. Consolidated Balance Sheet for the First Quarter (Summary)

(Thousands of yen)

	June 30, 2005		June 30, 2006		March 31, 2006	
	Amount	Composition ratio (%)	Amount	Composition ratio (%)	Amount	Composition ratio (%)
Assets						
I. Current assets						
1. Cash and deposits	2,392,045		2,755,507		3,081,608	
2. Notes receivable – trade and accounts receivable	3,547,449		3,562,538		4,314,899	
3. Marketable securities	3,218,836		3,497,326		3,069,365	
4. Inventories	171,477		118,789		84,846	
5. Advance payments	478,401		407,851		306,276	
6. Short-term loans	1,000,000		1,000,000		1,000,000	
7. Deferred tax assets	85,015		103,244		157,892	
8. Other current assets	139,613		146,040		218,663	
Allowance for doubtful accounts	(10,566)		(3,813)		(5,049)	
Total current assets	11,022,272	90.4	11,587,483	86.7	12,228,502	88.5
II. Fixed assets						
1. Tangible fixed assets	321,682	2.6	275,544	2.1	280,252	2.0
2. Intangible fixed assets	285,159	2.4	932,160	7.0	723,798	5.3
3. Investments and other assets	563,299	4.6	565,337	4.2	579,711	4.2
Total fixed assets	1,170,141	9.6	1,773,042	13.3	1,583,763	11.5
Total assets	12,192,413	100.0	13,360,526	100.0	13,812,266	100.0

(Thousands of yen)

	June 30, 2005		June 30, 2006		March 31, 2006	
	Amount	Composition ratio (%)	Amount	Composition ratio (%)	Amount	Composition ratio (%)
Liabilities						
I. Current liabilities						
1. Accounts payable – trade	1,688,193		1,711,400		2,293,125	
2. Accrued expenses	395,704		469,858		403,736	
3. Income taxes payable	242,626		224,886		443,287	
4. Advances received	532,546		649,561		608,709	
5. Reserve for bonuses	166,784		199,050		298,557	
6. Reserve for officers' bonuses	-		10,612		-	
7. Other current liabilities	400,738		395,256		174,718	
Total current liabilities	3,426,593	28.1	3,720,626	27.9	4,222,134	30.6
II. Fixed liabilities						
1. Accrued severance indemnities	386,108		395,470		403,729	
2. Reserve for directors' retirement allowance	47,694		61,894		57,842	
Total fixed liabilities	433,802	3.6	457,364	3.4	461,571	3.3
Total liabilities	3,860,395	31.7	4,177,990	31.3	4,683,705	33.9
Net assets						
I. Shareholders' equity						
1. Capital stock	-	-	995,000	7.5	-	-
2. Additional paid-in capital	-	-	909,000	6.8	-	-
3. Retained earnings	-	-	7,922,394	59.3	-	-
4. Treasury stock	-	-	(705,056)	(5.3)	-	-
Total shareholders' equity	-	-	9,121,338	68.3	-	-
II. Unrealized gains and exchange differences						
1. Unrealized gains on marketable securities	-	-	59,126	0.4	-	-
Total unrealized gains and exchange differences	-	-	59,126	0.4	-	-
III. Minority interest						
Minority interest	-	-	2,071	0.0	-	-
Total net assets	-	-	9,182,536	68.7	-	-
Total liabilities and net assets	-	-	13,360,526	100.0	-	-

(Thousands of yen)

	June 30, 2005		June 30, 2006		March 31, 2006	
	Amount	Composition ratio (%)	Amount	Composition ratio (%)	Amount	Composition ratio (%)
Minority interest						
Minority interest	-	-	-	-	2,146	0.0
Shareholders' equity						
I. Capital stock	995,000	8.1	-	-	995,000	7.2
II. Additional paid-in capital	909,000	7.5	-	-	909,000	6.6
III. Retained earnings	7,339,283	60.2	-	-	7,899,890	57.2
IV. Unrealized gains on marketable securities	41,332	0.3	-	-	69,314	0.5
V. Treasury stock	(952,599)	(7.8)	-	-	(746,791)	(5.4)
Total shareholders' equity	8,332,017	68.3	-	-	9,126,413	66.1
Total liabilities, minority interest and shareholders' equity	12,192,413	100.0	-	-	13,812,266	100.0

