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Summary of Consolidated Financial Statements for the FY ended March 31, 2003 (full year)

May 23, 2003

Name of Listed Company: NABCO Ltd. Stock listed on: the First Section of the Tokyo Stock Exchange and Osaka Securities Exchange
 Code Number: 7142 Location (prefecture) of Head Office: Hyogo, Japan
 (URL <http://www.nabco.co.jp/>)
 Representative Name: Shigeo Iwatara
 Title: Representative Director and President
 Inquiries: Name: Hiroshi Sawa Tel. (078) 993-0213
 Title: Director and General Manager,
 Corporate Planning Dept.
 Date of Board of Directors Meeting for Account Settlement: May 23, 2003
 Has the Company adopted U.S. Accounting Standards: No

1. Consolidated Operating Results for the Fiscal Year ended March 31, 2003 (From April 1, 2002 to March 31, 2003)

(1) Consolidated Operating Results Note: Amounts less than one million yen have been rounded down.

	Net sales		Operating income		Ordinary income	
	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2003	55,303	(5.0)	2,183	79.0	1,793	44.7
Fiscal year ended March 31, 2002	58,230	(5.6)	1,220	162.5	1,239	179.7

	Net income		Net income per share	Diluted net income per share	Return on shareholders' equity	Ratio of ordinary income to total assets	Ratio of ordinary income to net sales
	Million yen	%	Yen	Yen	%	%	%
Fiscal year ended March 31, 2003	322	-	3.82	-	1.3	2.5	3.2
Fiscal year ended March 31, 2002	(3,864)	-	(48.10)	-	(15.4)	1.6	2.1

- (Notes) a) Investment profit/loss on equity method:
 Fiscal year ended March 31, 2003 - million yen Fiscal year ended March 31, 2002 - million yen
 b) Average number of outstanding shares during the fiscal year (consolidated)
 Fiscal year ended March 31, 2003 80,296,574 shares Fiscal year ended March 31, 2002 80,350,087 shares
 c) Change in accounting methods: None
 d) Percentages shown for net sales, operating income, ordinary income and net income represent the increase or decrease compared with the previous fiscal year.

(2) Consolidated Financial Position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Million yen	Million yen	%	Yen
Fiscal year ended March 31, 2003	68,305	24,064	35.2	299.69
Fiscal year ended March 31, 2002	73,422	23,788	32.4	296.09

(Note) Shares outstanding at fiscal year-end (consolidated):

Fiscal year ended March 31, 2003 80,242,722 shares Fiscal year ended March 31, 2002 80,341,778 shares

(3) Consolidated Cash Flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at fiscal year-end
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2003	4,014	896	(3,959)	4,419
Fiscal year ended March 31, 2002	(1,324)	(410)	1,155	3,484

(4) Scope of consolidation and application of equity method

Consolidated subsidiaries: 3 companies
 Non-consolidated subsidiaries accounted for by the equity method: None
 Affiliates accounted for by the equity method: None

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

Newly consolidated companies: None (excluded): None
 Equity method (new): None (excluded): None

2. Forecast of consolidated operating results for the fiscal year ending March 31, 2004 (From April 1, 2003 to March 31, 2004)

	Net sales	Ordinary income	Net income
	Million yen	Million yen	Million yen
Interim	27,000	700	350
Fiscal year	56,000	2,200	1,100

Reference: Estimated consolidated net income per share for the fiscal year: 13.71 yen

Notice regarding the application of consolidated forecast:

The information stated above is based on various assumptions. This summary does not constitute an assurance or guarantee that the company will achieve its numerical targets or necessarily implement the strategies outlined.

Consolidated Financial Statements**(1) Consolidated Balance Sheets**

(¥ Million)

