



Summary of Consolidated Financial Statements for First Quarter of Fiscal Year Ending March 31, 2012 (Japanese GAAP)

July 29, 2011

Name of Listed Company: Nabtesco Corporation
 Code Number: 6268
 Representative: Title: President and CEO
 Inquiries: Title: General Manager, General Administration Div.
 Scheduled Date for Filing of Quarterly Report: August 10, 2011
 Scheduled Dividend Payment Date: –
 Quarterly material to supplement the financial results: Yes
 Quarterly financial results conference: None

Stock listed on: the First Section of the Tokyo Stock Exchange
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(Amounts less than 1 million yen have been rounded down)

1. Consolidated Results for the First Three-month Period of FY 2011 (April 1, 2011 to June 30, 2011)

(1) Consolidated Operating Results

(Percentages indicate the year-on-year increase.)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three-month Period, FY 2011	45,181	21.9	6,096	41.4	6,741	35.7	3,916	37.0
Three-month Period, FY 2010	37,079	35.3	4,312	387.3	4,966	359.7	2,859	848.6

(Note) Comprehensive income: First three-month period of FY 2011: ¥4,617 million (59.9%)

First three-month period of FY 2010: ¥2,888 million (- %)

	Net income per share		Diluted net income per share	
	Yen		Yen	
Three-month Period, FY 2011	30.97		30.97	
Three-month Period, FY 2010	22.62		22.62	

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2011	186,263	99,263	49.5	729.31
As of March 31, 2011	180,729	96,531	49.9	713.77

(Reference) Shareholders' Equity: As of June 30, 2011: ¥92,240 million

As of March 31, 2011: ¥90,241 million

2. Dividends

	Dividends per share				
	End of First Quarter	End of Second Quarter	End of Third Quarter	Year End	Full Year
	Yen	Yen	Yen	Yen	Yen
FY 2010	–	9.00	–	16.00	25.00
FY 2011	–				
FY 2011 (Forecast)		17.00	–	17.00	34.00

(Note) Revisions to the latest dividend forecasts: None

3. Forecast of Consolidated Operating Results for FY 2011 (April 1, 2011 to March 31, 2012)

(Percentages indicate the year-on-year increase.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six-month Period, FY 2011	91,800	16.1	9,700	2.6	10,800	4.6	6,800	15.0	53.80
Full year	196,000	15.8	22,500	11.3	24,700	10.4	15,000	12.0	118.67

(Note) Revisions to the latest forecast of operating results: None

4. Other

(1) Changes in significant subsidiaries during the first quarter of consolidated FY 2011 (Changes in specified subsidiaries resulting in a change in the scope of consolidation): None

Newly added: — (Company name:) Excluded: — (Company name:)

(2) Application of distinctive accounting procedures for preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, accounting estimates and restatement of corrections

1) Changes in accounting policies resulting from the revision of the accounting standards and other regulations: None

2) Other changes in accounting policies: None

3) Changes in accounting estimates: None

4) Restatement of corrections: None

(4) Shares outstanding (Common shares)

1) Number of shares outstanding (including treasury stock) as of the end of the term

2) Amount of treasury stock

3) Average number of shares during the term

As of June 30, 2011	127,212,607 shares	As of March 31, 2011	127,212,607 shares
As of June 30, 2011	737,000 shares	As of March 31, 2011	783,586 shares
April 1, 2011 to June 30, 2011	126,452,314 shares	April 1, 2010 to June 30, 2010	126,389,346 shares

Notes:

Presentation of status of implementation of the quarterly review process

This summary of the quarterly financial results is not in conformity with the quarterly review procedures as provided for under the Financial Instruments and Exchange Act. As of the date on which this summary of quarterly financial results is released as a summary report, the abovementioned procedures concerning the quarterly review have not been completed.

Explanation of proper use of forecasts of operating results and other matters of special note

The forecast figures included above have been determined based on currently available information and assumptions that we consider reasonable. Actual performance may differ significantly from the above forecast figures due to several factors. Please refer to "(3) Qualitative Information on Forecasts of Consolidated Operating Results" on page 3 of the attached document for conditions upon which the forecasts were based and notes on using the forecasts.

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1. Qualitative Information on Consolidated Operating Results for the Three Months Ended June 30, 2011

(1) Qualitative Information on Consolidated Operating Results

During the three months ended June 30, 2011, the global economy continued to grow, particularly in China and the greater Asian region. This was despite some alarming developments, such as concerns over European fiscal issues.

Meanwhile, the Japanese economy suffered greatly in the wake of the Great East Japan Earthquake, with the hard-hit domestic automotive industry forced to reduce outputs, the implementation of power-saving measures to address a restricted electricity supply, and the yen's sustained appreciation.