2. Consolidated Statement of Income for the First Quarter (Summary)

(Thousands of yen)

	Three months ended June 30, 2005		Three months ended June 30, 2006		Year ended March 31, 2006	
	Amount	Composi tion ratio (%)	Amount	Composi tion ratio (%)	Amount	Composi on ratio (%)
I. Net sales	4,400,748	100.0	4,918,871	100.0	17,399,091	100.0
II. Cost of sales	2,738,012	62.2	3,073,742	62.5	11,027,871	63.4
Gross profit	1,662,735	37.8	1,845,128	37.5	6,371,220	36.6
III. Selling, general and administrative expenses	984,015	22.4	1,241,183	25.2	4,069,363	23.4
Operating income	678,720	15.4	603,944	12.3	2,301,857	13.2
IV. Non-operating income	33,106	0.8	29,770	0.6	249,866	1.4
V. Non-operating expenses	1,115	0.0	35	0.0	3,396	0.0
Ordinary income	710,711	16.2	633,680	12.9	2,548,327	14.6
VI. Extraordinary losses	256	0.0	-	-	50,935	0.3
Income before income taxes	710,455	16.2	633,680	12.9	2,497,392	14.3
Corporate, inhabitant and enterprise taxes	237,641	5.4	224,309	4.6	982,737	5.6
Deferred income taxes	69,849	1.6	61,585	1.2	12,160	0.1
Loss of minority interest	-	-	75	0.0	685	0.0
Net income	402,964	9.2	347,861	7.1	1,503,178	8.6

3. Consolidated Statement of Change in Shareholders' Equity for the First Quarter

Three months ended June 30, 2006

(Thousands of yen)

Item	Shareholders equity					Unrealized gains on marketable securities	Minority interest
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity		
Balance at end of previous term	995,000	909,000	7,899,890	(746,791)	9,057,099	69,314	2,146
Change in the three months ended June 30, 2006							
Dividends of surplus			(237,202)		(237,202)		
Officers' bonuses			(60,260)		(60,260)		
Net income			347,861		347,861		
Losses on disposal of treasury stock			(27,894)	41,735	13,840		
Change in items other than shareholders' equity (net)						(10,188)	(75)
Total change			22,504	41,735	64,239	(10,188)	(75)
Balance at end of three months ended June 30, 2006	995,000	909,000	7,922,394	(705,056)	9,121,338	59,126	2,071

4. Consolidated Statement of Cash Flows for the First Quarter

(Thousands of yen)

	Three months ended June 30, 2005	Three months ended June 30, 2006	Year ended March 31, 2006
	Amount	Amount	Amount
I. Cash Flows from Operating Activities			
Net income before taxes and other adjustments for the first quarter	710,455	633,680	2,497,392
Depreciation and amortization	34,707	53,956	150,440
Depreciation of goodwill	-	24,686	-
Amortization of consolidated adjustment account	5,287	-	44,284
Interest and dividend income	(1,011)	(1,165)	(4,719)
Security interest	(5,181)	(10,746)	(35,691)
Interest expense	-	-	116
Foreign exchange gains/loss	(6,614)	(5,845)	(22,652)
Loss on retirement of fixed assets	256	-	50,262
Loss on valuation of investment securities	-	-	630
(Increase) decrease in trade receivables	843,435	791,921	105,427
(Increase) decrease in inventories	(42,764)	(33,942)	48,467
Increase (decrease) in payables	(512,964)	(623,299)	257,929
Increase (decrease) in accrued expenses	(13,532)	66,121	(12,247)
Increase (decrease) in consumption tax and others	16,231	46,758	(19,136)
Increase (decrease) in allowance for doubtful accounts	3,564	1,374	(2,037)
Increase (decrease) in reserve for bonuses	(120,550)	(99,506)	6,289
Increase (decrease) in reserve for officers' bonuses	-	10,612	-
Increase (decrease) in accrued severance indemnities	11,830	(8,258)	29,450
Increase (decrease) in accrued severance indemnities	2,676	4,052	5,857
Bonuses paid to directors and corporate auditors	-	(13,670)	(76,492)
Others	35,603	91,763	(54,273)
Subtotal	961,427	928,491	2,969,295
Interest and dividends received	5,495	20,916	27,747
Interests paid	-	-	(94)
Income taxes paid	(617,332)	(424,308)	(1,142,132)
Net cash provided by operating activities	349,590	525,100	1,854,816