	FY2002 (As of Mar.31, 2003)	Percent of total	FY2001 (As of Mar.31, 2002)	Percent of total	Increase (Decrease)
<Assets>		%		%	
I Current assets					
Cash and time deposits	4,705		3,467		1,238
Trade notes and accounts receivable	22,894		25,485		(2,591)
Marketable securities	29		39		(10)
Inventories	5,702		6,172		(470)
Deferred income taxes	591		363		228
Other current assets	1,957		1,472		485
Allowance for doubtful receivables	(159)		(87)		(72)
Total	35,721	52.3	36,912	50.3	(1,191)
II Fixed assets	32,584	47.7	36,417	49.6	(3,833)
(1) Property, plant and equipment					
Buildings and structures	9,427		9,925		(498)
Machinery and equipment	3,235		3,732		(497)
Tools, furniture and fixtures	1,111		1,166		(55)
Land	8,465		8,564		(99)
Construction in progress	142		164		(22)
Total	22,382		23,552		(1,170)
(2) Intangible assets					
Goodwill	-		266		(266)
Other intangible assets	803		353		450
Total	803		620		183
(3) Investments and other assets					
Investments in securities	3,684		6,613		(2,929)
Investment in capital	38		38		-
Long-term loans receivable	609		27		582
Deferred income taxes	3,759		4,190		(431)
Other investments	1,514		1,660		(146)
Allowance for doubtful receivables	(208)		(286)		78
Total	9,398		12,244		(2,846)
III Deferred charge					
Test and research expenses	-		92		(92)
Total	-	-	92	0.1	(92)
Total assets	68,305	100	73,422	100	(5,117)

(¥ Million)

	FY2002 (As of Mar.31, 2003)	Percent of total	FY2001 (As of Mar.31, 2002)	Percent of total	Increase (Decrease)
<Liabilities>		%		%	
Current liabilities					
Trade notes and accounts payable	10,234		11,390		(1,156)
Short-term bank loans	4,572		10,580		(6,008)
Income taxes payable	264		301		(37)
Accrued employees' bonuses	838		773		65
Allowance for compensation related to installation	6		7		(1)
Equipment notes payable	38		137		(99)
Other current liabilities	2,332		2,470		(138)
Total	18,285	26.8	25,659	35.0	(7,374)
Long-term liabilities					
Long-term loans	17,208		15,174		2,034
Retirement allowance	6,056		6,159		(103)
Reserve for directors' retirement accounts	433		435		(2)
Other long-term liabilities	205		212		(7)
Total	23,903	35.0	21,981	29.9	1,922
Total liabilities	42,188	61.8	47,641	64.9	(5,453)
<Minority interests>					
Minority interests	2,051	3.0	1,993	2.7	58
<Shareholders' equity>					
Capital stock	-	-	8,602	11.7	(8,602)
Capital reserve	-	-	6,318	8.6	(6,318)
Retained earnings	-	-	8,582	11.7	(8,582)
Net unrealized gains on securities	-	-	263	0.4	(263)
Translation adjustments	-	-	22	0.0	(22)
Treasury stock, at cost	-	-	(1)	(0.0)	1
Capital stock	8,602	12.6	-	-	8,602
Capital surplus	6,318	9.2	-	-	6,318
Earned surplus	8,890	13.0	-	-	8,890
Net unrealized gains on securities	286	0.4	-	-	286
Translation adjustments	(20)	(0.0)	-	-	(20)
Treasury stock, at cost	(12)	(0.0)	-	-	(12)
Total shareholders' equity	24,064	35.2	23,788	32.4	276
Total liabilities, minority interests and shareholders' equity	68,305	100	73,422	100	(5,117)

(2) Consolidated Statements of Income

(¥ Million)

	FY2002 (Apr.2002-Mar.2003)	% of sales	FY2001 (Apr.2001-Mar.2002)	% of sales	Increase (Decrease)
Net sales	55,303	100	58,230	100	(2,927)
Cost of sales	44,245	80.0	47,778	82.0	(3,533)
Gross profit	11,057	20.0	10,452	18.0	605
Selling, general and administrative expenses	8,873	16.1	9,232	15.9	(359)
Selling expense	4,989		5,121		(132)
General and administrative expenses	3,883		4,110		(227)
Operating income	2,183	3.9	1,220	2.1	963
Non-operating income					
Interest income	20		8		12
Dividend income	45		57		(12)
Rents income	366		264		102
Patent rights income	41		69		(28)
Foreign exchange income	-		214		(214)
Other non-operating income	164		254		(90)
Total	638	1.2	869	1.5	(231)
Non-operating expenses					
Interest expenses	448		500		(52)
Foreign exchange loss	184		-		184
Other non-operating expenses	394		348		46
Total	1,027	1.9	849	1.5	178
Ordinary income	1,793	3.2	1,239	2.1	554
Extraordinary gains					
Gain on sales of fixed assets	726		-		726
Gain on sale of investment securities	136		-		136
Total	862	1.6	-	-	862
Extraordinary losses					
Write-down of investment securities	846		4,302		(3,456)
Warrantary claims paid	393		-		393
Impairment of goodwill	242		-		242
Write-down of golf membership rights	71		19		52
Loss on sales of investment securities	-		1,427		(1,427)
Special retirement allowance for employees	-		557		(557)
Loss on disposal of fixed assets	-		223		(223)
Losses relating to the recall of products sold	-		155		(155)
Loss on doubtful accounts	-		120		(120)
Expenses related to relocation of Head Office	-		87		(87)
Total	1,554	2.8	6,894	11.8	(5,340)
Net income before income taxes	1,102	2.0	(5,654)	(9.7)	6,756
Corporate, resident and business taxes	479	0.9	447	0.8	32
Adjustment for corporate and other taxes	188	0.3	(2,335)	(0.4)	2,523
Minority interest income	111	0.2	98	0.1	13
Net income (loss)	322	0.6	(3,864)	(6.6)	4,186