These circumstances notwithstanding, the Group's consolidated net sales for the first three-month period of FY 2011 grew on a year-on-year basis. This was primarily attributable to greater demand for industrial robots and an increase in demand for construction machinery in tandem with a boost in infrastructure investment. Operating income, ordinary income and net income also increased.

1) Net sales and operating income

Consolidated net sales for the first three-month period of FY 2011 increased by ¥8,101 million (21.9%) year on year to ¥45,181 million while operating income leaped up ¥1,784 million (41.4%) to ¥6,096 million. Operating margin rose 1.9 percentage points year on year to 13.5%.

Operating results by business segment were as follows:

[Precision Equipment]

Net sales in the precision equipment business jumped by 50.7% year on year to ¥9,654 million while operating income increased by 26.8% year on year to ¥1,882 million.

Sales of precision reduction gears also grew, reflecting additional demand for industrial robots at home and abroad.

[Transport Equipment]

Net sales in the transport equipment business increased by 2.3% year-on-year to ¥11,483 million while operating income showed a 35.7% year-on-year rise to ¥1,739 million.

Railroad vehicle equipment suffered a decline in sales, due partly to a delay in deliveries to China into the next fiscal term. Sales of automobile equipment were affected by a temporary production adjustment implemented by truck manufacturers but ultimately recorded an increase with the subsequent recovery of output. As to marine equipment, sales rose on the back of an increase in business with China.

[Aircraft and Hydraulic Equipment]

Net sales in the aircraft and hydraulic equipment business increased by 29.9% year on year to ¥17,496 million while operating income leaped 64.4% to ¥2,068 million.

Our hydraulic equipment business recorded a growth in sales reflecting strong demand for construction machinery in China, while sales of aircraft equipment fell, due partly to a postponement of deliveries for the defense sector to the next fiscal term.

[Industrial Equipment]

Net sales in the industrial equipment business improved 9.5% year on year to ¥6,546 million while operating income increased by 41.4% to ¥406 million.

Automatic-door-related equipment saw an increase in sales, albeit moderate, resulting from the turnaround in domestic and overseas demand while sales of platform door systems suffered a decrease due to the quarter falling during the sector's off-season. Automatic packaging machinery posted higher sales on the back of the recovery of domestic demand. Special-purpose machine tools witnessed a growth in sales, reflecting an expansion of demand from China and Korea.

2) Ordinary income

Consolidated ordinary income for the first three months of FY 2011 jumped by ¥1,774 million (35.7%) year on year to 6,741 million.

This was mainly attributable to an increase in operating income, as described above. Non-operating income grew by ¥6 million on a year-on-year basis to ¥855 million due to foreign exchange loss recorded in the previous fiscal year turning to foreign exchange gains. Non-operating expenses increased by ¥16 million year on year to ¥211 million due to contributions paid to research institutions, etc.

3) Net income

Consolidated net income for the first three months of FY 2011 leaped by ¥1,057 million (37.0%) compared with the same period last year to reach ¥3,916 million.

Extraordinary gains increased by ¥54 million compared with the same period of the previous year to ¥85 million, attributable to ¥49 million recorded as gain on revision of the retirement benefit plan. Extraordinary losses decreased by ¥33 million from a year earlier to ¥40 million as a result of having recognized a total of ¥26 million as the impact of application of the accounting standard for asset retirement obligations in the previous fiscal year. As a result, income before income taxes increased by ¥1,862 million year on year to ¥6,786 million.

Income taxes were up ¥648 million year on year to ¥2,446 million, while minority interests grew ¥156 million from a year earlier to ¥423 million.

(2) Qualitative Information on Consolidated Financial Position

1) Assets, Liabilities and Net Assets

(Assets)

Total assets as of June 30, 2011 were ¥186,263 million, an increase of ¥5,534 million from March 31, 2011, consisting of ¥106,796 million in current assets and ¥79,467 million in fixed assets. Primary positive factors included increases of ¥3,923 million in notes and accounts receivable, ¥5,163 million in inventories and ¥15,707 million in goodwill, respectively. On the other hand, negative factors consisted mainly of a decrease of ¥21,250 million in cash and time deposits.

(Liabilities)

Total liabilities as of June 30, 2011 were ¥87,000 million, an increase of ¥2,802 million from March 31, 2011, consisting of ¥78,069 million in current liabilities and ¥8,931 million in long-term liabilities. The increase was mainly attributable to a rise of ¥2,798 million in trade notes and accounts payable.

(Net assets)

Consolidated total net assets at the end of the first quarter of FY 2011 stood at ¥99,263 million, with shareholders' equity of ¥92,240 million, an increase of ¥1,998 million from the end of the previous fiscal year. The increase was mainly attributable to a growth in earned surplus, reflecting net income of ¥3,916 million. The principal negative factors included a ¥2,033 million decrease in earned surplus due to the payment of dividends.

