

Summary of Non-Consolidated Financial Statements for the Year ended March 31, 2006 (full year)

May 10, 2006

Name of Listed Company: Nabtesco Corporation Stock listed on: the First Section of the Tokyo Stock Exchange  
 Code Number: 6268 Location (prefecture) of Head Office: Tokyo, Japan  
 (URL <http://www.nabtesco.com>)  
 Representative Name: Kazuyuki Matsumoto Title: President & CEO  
 Inquiries: Name: Hiroshi Sawa Tel. (03) 3578-7070  
 Title: Director and General Manager, General Administration Dept.  
 Date of Board of Directors Meeting for Account Settlement: May 10, 2006 Has the Company adopted a unit stock system?  
 Date of Regular General Meeting of the Shareholders June 27, 2006 Yes (1 unit = 1,000 shares)

1. Non-Consolidated Operating Results for FY2005 (From April 1, 2005 to March 31, 2006)

(1) Operating Results

Note: Amounts less than one million yen have been rounded down.

	Net sales (Operating revenue)		Operating income		Ordinary income	
	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2006	108,285	105.1	11,371	141.1	11,709	148.9
Fiscal year ended March 31, 2005	52,787	(-)	4,715	294.3	4,704	293.2

	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, 2006	7,425	297.6	58.11	58.01	15.0	9.9	10.8
Fiscal year ended March 31, 2005	1,867	52.8	14.37	14.37	4.4	6.2	8.9

(Notes) a) Average number of shares outstanding during the fiscal year  
 Fiscal year ended March 31, 2006 126,875,204 shares Fiscal year ended March 31, 2005 127,015,529 shares

b) Change in accounting methods: None

c) Percentage shown for net sales, operating income, ordinary income and net income represents the increase or decrease compared with the previous year.

d) Figures described in net sales (operating revenue) for FY2004 (ended March 31) is the result of adding the a) performance achieved at the interim when the company was a pure holding company and b) the performance achieved after October 1, 2004, when the company was changed to an operating company.

(2) Dividends

	Annual dividend per share			Total dividend (Annual)	Dividend payout ratio	Ratio of dividends to shareholders' equity
	Interim	Fiscal Year-end	Fiscal Year-end			
	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2006	12.00	5.00	7.00	1,521	20.7	2.8
Fiscal year ended March 31, 2005	7.00	3.50	3.50	888	48.7	2.0

(3) Financial Position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Million yen	Million yen	%	Yen
Fiscal year ended March 31, 2006	124,488	54,782	44.0	431.63
Fiscal year ended March 31, 2005	111,903	44,546	39.8	350.55

(Notes) a) Shares outstanding at fiscal year-end  
 Fiscal year ended March 31, 2006 127,212,607 shares Fiscal year ended March 31, 2005 127,212,607 shares

b) Reacquired shares at fiscal year-end  
 Fiscal year ended March 31, 2006 412,824 shares Fiscal year ended March 31, 2005 261,983 shares

2. Forecast of Non-consolidated operating results for FY2006 (From April 1, 2006 to March 31, 2007)

	Net sales	Ordinary income	Net income	Annual dividend per share		
				Interim	Fiscal year-end	Fiscal year-end
	Million yen	Million yen	Million yen	Yen	Yen	Yen
Interim	55,000	5,400	3,300	7.00	-	-
Fiscal year	112,000	11,200	6,900	-	7.00	14.00

Reference: Estimated non-consolidated net income per share for the fiscal year: 54.42 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.