(3) Consolidated Statements of Appropriations

(¥ Million)

	FY2002 (Apr.2002-Mar.2003)	FY2001 (Apr.2001-Mar.2002)	Increase (Decrease)
I Balance of retained earnings at beginning of period	-	12,411	(12,411)
II Increase in retained earnings	-	52	(52)
Increase from decrease in number of consolidated subsidiaries	-	52	(52)
III Decrease in retained earnings	-	16	(16)
Bonuses to directors	-	16	(16)
IV Net income	-	(3,864)	3,864
V Balance of retained earnings at beginning of period	-	8,582	(8,582)
(Capital surplus)			
I Balance of capital surplus at beginning of period	6,318	-	6,318
Balance of capital reserve at beginning of period	6,318	-	6,318
II Balance of capital surplus at end of period	6,318	-	6,318
(Earned surplus)			
I Balance of earned surplus at beginning of period	8,582	-	8,582
Balance of retained earnings at beginning of period	8,582	-	8,582
II Increase in earned surplus	322	-	322
Net income	322	-	322
III Decrease in earned surplus	15	-	15
Bonuses to directors	15	-	15
IV Balance of earned surplus at end of period	8,890	-	8,890

(4) Consolidated Statements of Cash Flows

(¥ Million)

	FY2002 (Apr.2002-Mar.2003)	FY2001 (Apr.2001-Mar.2002)	Increase (Decrease)
I Cash follows from operating activities			
Net income before income taxes and adjustments	1,102	(5,654)	6,756
Depreciation and amortization	1,812	2,062	(250)
Increase (decrease) in allowance for doubtful receivables	(63)	63	(126)
Provision for accrued severances indemnities	(102)	(1,933)	1,831
Interest and dividend income	(66)	(65)	(1)
Interest expense	448	500	(52)
Foreign exchange gain (loss)	(7)	(115)	108
Loss on disposal of fixed assets	-	223	(223)
Loss (gain) on sales of fixed assets	(726)	-	(726)
Loss (gain) on sales of investment marketable securities	(136)	1,427	(1,563)
Losses from valuation of investment securities	846	4,302	(3,456)
Impairment of goodwill	242	-	242
Write-down of golf membership rights	71	19	52
Decrease (increase) in notes and accounts receivable	2,565	272	2,293
Decrease (increase) in inventories	438	768	(330)
Decrease (increase) in other current assets	(712)	161	(873)
Increase (decrease) in notes and accounts payable	(1,149)	(1,989)	840
Increase (decrease) in consumption taxes payable	(83)	60	(143)
Increase (decrease) in other current liabilities	121	(752)	873
Decrease (increase) in other assets	302	311	(9)
Increase (decrease) in other liabilities	(9)	(128)	119
Bonuses to director	(20)	(22)	2
Subtotal	4,873	(487)	5,360
Interest and dividend received	73	56	17
Interest paid	(412)	(499)	87
Income taxes paid	(520)	(393)	(127)
Net cash and cash equivalents provided by operating activities	4,014	(1,324)	5,338
II Cash flows from investing activities			
Decrease in time deposits	(315)	(11)	(304)
Increase in time deposits	-	4	(4)
Decrease from sale of short-term investment	10	4	6
Purchases of property, plant and equipment	(1,105)	(1,644)	539
Proceeds from sale of property, plant and equipment	1,011	2	1,009
Purchase of intangible fixed assets	(521)	(177)	(344)
Purchases of investments in securities	(312)	(166)	(146)
Proceeds from sale of investments securities	2,569	312	2,257
Payment of short-term loans	(611)	(95)	(516)
Proceeds from repayment of short-term loans	1	0	1
Expenses related to purchase of subsidiary stock due to change in scope of consolidation	-	976	(976)
Proceeds from (expense for) other investing activities	169	383	(214)
Net cash and cash equivalents used in investing activities	896	(410)	1,306
III Cash flows from financing activities			
Decrease in short-term bank loans	(5,907)	2,628	(8,535)
Proceeds from long-term loans	5,530	8,100	(2,570)
Repayment of long-term loans	(3,522)	(9,522)	6,000
Payments of purchases of treasury stock	(11)	(2)	(9)
Proceeds from sales of treasury stock	-	1	(1)
Amount of dividend paid by parent company	(0)	(0)	0
Cash dividends paid of subsidiaries for minority	(48)	(48)	0
Net cash and cash equivalents provided by financing activities	(3,959)	1,155	(5,114)
IV Effect of exchange rate changes on cash and cash equivalents	(16)	11	(27)
V Increase or decrease in cash and cash equivalents	935	(568)	1,503
VI Cash and cash equivalents at beginning of year	3,484	4,052	(568)
VII Cash and cash equivalents at end of year	4,419	3,484	935