(Thousands of yen)

	Three months ended June 30, 2005	Three months ended June 30, 2006	Year ended March 31, 2006
	Amount	Amount	Amount
II. Cash Flows from Investing Activities			
Payment for acquisition of stocks of newly consolidated subsidiaries	(67,429)	-	(257,882)
Payment for acquisition of tangible fixed assets	(13,619)	(15,403)	(82,092)
Payment for acquisition of intangible fixed assets	(6,322)	(45,744)	(335,975)
Proceeds from maturity of marketable securities	(2,714,020)	(3,495,050)	(7,202,836)
Payment for acquisition of marketable securities	2,704,109	3,081,874	7,336,331
Payment for loans	(1,000,000)	(1,000,000)	(2,000,000)
Proceeds from collection of loans	1,000,000	1,000,000	2,021,000
Payment for funding of premium reserve	-	(541)	(1,082)
Proceeds from equity transfer of investments in capital	-	-	8,828
Payment for acquisition of goodwill	-	(208,137)	-
Others	489	436	1,072
Net cash used in investing activities	(96,793)	(682,566)	(512,636)
III. Cash Flows from Financing Activities			
Repayment of short-term borrowings	(410,000)	-	(410,000)
Repayment of current portion of long-term borrowings	-	-	(8,800)
Payment for acquisition of own shares	-	-	(277,998)
Proceeds from exercise of stock option rights	-	13,840	164,648
Payment for dividends	(239,068)	(188,321)	(532,777)
Net cash used in financing activities	(649,068)	(174,480)	(1,064,927)
IV. Effect of exchange rate changes in cash and cash equivalents	6,614	5,845	22,652
V. Net increase in cash and cash equivalents	(389,656)	(326,101)	299,905
VI. Cash and cash equivalents at beginning of term	2,781,702	3,081,608	2,781,702
VII. Cash and cash equivalents at end of the first quarter	2,392,045	2,755,507	3,081,608

5. Segment Information

(1) Business segment information

Three months ended June 30, 2005

(Thousands of yen)

	CAE Solution Services Business	Network Solution Services Business	Total	Eliminations	Consolidation
Net sales to outside customers	3,706,846	693,902	4,400,748	-	4,400,748
Sales and transfer between segments	-	-	-	-	-
Total	3,706,846	693,902	4,400,748	-	4,400,708
Operating expenses	2,711,968	667,560	3,379,529	342,498	3,722,027
Operating income	994,877	26,341	1,021,219	(342,498)	678,720

Three months ended June 30, 2006

(Thousands of yen)

	CAE Solution Services Business	Network Solution Services Business	Total	Eliminations	Consolidation
Net sales to outside customers	4,251,596	667,275	4,918,871	-	4,918,871
Sales and transfer between segments	-	-	-	-	-
Total	4,251,596	667,275	4,918,871	-	4,918,871
Operating expenses	3,186,508	676,040	3,862,548	452,378	4,314,926
Operating income	1,065,088	(8,765)	1,056,323	(452,378)	603,944

