

Summary of Consolidated Financial Statements for the Interim of FY2003 (ended March 31, 2004)

Nov 11, 2003

Name of Listed Company: Nabtesco Corporation
 Code Number: 6268
 (URL <http://www.nabtesco.com/>)
 Representative Name: Makoto Okitsu
 Title: Representative Director and President
 Inquiries: Name: Hiroshi Sawa
 Title: Director and General Manager,
 General Administration Dept.
 Date of Board of Directors Meeting for Account Settlement: Nov 11, 2003
 Has the Company adopted U.S. Accounting Standards: No

Stock listed on: the First Section of the Tokyo Stock Exchange
 Location (prefecture) of Head Office: Tokyo, Japan
 Tel. (03) 3578-7070

1. Consolidated Operating Results for the Interim of Fiscal Year ended March 31, 2004 (From April 1, 2003 to September 30, 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	%
Interim of Fiscal Year 2003	60,497	-	3,687	-	3,867	-
Interim of Fiscal Year 2002	-	-	-	-	-	-
Fiscal Year ended March 31, 2003	-	-	-	-	-	-

	Interim (net) income		Interim (net) income per share	Diluted interim (net) income per share
	Million yen	%	Yen	Yen
Interim of Fiscal Year 2003	1,715	-	13.50	-
Interim of Fiscal Year 2002	-	-	-	-
Fiscal Year ended March 31, 2003	-	-	-	-

- (Notes) a) Investment profit/loss on equity method:
 Interim of FY2003 436 million yen Interim of FY2002 - million yen FY2002 - million yen
 b) Average number of outstanding shares during the fiscal year (consolidated)
 Interim of FY2003 127,060,654 shares Interim of FY2002 - shares FY2002 - shares
 c) Change in accounting methods: None
 d) Percentages shown for net sales, operating income, ordinary income and interim (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
Interim of Fiscal Year 2003	129,760	44,770	34.5	352.36
Interim of Fiscal Year 2002	-	-	-	-
Fiscal Year ended March 31, 2003	-	-	-	-

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

Interim of FY2003 127,060,654 shares Interim of FY2002 - shares FY2002 - 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
Interim of Fiscal Year 2003	9,002	(1,823)	(2,643)	12,525
Interim of Fiscal Year 2002	-	-	-	-
Fiscal Year ended March 31, 2003	-	-	-	-

(4) Scope of consolidation and application of equity method

Consolidated subsidiaries: 25 companies
 Non-consolidated subsidiaries accounted for by the equity method: None
 Affiliates accounted for by the equity method: 2 companies

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
Fiscal year	122,000	7,200	3,800

Reference: Estimated consolidated net income per share for the fiscal year: 29.11 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.

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

(Million yen: amounts less than one million yen are omitted)

	End of Current Interim Term (As of Sept.30, 2003)		End of Current Interim Term (As of Sept.30, 2003)
<Assets>		<Liabilities>	
Current assets		Current liabilities	
Cash and time deposits	8,621	Trade notes and accounts payable	23,916
Notes and accounts receivable	37,767	Short-term bank loans	13,499
Inventories	14,167	Income taxes payable	1,177
Deferred income taxes	1,864	Accrued employees' bonuses	900
Deposits from subsidiaries and affiliates	4,198	Other current liabilities	7,421
Other current assets	2,722	Total	46,915
Allowance for doubtful receivables	(239)		
Total	69,101	Long-term liabilities	
Fixed assets	60,659	Bonds	5,000
(1) Property, plant and equipment		Long-term loans	15,826
Buildings and structures	17,104	Retirement allowance	12,581
Machinery and equipment	9,160	Reserve for directors' retirement accounts	595
Land	14,990	Other long-term liabilities	843
Other property, plant and equipment	2,725	Total	34,847
Total	43,980	Total liabilities	81,763
(2) Intangible assets	1,892	<Minority interests>	
		Minority interests	3,226
		Total	3,226
(3) Investments and other assets		<Shareholders' equity>	
Investments in securities	7,742	Capital stock	10,000
Deferred income taxes	3,891	Capital surplus	17,658
Other investments and other assets	3,423	Earned surplus	16,167
Allowance for doubtful receivables	(271)	Net unrealized gains on securities	1,646
Total	14,785	Translation adjustments	(654)
		Total	44,818
		Treasury stock, at cost	(47)
		Total shareholders' equity	44,770
Total assets	129,760	Total liabilities and shareholders' equity	129,760

(2) Interim No-consolidated Statements of Income

(Million yen: amounts less than one million yen are omitted)