Non-consolidated Financial Statements**(1) Non-consolidated Balance Sheets**

(¥ Million)

	FY2002 (As of Mar.31, 2003)	Percent of total	FY2001 (As of Mar.31, 2002)	Percent of total	Increase (Decrease)
<Assets>		%		%	
Current assets					
Cash and time deposits	2,624		1,574		1,050
Trade notes receivable	4,332		4,821		(489)
Accounts receivable	16,347		18,490		(2,143)
Products	777		914		(137)
Semi-finished products	315		824		(509)
Raw materials	724		87		637
Work in progress	2,417		2,676		(259)
Supplies	23		33		(10)
Advance payment	102		378		(276)
Prepaid expenses	185		173		12
Deferred income taxes	426		226		200
Other receivables	443		755		(312)
Negotiable operating receivables	997		-		997
Other current assets	192		192		0
Allowance for doubtful receivables	(37)		(2)		(35)
Total	29,871	50.2	31,145	48.5	(1,274)
Fixed assets	29,659	49.8	32,970	51.4	(3,311)
(1) Property, plant and equipment					
Buildings	8,049		8,488		(439)
Structures	411		469		(58)
Machinery and equipment	3,127		3,594		(467)
Vehicle and transportation equipment	17		24		(7)
Tools, furniture and fixtures	1,047		1,089		(42)
Land	6,302		6,399		(97)
Construction in progress	142		164		(22)
Total	19,097		20,230		(1,133)
(2) Intangible assets					
Patents	101		39		62
Software	622		235		387
Other intangible assets	26		16		10
Total	749		291		458
(3) Investments and other assets					
Investments in securities	2,466		5,036		(2,570)
Investments in stock of affiliated company	2,200		2,652		(452)
Capital contribution for affiliated companies	38		38		-
Long-term loans to employees	-		0		(0)
Long-term loans to subsidiaries and affiliates	1,045		145		900
Long-term prepaid expenses	38		47		(9)
Deferred income taxes	3,363		3,805		(442)
Other investments and other assets	689		722		(33)
Allowance for doubtful receivables	(30)		(0)		(30)
Total	9,812		12,447		(2,635)
Deferred charges					
Test and research expenses	-		92		(92)
Total	-	-	92	0.1	(92)
Total assets	59,530	100	64,208	100	(4,678)

(¥ Million)

