

Summary of Non-Consolidated Financial Statements for the Interim of Year ended March 31, 2007

Nov 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 and CEO  
 Inquiries: Name: Shuichi Nakamura Tel. (03) 3578-7070  
 Title: General Manager,  
 General Administration & Human Resource Div.  
 Date of Board of Directors Meeting for Account Settlement: Nov 10, 2006 Has the Interim dividend? Yes  
 Date of Payment of Interim Dividend: Dec 8, 2006 Has the Company adopted a unit stock system?  
 Yes (1 unit = 1,000 shares)

1. Non-Consolidated Operating Results for the Interim of FY2006 (From April 1, 2006 to Sep 30, 2006)

(1) 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 2006	57,923	8.5	5,728	(2.9)	6,070	(1.3)
Interim of Fiscal Year 2005	53,403	-	5,901	831.4	6,151	869.9
Fiscal Year ended March 31, 2006	108,285		11,371		11,709	

	Interim (Net) income		Interim (Net) income per share	
	Million yen	%	Yen	
Interim of Fiscal Year 2006	3,154	(15.6)	24.86	
Interim of Fiscal Year 2005	3,736	505.1	29.44	
Fiscal Year ended March 31, 2006	7,425		58.11	

- (Notes) a) Average number of shares outstanding during the fiscal year  
 Interim of FY2006 126,910,685 shares Interim of FY2005 126,914,164 shares FY2005 126,875,204 shares  
 b) Change in accounting methods: None  
 c) Percentage shown for net sales, operating income, ordinary income and Interim (net) income represents the increase or decrease compared with the previous year.

(2) Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
Interim of Fiscal Year 2006	126,943	56,960	44.9	448.43
Interim of Fiscal Year 2005	117,560	49,144	41.8	387.34
Fiscal Year ended March 31, 2006	124,488	54,782	44.0	431.63

- (Notes) a) Shares outstanding at fiscal year-end  
 Interim of FY2006 127,212,607 shares Interim of FY2005 127,212,607 shares FY2005 127,212,607 shares  
 b) Reacquired shares at fiscal year-end  
 Interim of FY2006 191,021 shares Interim of FY2005 334,903 shares FY2005 412,824 shares

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

Fiscal year	Net sales	Ordinary income	Net income
	Million yen	Million yen	Million yen
	119,000	12,500	7,500

Reference: Estimated non-consolidated net income per share for the fiscal year: 59.10 yen

3. Dividends

Cash dividends	Cash dividend per share (Yen)		
	Interim fiscal year-end	Fiscal year-end	Annual
Fiscal Year ended March 31, 2006	5.00	7.00	12.00
Fiscal year ending March 31, 2007 (Results)	7.00	-	14.00
Fiscal Year ended March 31, 2005 (Forecast)	-	7.00	

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 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 2006)	End of Previous Interim Term (As of Sept. 30 2005)	Increase (Decrease)	End of Previous Term (As of Mar. 31 2006)
<b>&lt;Assets&gt;</b>				
<b>Current assets</b>				
Cash and time deposits	11,029	14,367	(3,338)	15,664
Trade notes receivable	4,481	5,533	(1,051)	4,573
Accounts receivable	33,869	28,266	5,602	29,478
Inventories	12,866	10,546	2,319	11,392
Deferred income taxes	2,462	2,809	(347)	3,247
Short-term loans receivable	2,428	3,000	(572)	2,357
Other current assets	610	681	(70)	617
Allowance for doubtful receivables	(1,885)	(2,149)	264	(1,907)
<b>Total</b>	<b>65,862</b>	<b>63,055</b>	<b>2,806</b>	<b>65,423</b>
<b>Fixed assets</b>				
<b>Property, plant and equipment</b>	<b>61,081</b>	<b>54,504</b>	<b>6,576</b>	<b>59,064</b>
Buildings	13,471	11,848	1,623	11,572
Machinery and equipment	7,860	7,474	385	7,131
Land	11,078	11,078	0	11,078
Other property, plant and equipment	3,258	3,048	210	3,764
<b>Total</b>	<b>35,668</b>	<b>33,450</b>	<b>2,218</b>	<b>33,547</b>
<b>Intangible assets</b>				
Software	882	994	(172)	890
Other intangible assets	90	107	(17)	99
<b>Total</b>	<b>912</b>	<b>1,102</b>	<b>(190)</b>	<b>990</b>
<b>Investments and other assets</b>				
Investments in securities	16,599	11,812	4,786	16,433
Investments in stock of affiliated company	5,148	5,317	(168)	5,117
Deferred income taxes	-	65	(65)	-
Other investments and assets	2,851	2,858	(6)	3,077
Allowance for doubtful receivables	(100)	(102)	1	(102)
<b>Total</b>	<b>24,499</b>	<b>19,951</b>	<b>4,548</b>	<b>24,526</b>
<b>Total assets</b>	<b>126,943</b>	<b>117,560</b>	<b>9,383</b>	<b>124,488</b>