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

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

	FY2005 (As of Mar.31, 2006)	FY2004 (As of Mar.31, 2005)	Increase (Decrease)
<b>&lt;Assets&gt;</b>			
<b>Current assets</b>			
Cash and time deposits	15,664	11,671	3,992
Notes receivable	4,573	6,878	(2,305)
Accounts receivable	29,478	26,830	2,648
Products	1,474	1,311	163
Raw materials	4,531	4,119	411
Work in progress	5,210	3,545	1,665
Supplies	176	158	17
Advance payment	88	69	19
Prepaid expenses	26	122	(96)
Deferred income taxes	3,247	2,660	587
Short-term loans receivable	2,357	2,959	(602)
Other receivables	412	860	(447)
Other current assets	90	102	(12)
Allowance for doubtful receivables	(1,907)	(1,984)	77
<b>Total</b>	<b>65,423</b>	<b>59,305</b>	<b>6,118</b>
<b>Fixed assets</b>	<b>59,064</b>	<b>52,598</b>	<b>6,465</b>
<b>(1) Property, plant and equipment</b>			
Buildings	11,572	11,880	(307)
Structures	541	537	4
Machinery and equipment	7,131	7,387	(256)
Vehicle and transportation equipment	32	29	3
Tools, furniture and fixtures	1,948	1,879	69
Land	11,078	11,078	-
Construction in progress	1,241	573	668
<b>Total</b>	<b>33,547</b>	<b>33,366</b>	<b>181</b>
<b>(2) Intangible assets</b>			
Patents	55	71	(16)
Software	890	1,092	(201)
Other intangible assets	44	45	(1)
<b>Total</b>	<b>990</b>	<b>1,208</b>	<b>(218)</b>
<b>(3) Investments and other assets</b>			
Investments in securities	16,433	9,138	7,295
Investments in stock of affiliated company	5,117	5,317	(200)
Capital contribution for affiliated companies	1,382	945	436
Long-term loans receivable	389	389	(0)
Long-term prepaid expenses	316	453	(137)
Deferred income taxes	-	852	(852)
Other investments and other assets	989	1,092	(40)
Allowance for doubtful receivables	(102)	(103)	0
<b>Total</b>	<b>24,526</b>	<b>18,023</b>	<b>6,502</b>
<b>Total assets</b>	<b>124,488</b>	<b>111,903</b>	<b>12,584</b>

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

	FY2005 (As of Mar.31, 2006)	FY2004 (As of Mar.31, 2005)	Increase (Decrease)
<b>&lt;Liabilities&gt;</b>			
<b>Current liabilities</b>			
Notes payable	523	1,077	(554)
Accounts payable	21,625	20,816	809
Short-term loans payable	7,080	7,080	-
Current portion of long-term loans	6,820	5,495	1,325
Accounts payable -other	2,865	3,480	(614)
Income taxes payable	5,041	766	4,274
Accrued expenses	3,315	3,111	203
Advance received	193	253	(59)
Deposits received	4,124	2,218	1,906
Equipment notes payable	12	29	(16)
Reserve for losses on land improvements	1,158	1,160	(1)
Other current liabilities	17	20	(2)
<b>Total</b>	<b>52,778</b>	<b>45,507</b>	<b>7,270</b>
<b>Long-term liabilities</b>			
Long-term loans	3,410	10,230	(6,820)
Deferred tax liabilities	1,607	-	1,607
Retirement allowance	11,237	10,936	300
Reserve for directors' retirement accounts	102	73	29
Long-term accounts payable -other	227	268	(41)
Other long-term deposits payable	341	341	-
<b>Total</b>	<b>16,927</b>	<b>21,850</b>	<b>(4,922)</b>
<b>Total liabilities</b>	<b>69,705</b>	<b>67,357</b>	<b>2,347</b>
<b>&lt;Shareholders' equity&gt;</b>			
Capital stock	10,000	10,000	-
Capital surplus	29,691	29,690	1
Capital reserve	24,690	24,690	-
Other capital surplus	5,000	4,999	1
Gain on reduction of capital reserve	4,999	4,999	-
Gain on disposal of treasury stock	1	-	1
Earned surplus	10,728	4,425	6,303
Retained earnings	1,076	1,076	-
Voluntary reserve	19	-	19
Unappropriated retained earnings	9,633	3,348	6,284
Net unrealized gains on securities	4,678	588	4,090
Treasury stock, at cost	(316)	(158)	(157)
<b>Total shareholders' equity</b>	<b>54,782</b>	<b>44,546</b>	<b>10,236</b>
<b>Total liabilities and shareholders' equity</b>	<b>124,488</b>	<b>111,903</b>	<b>12,584</b>