	Six-month ended Sept.30, 2003
Net sales	60,497
Cost of sales	46,927
Gross profit	13,569
Selling, general and administrative expenses	9,882
Operating income	3,687
Non-operating income	
Interest income	22
Dividends income	15
Equity in earnings of an affiliate	436
Leasehold income	205
Other non-operating income	187
Total	868
Non-operating expenses	
Interest expenses	329
Foreign exchange loss	126
Loss on disposal of inventories	39
Other non-operating expenses	192
Total	688
Ordinary income	3,867
Extraordinary gains	
Gain on sales of fixed assets	5
Gain on sales of investment securities	117
Reversal of allowance for doubtful accounts	21
Total	144
Extraordinary losses	
Loss on disposal of fixed assets	111
Write-down of golf membership rights	8
Special contribution to a pension fund	1,183
Other extraordinary losses	3
Total	1,306
Net income before income taxes	2,705
Corporate, resident and business taxes	1,320
Adjustment for corporate and other taxes	(463)
Minority interest income	133
Net income	1,715

(3) Interim Consolidated Statements of Appropriations

(Million yen: amounts less than one million yen are omitted)

	Six-month ended Sept.30, 2003
(Capital surplus)	
I Balance at beginning of period	17,904
II Increase in capital surplus	
Issue of new stock through wholly-owned subsidiary capital increase prior to transfer of equity	72
Total	72
III Decrease in capital surplus	
Grant of transfer of stock	317
Total	317
IV Balance at end of period	17,658
(Earned surplus)	
I Balance at beginning of period	14,937
II Increase in earned surplus	
Net income	1,715
Total	1,715
III Decrease in earned surplus	
Cash dividend paid	437
Bonuses to directors	48
Total	485
Balance at end of period	16,167

(4) Interim Consolidated Statements of Cash Flows

(Million yen: amounts less than one million yen are omitted)

	Six-month ended Sept.30, 2003
I Cash follows from operating activities	
Net income before income taxes and adjustments	2,705
Depreciation and amortization	2,131
Amortization of cost in excess of net book values of consolidated subsidiaries	28
Decrease in allowance for doubtful receivables	(81)
Increase in retirement benefits of employees	1,349
Decrease in directors' retirement allowance	(253)
Interest and dividend income	(38)
Interest expense	329
Foreign exchange gain (loss)	(3)
Equity in earnings of an affiliate	(436)
Gain on sales of fixed assets	(5)
Loss on disposal of fixed assets	111
Gain on sales of investment securities	(117)
Write-down of golf membership rights	8
Decrease in notes and accounts receivable	4,001
Decrease in inventories	116
Decrease in other assets	1,156
Decrease in notes and accounts payable	(608)
Decrease in consumption taxes payable	(51)
Decrease in other liabilities	(247)
Bonuses to director	(54)
Subtotal	10,041
Interest and dividends received	84
Interest paid	(344)
Income taxes paid	(778)
Net cash and cash equivalents provided by operating activities	9,002
II Cash flows from investing activities	
Decrease in time deposit	(12)
Increase in time deposit	4
Purchases of property, plant and equipment	(1,982)
Proceeds from sale of property, plant and equipment	49
Purchase of investment in securities	(572)
Proceeds from sale of investments securities	449
Payment of short-term loans	(4)
Proceeds from repayment of short-term loans	6
Expenses from other investing activities	(234)
Income from other investing activities	473
Net cash and cash equivalents used in investing activities	(1,823)
III Cash flows from financing activities	
Decrease in short-term bank loans	(850)
Proceeds from long-term loans	194
Repayment of long-term loans	(1,629)
Proceeds from affiliates' stock issuance	144
Payments for purchases of treasury stock	(29)
Cash dividends paid	(434)
Cash dividends paid subsidiaries for minority	(39)
Net cash and cash equivalents provided by financing activities	(2,643)
IV Effect of exchange rate changes on cash and cash equivalents	59
V Increase in cash and cash equivalents	4,595
VI Cash and cash equivalents at beginning of year	7,929
VII Cash and cash equivalents at end of year	12,525

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

(Million yen: amounts less than one million yen are omitted)

	End of Current Interim Term (As of Sept.30, 2003)		End of Current Interim Term (As of Sept.30, 2003)
<Assets>		<Liabilities>	
Current assets		Current liabilities	
Operating receivables	8	Accounts payable -other	413
Other current assets	0	Other current liabilities	0
Total	9	Total	414
		Total liabilities	414
Fixed assets	40,008	<Shareholders' equity>	
(1) Investments and other assets		Capital stock	10,000
Investments in stock of affiliated company	40,008	Capital surplus	29,690
Total	40,008	Earned surplus	(87)
		Appropriation of loss at end of interim period	87
		Net loss	87
		Total	39,603
		Total liabilities	39,603
Total assets	40,017	Total liabilities and shareholders' equity	40,017

(2) Interim Non-consolidated Statements of Income

(Million yen: amounts less than one million yen are omitted)

	End of Current Interim Term (As of Sept.30, 2003)
Operating revenues	8
Selling, general and administrative expenses	94
Operating loss	86
Ordinary loss	86
Net loss before income taxes	86
Corporate, resident and business taxes	0
Net loss	87
Appropriation of loss at end of interim period	87