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

	End of Current Interim Term (As of Sept. 30 2006)	End of Previous Interim Term (As of Sept. 30 2005)	Increase (Decrease)	End of Previous Term (As of Mar. 31 2006)
<b>&lt;Liabilities&gt;</b>				
<b>Current liabilities</b>				
Trade notes payable	562	584	(22)	523
Accounts payable	23,426	21,630	1,796	21,625
Short-term bank loans	13,900	12,500	1,400	13,900
Accounts payable -other	3,845	2,836	1,008	2,865
Income taxes payable	2,232	2,609	(377)	5,041
Accrued expenses	3,279	2,987	292	3,315
Deposits received	3,449	2,314	1,135	4,124
Reserve for product guarantee	1,128	-	1,128	-
Reserve for losses on land improvements	1,158	1,160	(1)	1,158
Other current liabilities	641	273	368	224
<b>Total</b>	<b>53,625</b>	<b>46,895</b>	<b>6,729</b>	<b>52,778</b>
<b>Long-term liabilities</b>				
Long-term loans	3,000	9,820	(6,820)	3,410
Retirement allowance	11,480	11,036	443	11,237
Reserve for directors' retirement accounts	124	73	51	102
Deferred tax liabilities	1,202	-	1,202	1,607
Other long-term liabilities	550	589	(39)	569
<b>Total</b>	<b>16,358</b>	<b>21,519</b>	<b>(5,161)</b>	<b>16,927</b>
<b>Total liabilities</b>	<b>69,983</b>	<b>68,415</b>	<b>1,567</b>	<b>69,705</b>
<b>&lt;Shareholders' equity&gt;</b>				
Capital stock	-	10,000	-	10,000
Capital surplus	-	29,690	-	29,691
Capital reserve	-	24,690	-	24,690
Other capital surplus	-	4,999	-	5,000
Earned surplus	-	7,674	-	10,728
Profit reserve	-	1,076	-	1,076
Voluntary reserve	-	19	-	19
Unappropriated retained earnings	-	6,578	-	9,633
Net unrealized gains on securities	-	1,995	-	4,678
Treasury stock, at cost	-	(216)	-	(316)
<b>Total shareholders' equity</b>	<b>-</b>	<b>49,144</b>	<b>-</b>	<b>54,782</b>
<b>Total liabilities and shareholders' equity</b>	<b>-</b>	<b>117,560</b>	<b>-</b>	<b>124,488</b>
<b>&lt;Net assets&gt;</b>				
Owners' equity	52,424	-	-	-
Paid-in capital	10,000	-	-	-
Capital surplus	29,635	-	-	-
Capital reserve	24,690	-	-	-
Other capital surplus	4,944	-	-	-
Earned surplus	12,942	-	-	-
Profit reserve	1,076	-	-	-
Other earned surplus	11,866	-	-	-
Reserve for special depreciation	14	-	-	-
Reserve for compression of assets	19	-	-	-
Earned surplus brought forward	11,833	-	-	-
Treasury stock	(153)	-	-	-
Valuation and translation adjustments	4,535	-	-	-
Valuation difference on available-for-sale securities	4,543	-	-	-
Deferred gains or losses on hedges	(7)	-	-	-
<b>Total net assets</b>	<b>56,960</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities and net assets</b>	<b>126,943</b>	<b>-</b>	<b>-</b>	<b>-</b>