6 Consolidated Purchases, Orders Received and Sales (Consolidated)

(1) Purchases

(Thousands of yen)

	Three months ended June 30, 2005		Three months ended June 30, 2006		Rate of change	
	Amount	Composition ratio (%)	Amount	Composition ratio (%)	Amount	Composition ratio (%)
CAE Solution Services Business	1,831,864	78.3	2,183,200	81.8	351,335	19.2
Network Solution Services Business	507,971	21.7	485,928	18.2	(22,043)	(4.3)
Total	2,339,835	100.0	2,669,128	100.0	329,292	14.1

- Notes: 1. Disclosed amounts express purchase prices.
2. The above amounts do not include consumption taxes.

(2) Orders received

(Thousands of yen)

	Three months ended June 30, 2005		Three months ended June 30, 2006		Rate of change	
	Amount of orders received	Orders in hand	Amount of orders received	Orders in hand	Amount of orders received	Orders in hand
CAE Solution Services Business	2,815,972	1,244,568	3,004,947	1,635,530	188,974	390,961
Network Solution Services Business	669,172	132,611	635,154	96,365	(34,018)	(34,246)
Total	3,485,145	1,377,179	3,640,101	1,733,895	154,956	356,715

Note: The above amounts do not include consumption taxes.

(3) Sales results

(Thousands of yen)

	Three months ended June 30, 2005		Three months ended June 30, 2006		Rate of change	
	Amount	Composition ratio (%)	Amount	Composition ratio (%)	Amount	Composition ratio (%)
CAE Solution Services Business	3,706,846	84.2	4,251,596	86.4	544,750	14.7
Network Solution Services Business	693,902	15.8	667,275	13.6	(26,626)	(3.8)
Total	4,400,748	100.0	4,918,871	100.0	518,123	11.8

Notes:

1. The above amounts are after offset elimination of inter-segment sales.
2. The above amounts do not include consumption taxes.

7. Non-consolidated Balance Sheet for the First Quarter

(Thousands of yen)

	June 30, 2005		June 30, 2006		March 31, 2006	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount	Ratio (%)
Assets						
I. Current assets						
1. Cash and deposits	2,272,802		2,635,564		2,916,481	
2. Notes receivable trade and accounts receivable	2,878,605		2,858,870		3,476,768	
3. Marketable securities	3,218,836		3,497,326		3,069,365	
4. Inventories	94,588		87,055		73,786	
5. Short-term loans to affiliates	85,015		103,244		157,895	
6. Deferred tax assets	1,300,000		1,200,000		1,200,000	
7. Other current assets	595,422		498,369		447,548	
Allowance for doubtful accounts	(3,080)		(2,860)		(3,470)	
Total current assets	10,442,191	89.4	10,877,571	85.2	11,338,377	86.9
II. Fixed assets						
1. Tangible fixed assets	300,403	2.6	257,087	2.0	260,740	2.0
2. Intangible fixed assets	170,491	1.5	601,030	4.7	393,872	3.0
3. Investments and other assets	761,000	6.5	1,033,661	8.1	1,049,191	8.1
Total fixed assets	1,231,895	10.6	1,891,779	14.8	1,703,804	13.1
Total assets	11,674,087	100.0	12,769,351	100.0	13,042,181	100.0

(Thousands of yen)