(3) Qualitative Information on Forecasts of Consolidated Operating Results

The operating results for the first three-month period of FY 2011 were approximately in line with our initial projections. Therefore, there is no change to the forecasts announced on May 10, 2011 with regard to the first six-month period and full-year performance.

2. Notes regarding Summary Information (Others)

(1) Changes in Significant Subsidiaries during the First Quarter of Consolidated FY 2011

None

(2) Application of Distinctive Accounting Procedures for the Preparation of Quarterly Consolidated Financial Statements

Determination of tax payment

In determining tax payment, the effective tax rate after application of tax effect accounting for income before income taxes for the consolidated fiscal year, inclusive of the first quarter of consolidated FY 2011, has been estimated in a rational manner. The tax bill has then been calculated by multiplying the quarterly income before income taxes and adjustments by this estimated effective tax rate.

Adjustments for income taxes have been included and presented in income and other taxes.

(3) Changes in Accounting Policies, Accounting Estimates and Restatement of Corrections

None

(4) Additional Information

Application of the "Accounting Standard for Accounting Changes and Error Corrections" and others

For the accounting changes and error corrections made in and after the beginning of the first quarter of the year ending March 31, 2012, we have applied the "Accounting Standard for Accounting Changes and Error Corrections" (ASBJ Statement No.24 of December 4, 2009) and the "Guidance on Accounting Standard for Accounting Changes and Error Corrections" (ASBJ Guidance No.24 of December 4, 2009).

3. Quarterly Consolidated Financial Statements

(1) First Quarter Consolidated Balance Sheets

	(Million yen)	
	End of consolidated FY 2010 (as of March 31, 2011)	End of 1Q of consolidated FY 2011 (as of June 30, 2011)
Assets		
Current assets		
Cash and time deposits	41,705	20,455
Notes and accounts receivable	40,894	44,817
Marketable securities	14,999	13,999
Goods and products	3,572	4,207
Products in progress	6,279	9,954
Raw materials and stored goods	7,165	8,017
Deferred tax assets	3,288	3,392
Other current assets	1,167	2,020
Allowance for doubtful accounts	(70)	(69)
Total current assets	119,003	106,796
Fixed assets		
Tangible fixed assets		
Buildings and structures (net)	16,444	16,852
Machinery and transport equipment (net)	11,541	11,885
Tools, apparatus and furniture (net)	1,618	2,243
Land	14,341	14,549
Construction in progress	496	453
Total tangible assets	44,442	45,983
Intangible fixed assets		
Goodwill	-	15,707
Other	1,073	1,151
Total intangible fixed assets	1,073	16,858
Investments and other assets		
Investments in securities	14,549	14,452
Deferred tax assets	404	405
Other investments and other assets	1,426	1,922
Allowance for doubtful receivables	(169)	(156)
Total investments in securities and other assets	16,210	16,624
Total fixed assets	61,726	79,467
Total assets	180,729	186,263

(Million yen)

	End of consolidated FY 2010 (as of March 31, 2011)	End of 1Q of consolidated FY 2011 (as of June 30, 2011)
Liabilities		
Current liabilities		
Trade notes and accounts payable	33,591	36,390
Short-term loans payable	9,157	11,249
Current portion of bonds	11,000	11,000
Income taxes payable	7,094	2,957
Allowance for product warranty	1,847	1,764
Other current liabilities	12,200	14,707
Total current liabilities	74,891	78,069
Long-term liabilities		
Retirement allowance	7,550	7,260
Allowance for retirement bonus for directors	133	134
Allowance for environmental measures	320	104
Deferred tax liabilities	655	589
Negative goodwill	72	54
Other long-term liabilities	572	787
Total long-term liabilities	9,306	8,931
Total liabilities	84,197	87,000
Net assets		
Shareholders' equity		
Capital stock	10,000	10,000
Capital surplus	17,448	17,445
Earned surplus	64,263	66,032
Treasury stock	(645)	(589)
Total shareholders' equity	91,066	92,888
Accumulated other comprehensive income		
Net unrealized gains on other securities	1,512	1,273
Deferred gains or losses on hedges	(0)	(0)
Translation adjustments	(2,336)	(1,921)
Total accumulated other comprehensive income	(824)	(648)
Subscription rights to shares	159	130
Minority interests	6,130	6,892
Total net assets	96,531	99,263
Total liabilities and net assets	180,729	186,263

(2) Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Quarterly Consolidated Statements of Income
For the three-month period ended June 30, 2011

(Million yen)