## (2) Interim Non-consolidated Statements of Income

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

	Six-month ended Sept.30, 2006	Six-month ended Sept.30, 2005	Increase (Decrease)	Term ended Mar.31, 2006
<b>Net sales</b>	<b>57,923</b>	<b>53,403</b>	<b>4,519</b>	<b>108,285</b>
Cost of sales	46,209	41,771	4,437	85,239
<b>Gross profit</b>	<b>11,713</b>	<b>11,631</b>	<b>82</b>	<b>23,046</b>
Selling, general and administrative expenses	5,985	5,730	255	11,675
<b>Operating income</b>	<b>5,728</b>	<b>5,901</b>	<b>(173)</b>	<b>11,371</b>
Non-operating income				
Interest and dividend income	373	303	69	519
Rents income	141	150	(8)	303
Other non-operating income	43	27	16	50
<b>Total</b>	<b>558</b>	<b>481</b>	<b>76</b>	<b>872</b>
Non-operating expenses				
Interest expenses	101	148	(46)	257
Loss on disposal of inventories	21	26	(5)	122
Other non-operating expenses	93	56	36	154
<b>Total</b>	<b>216</b>	<b>231</b>	<b>(15)</b>	<b>534</b>
<b>Ordinary income</b>	<b>6,070</b>	<b>6,151</b>	<b>(80)</b>	<b>11,709</b>
Extraordinary gains				
Gain on sales of securities of an affiliate	-	-	-	550
Gain on sales of fixed assets	2	41	(38)	53
Reversal of allowance of doubtful accounts	22	3	19	4
<b>Total</b>	<b>25</b>	<b>44</b>	<b>(19)</b>	<b>(608)</b>
Extraordinary losses				
Loss on sales of investment securities	-	-	-	0
Loss on disposal of fixed assets	260	51	208	118
Write-down of golf membership rights	-	1	(1)	2
Loss on allowance for doubtful accounts of an affiliate company	-	168	(168)	9
Environmental cost	-	-	-	134
<b>Total</b>	<b>260</b>	<b>221</b>	<b>38</b>	<b>265</b>
<b>Net income before income taxes</b>	<b>5,835</b>	<b>5,974</b>	<b>(138)</b>	<b>12,053</b>
Corporate, resident and business taxes	2,203	2,566	(363)	5,561
Adjustment for corporate and other taxes	478	(328)	806	(933)
<b>Net income</b>	<b>3,154</b>	<b>3,736</b>	<b>(581)</b>	<b>7,425</b>
Retained earnings brought forward	8,678	2,842	5,836	2,842
Interim dividends paid	-	-	-	634
Unappropriated retained earnings	11,833	6,578	5,254	9,633

**(3) Interim Statements of Shareholders' Equity**

Interim of Fiscal Year ended March 31, 2007 (From April 1, 2006 to September 30, 2006)

(Million yen)

	Shareholders' equity								Total shareholders' equity
	Capital stock	Capital surplus		Profit reserve	Earned surplus			Treasury stock, at cost	
		Capital reserve	Other capital surplus		Other earned surplus				
					Reserve for special depreciation	Reserve for compression of assets	Earned surplus brought forward		
<b>Balance at March 31, 2006</b>	<b>10,000</b>	<b>24,690</b>	<b>5,000</b>	<b>1,076</b>	-	<b>19</b>	<b>9,633</b>	<b>(316)</b>	<b>50,104</b>
(Changes during the interim of fiscal 2006)									
Cash dividends							(887)		(887)
Directors' bonuses by appropriation of earnings							(53)		(53)
Interim net income							3,154		3,154
Acquisition of treasury stock								(40)	(40)
Disposal of treasury stock			(56)					202	146
Addition to voluntary reserves					14		(14)		-
Changes (net) in accounts other than shareholders' equity									-
<b>Total changes during the interim of fiscal 2006</b>	-	-	<b>(56)</b>	-	<b>14</b>	-	<b>2,200</b>	<b>162</b>	<b>2,320</b>
<b>Balance at September 30, 2006</b>	<b>10,000</b>	<b>24,690</b>	<b>4,944</b>	<b>1,076</b>	<b>14</b>	<b>19</b>	<b>11,833</b>	<b>(153)</b>	<b>52,424</b>

(Million yen)

	Valuation/translation adjustments, etc.			Total net worth
	Net unrealized gains on securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
<b>Balance at March 31, 2006</b>	<b>4,678</b>	-	<b>4,678</b>	<b>54,782</b>
(Changes during the interim of fiscal 2006)				
Cash dividends			-	(887)
Directors' bonuses by appropriation of earnings			-	(53)
Interim net income			-	3,154
Acquisition of treasury stock			-	(40)
Disposal of treasury stock			-	146
Addition to voluntary reserves			-	-
Changes (net) in accounts other than shareholders' equity	(135)	(7)	(143)	(143)
<b>Total changes during the interim of fiscal 2006</b>	<b>(135)</b>	<b>(7)</b>	<b>(143)</b>	<b>2,177</b>
<b>Balance at September 30, 2006</b>	<b>4,543</b>	<b>(7)</b>	<b>4,535</b>	<b>56,960</b>