	June 30, 2005		June 30, 2006		March 31, 2006	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount	Ratio (%)
Liabilities						
I. Current liabilities						
1. Accounts payable – trade	1,319,493		1,437,164		1,861,435	
2. Accrued amount payable	348,280		416,510		324,779	
3. Income tax payable	242,389		223,896		439,327	
4. Advances received	462,575		515,763		478,277	
5. Reserve for bonuses	141,896		165,046		243,327	
6. Reserve for officers' bonuses	-		10,612		-	
7. Other current liabilities	374,021		358,957		168,832	
Total current liabilities	2,888,655	248	3,127,949	245	3,515,978	269
II. Fixed liabilities						
1. Accrued severance indemnities	365,661		379,689		389,545	
2. Reserve for directors' retirement allowances	47,694		53,000		49,875	
Total fixed liabilities	413,355	3.5	432,689	3.4	439,420	3.4
Total liabilities	3,302,011	28.3	3,560,639	27.9	3,955,399	30.3
Net assets						
I. Shareholders' equity						
1. Capital stock	-	-	995,000	7.8	-	-
2. Additional paid-in capital	-	-	909,000	7.1	-	-
3. Retained earnings	-	-	7,950,641	62.2	-	-
4. Treasury stock	-	-	(705,056)	(5.5)	-	-
Total shareholders' equity	-	-	9,149,585	71.6	-	-
II. Unrealized gains on marketable securities						
1. Unrealized gains on marketable securities	-	-	59,126		-	-
Total unrealized gains and exchange differences	-	-	59,126	0.5	-	-
Total net assets	-	-	9,208,711	72.1	-	-
Total liabilities and net assets	-	-	12,769,351	100.0	-	-

(Thousands of yen)

	June 30, 2005		June 30, 2006		March 31, 2006	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount	Ratio (%)
Equity						
I. Capital stock	995,000	8.5	-	-	995,000	7.6
II. Capital surplus						
1. Additional paid-in capital	909,000		-		909,000	
Total capital surplus	909,000	7.8	-	-	909,000	7.0
III. Retained earnings						
1. Legal reserve	71,960		-		71,960	
2. Voluntary reserve						
Special reserve	5,490,000		-		5,490,000	
3. Unappropriated earnings at end of the first quarter	1,817,379		-		2,298,325	
Total retained earnings	7,379,339	63.2	-	-	7,860,285	60.3
IV. Unrealized gains on marketable securities	41,334	0.4	-	-	69,288	0.5
V. Treasury stock	(952,599)	(8.2)	-	-	(746,791)	(5.7)
Total shareholders' equity	8,372,075	71.7	-	-	9,086,782	69.7
Total liabilities and shareholders' equity	11,674,087	100.0	-	-	13,042,181	100.0

8. Non-consolidated Statement of Income for the First Quarter

(Thousands of yen)

	Three months ended June 30, 2005		Three months ended June 30, 2006		Year ended March 31, 2006	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount	Ratio (%)
I. Net sales	3,834,255	100.0	4,342,931	100.0	14,626,103	100.0
II. Cost of sales	2,264,888	59.1	2,623,130	60.4	8,898,604	60.8
Gross profit	1,569,337	40.9	1,719,800	39.6	5,727,498	39.2
III. Selling, general and administrative expenses	853,732	22.2	1,054,462	24.3	3,452,374	23.6
Operating income	715,604	18.7	665,337	15.3	2,275,124	15.6
IV. Non-operating income	34,943	0.9	21,646	0.5	227,287	1.5
V. Non-operating expenses	18	0.0	32	0.0	1,219	0.0
Ordinary income	750,529	19.6	686,951	15.8	2,501,192	17.1
VI. Extraordinary losses	256	0.0	-	-	46,599	0.3
Net income before income taxes for the first quarter	750,273	19.6	686,951	15.8	2,454,592	16.8
Corporate, inhabitant and enterprise taxes	237,403	6.2	223,319	5.1	978,861	6.7
Deferred income taxes	69,849	1.8	61,588	1.4	12,157	0.1
Net income for the first quarter	443,020	11.6	402,043	9.3	1,463,573	10.0
Unappropriated retained earnings brought forward	1,374,359		1,414,532		1,374,359	
Interim dividends paid	-		-		220,450	
Loss on sale of treasury stock	-		27,894		319,157	
Unappropriated retained earnings at end of the first quarter	1,817,379		1,788,681		2,298,325	