**(2) Non-consolidated statements of income**

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

	FY2005 (Apr.2005-Mar.2006)	FY2004 (Apr.2004-Mar.2005)	Increase (Decrease)
<b>Operating revenues</b>	<b>108,285</b>	<b>52,787</b>	<b>55,497</b>
<b>Net sales</b>	<b>108,285</b>	<b>51,435</b>	<b>56,849</b>
Dividend income	-	597	(597)
Management fee income	-	754	(754)
Operating expenses	96,914	48,072	48,842
Cost of sales	85,239	41,289	43,949
Selling, general and administrative expenses	11,675	6,782	4,892
<b>Operating income</b>	<b>11,371</b>	<b>4,715</b>	<b>6,655</b>
Non-operating income			
Interest and dividend income	519	116	402
Rents income	303	168	135
Other non-operating income	50	22	27
<b>Total</b>	<b>872</b>	<b>307</b>	<b>565</b>
Non-operating expenses			
Interest expenses	257	163	94
Loss on disposal of inventories	122	41	81
Other non-operating expenses	154	114	39
<b>Total</b>	<b>534</b>	<b>319</b>	<b>215</b>
<b>Ordinary income</b>	<b>11,709</b>	<b>4,704</b>	<b>7,005</b>
Extraordinary gains			
Gain on sales of investment securities	-	0	(0)
Gain on sales of securities of an affiliate	550	-	550
Gain on sales of fixed assets	53	46	7
Gain on sales of golf membership	-	0	(0)
Reversal of allowance of doubtful accounts	4	18	(13)
Compensation for loss on withdrawal from business	-	420	(420)
<b>Total</b>	<b>608</b>	<b>485</b>	<b>122</b>
Extraordinary losses			
Loss on sales of investment securities	0	-	0
Loss on disposal of fixed assets	118	1,156	(1,037)
Loss on sales of golf membership rights	-	8	(8)
Write-down of golf membership rights	2	10	(7)
Write-down of membership rights	-	6	(6)
Loss on allowance for doubtful accounts of subsidiary companies	9	85	(76)
Soil survey costs	-	27	(27)
Reserve for losses on land improvements	-	1,160	(1,160)
Loss on countermeasure for environmental preservation	134	-	134
<b>Total</b>	<b>265</b>	<b>2,452</b>	<b>(2,187)</b>
<b>Net income before income taxes</b>	<b>12,053</b>	<b>2,737</b>	<b>9,315</b>
Corporate, resident and business taxes	5,561	631	4,930
Adjustment for corporate and other taxes	(933)	238	(1,171)
<b>Net income</b>	<b>7,425</b>	<b>1,867</b>	<b>5,557</b>
Retained earnings brought forward	2,842	744	2,097
Unappropriated gain on merger and succession to business	-	1,180	(1,180)
Interim cash dividend paid	634	444	189
Unappropriated retained earnings	9,633	3,348	6,284

**(3) Statements of Appropriation of Earnings**

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

	FY2005 (Apr. 2005-Mar.2006)	FY2004 (Apr. 2004-Mar.2005)
<b>Unappropriated retained earnings</b>	<b>9,633</b>	<b>3,348</b>
<b>Total</b>	<b>9,633</b>	<b>3,348</b>
Appropriated as follows:		
Dividends	887 (7.00 yen per share)	444 (3.50 yen per share)
Directors' bonuses	53	43
Transfer to reserve for compression of assets	-	19
Transfer to reserve for special depreciation	14	-
Unappropriated retained earnings brought forward to next year	8,678	2,842

Note: The reserve for special depreciation is an account for reporting amounts after application of tax effect accounting, based on Article 44 paragraph 3 item No.1 of the Special Taxation Measures Law