	FY2002 (As of Mar.31, 2003)	Percent of total	FY2001 (As of Mar.31, 2002)	Percent of total	Increase (Decrease)
<Liabilities>		%		%	
Current liabilities					
Trade notes payable	1,715		2,710		(995)
Accounts payable	7,510		7,575		(65)
Short-term bank loans	1,200		6,750		(5,550)
Current portion of long-term loans	2,720		2,740		(20)
Accounts payable-other	758		972		(214)
Accrued expenses	516		662		(146)
Income taxes payable	20		20		(0)
Advance received	530		239		291
Deposits received	63		121		(58)
Advance income	11		3		8
Accrued employees' bonuses	553		493		60
Equipment notes payable	38		137		(99)
Other current liabilities	0		0		(0)
Total	15,637	26.3	22,427	34.9	(6,790)
Long-term liabilities					
Long-term loans	16,875		14,760		2,115
Retirement allowance	5,620		5,774		(154)
Reserve for directors' retirement accounts	291		316		(25)
Other long-term liabilities	142		142		-
Total	22,929	38.5	20,993	32.7	1,936
Total liabilities	38,567	64.8	43,420	67.6	(4,853)
<Shareholders' equity>					
Capital stock	-	-	8,602	13.4	(8,602)
Capital reserve	-	-	6,318	9.9	(6,318)
Profit reserve	-	-	1,107	1.7	(1,107)
Other surplus	-	-	4,488	7.0	(4,488)
Voluntary reserve	-	-	6,826		(6,826)
Reserve for compression of fixed assets	-	-	2,771		(2,771)
Contingent reserve	-	-	4,055		(4,055)
Unappropriated retained earnings	-	-	(2,338)		2,388
Net unrealized gains on securities	-	-	271	0.4	(271)
Treasury stock, at cost	-	-	(1)	(0.0)	1
Capital stock	8,602	14.4	-	-	8,602
Capital surplus	6,318	10.6	-	-	6,318
Capital reserve	6,318		-	-	6,318
Earned surplus	5,764	9.7	-	-	5,764
Profit reserve	1,107		-	-	1,107
Voluntary reserve	6,742		-	-	6,742
Reserve for compression of fixed assets	2,687		-	-	2,687
Contingent reserve	4,055		-	-	4,055
Unappropriated retained earnings	(2,086)		-	-	(2,086)
Net unrealized gains on securities	290	0.5	-	-	290
Treasury stock, at cost	(12)	(0.0)	-	-	(12)
Total shareholders' equity	20,963	35.2	20,787	32.4	176
Total liabilities and shareholders' equity	59,530	100	64,208	100	(4,678)

(2) Non-consolidated Statements of Income

(¥ Million)

	FY2002 (Apr.2002-Mar.2003)	% to sales	FY2001 (Apr.2001-Mar.2002)	% to sales	Increase (Decrease)
Net sales	44,375	100%	45,982	100%	(1,607)
Cost of sales	38,034	85.7	40,462	88.0	(2,428)
Gross profit	6,341	14.3	5,520	12.0	821
Selling, general and administrative expenses	5,063	11.4	5,233	11.4	(170)
Selling expenses	2,191		2,259		(68)
General and administrative expenses	2,871		2,973		(102)
Operating income	1,278	2.9	287	0.6	991
Non-operating income					
Interest income	23		2		21
Dividends income	185		156		29
Rent income	386		284		102
Patent rights income	41		69		(28)
Foreign exchange income	-		45		(45)
Other non-operating income	150		226		(76)
Total	785	1.7	785	1.7	0
Non-operating expenses					
Interest expenses	425		408		17
Foreign exchange loss	180		-		180
Other non-operating expenses	382		317		(65)
Total	988	2.2	726	1.5	262
Ordinary income	1,075	2.4	347	0.8	728
Extraordinary income					
Gain on sales of fixed assets	479		246		233
Gain on sales of investment securities	136		-		136
Reversal of reserve for loss on guarantee debts	-		424		(424)
Total	615	1.4	670	1.4	(55)
Extraordinary losses					
Write-down of investment securities	829		3,797		(2,968)
Warrantary claims paid	393		-		393
Write-down of golf membership rights	51		-		51
Special retirement allowance for employees	-		557		(557)
Write-down of subsidiary's stock	-		344		(344)
Loss on disposal of fixed assets	-		222		(222)
Losses relating to the recall of products sold	-		155		(155)
Loss on doubtful accounts	-		120		(120)
Expenses related to relocation of Head Office	-		87		(87)
Total	1,275	2.9	5,284	11.5	(4,009)
Net income before income taxes	415	0.9	(4,266)	(9.3)	4,681
Corporate, resident and business taxes	20	0.0	20	0.0	-
Adjustment for corporate and other taxes	228	0.5	(1,797)	(3.9)	2,025
Net income	167	0.4	(2,489)	(5.4)	2,656
Retained earnings brought forward	(2,254)		151		(2,405)
Unappropriated retained earnings	(2,086)		(2,338)		252

(3) Statements of Appropriation of Earnings (losses)

(¥ Million)

	FY2002 (As of Mar.31, 2003)	FY2001 (As of Mar.31, 2002)
I Appropriation of loss at end of period	2,086	2,338
II Reversal of voluntary reserves	3,083	84
Reversal of reserve for compression of fixed assets	83	84
Reversal of contingency reserve	3,000	-
Total	997	(2,254)
III Appropriated as follows:	240	-
Dividends	240	-
IV Unappropriated retained earnings brought forward to next year	756	-
Unappropriated retained losses brought forward to next year	-	2,254