	First three-month period of consolidated FY 2010 (April 1, 2010 to June 30, 2010)	First three-month period of consolidated FY 2011 (April 1, 2011 to June 30, 2011)
Net sales	37,079	45,181
Cost of sales	27,723	33,532
Gross profit	9,356	11,649
Selling, general and administrative expenses	5,044	5,552
Operating income	4,312	6,096
Non-operating income		
Interest income	17	14
Dividend income	45	47
Rent income	64	63
Equity in earnings of affiliates	610	492
Foreign exchange gains	-	180
Other non-operating income	110	57
Total	849	855
Non-operating expenses		
Interest expenses	22	19
Foreign exchange losses	148	-
Contribution	-	168
Other non-operating expenses	24	24
Total	195	211
Ordinary income	4,966	6,741
Extraordinary gains		
Gain on sales of fixed assets	23	0
Reversal of allowance for doubtful accounts	6	3
Gain on transfer of business	-	32
Gain on revision of retirement benefit plan	-	49
Total	30	85
Extraordinary losses		
Loss on disposal of fixed assets	45	37
Write-down of golf club membership	0	2
Loss on adjustment for changes in accounting standards for asset retirement obligations	26	-
Total	73	40
Income before income taxes and adjustments	4,923	6,786
Corporate, resident and business taxes	1,797	2,446
Income before minority interests	3,125	4,340
Minority interests in income	266	423
Net income	2,859	3,916

Quarterly Consolidated Statements of Comprehensive Income
For the three-month period ended June 30, 2011

(Million yen)

	First three-month period of consolidated FY 2010 (April 1, 2010 to June 30, 2010)	First three-month period of consolidated FY 2011 (April 1, 2011 to June 30, 2011)
Income before minority interests	3,125	4,340
Other comprehensive income		
Valuation difference on available-for-sale securities	(350)	(240)
Deferred gains or losses on hedges	1	0
Foreign currency translation adjustment	103	500
Share of other comprehensive income of associates accounted for using equity method	7	17
Total other comprehensive income	(236)	277
Comprehensive income	2,888	4,617
[Comprehensive income attributable to:]		
Shareholders of parent company	2,585	4,093
Minority interests	302	524

(3) Notes Relating to the Going Concern Assumption

None

(4) Segment Information

[Segment Information]

I. For the three months ended June 30, 2010 (April 1, 2010 to June 30, 2010)

1. Outline of Reportable Segment Information

The Company's reportable segments are constituents of the Group for which separate financial information is available and which the Board of Directors reviews on a regular basis in order to determine distribution of management resources and evaluate business results.

The Group is engaged in the manufacture and sale of products incorporating its core motion control technology. The business consists of four reportable segments: the precision equipment business, transport equipment business, aircraft and hydraulic equipment business and industrial equipment business.

In the precision equipment business, the Group manufactures precision reduction gears, precision actuators, three-dimensional rapid prototyping equipment, vacuum equipment, high-performance heat transfer devices, etc. The transport equipment business focuses on the manufacture of railway vehicle brake and door systems, air brake systems for commercial vehicles, marine engine control systems, etc. In the aircraft and hydraulic equipment business, the Group manufactures aircraft equipment, traveling motors for construction machinery, yaw drives for wind turbines, etc. The main products of the industrial equipment business include automatic doors for buildings, automatic food fillers, and special-purpose machine tools.

2. Information on Sales and Income (Loss) by Reportable Segment

(Million yen)

	Reportable segments					Adjustments (Note 1)	Quarterly consolidated income statement amounts (Note 2)
	Precision Equipment	Transport Equipment	Aircraft and Hydraulic Equipment	Industrial Equipment	Total		
Net sales							
Sales to external customers	6,406	11,229	13,468	5,976	37,079	–	37,079
Inter-segment sales or transfer	4	60	108	155	328	[328]	–
Total	6,411	11,289	13,576	6,131	37,407	[328]	37,079
Segment income	1,484	1,282	1,258	287	4,312	–	4,312

Notes: 1 Adjustments relating to the inter-segment sales or transfer amounted to negative ¥328 million in the elimination of inter-segment transactions.

2 Segment income is adjusted, with operating income stated in the quarterly consolidated income statement.

3. Information concerning Impairment Loss from Fixed Assets, Goodwill and Other Items by Reportable Segment

None

II. For the three months ended June 30, 2011 (April 1, 2011 to June 30, 2011)

1. Outline of Reportable Segment Information

The Company's reportable segments are constituents of the Group for which separate financial information is available and which the Board of Directors reviews on a regular basis in order to determine distribution of management resources and evaluate business results.

The Group is engaged in the manufacture and sale of products incorporating its core motion control technology. The business consists of four reportable segments: the precision equipment business, transport equipment business, aircraft and hydraulic equipment business and industrial equipment business.

In the precision equipment business, the Group manufactures precision reduction gears, precision actuators, three-dimensional rapid prototyping equipment, vacuum equipment, high-performance heat transfer devices, etc. The transport equipment business focuses on the manufacture of railway vehicle brake and door systems, air brake systems for commercial vehicles, marine engine control systems, etc. In the aircraft and hydraulic equipment business, the Group manufactures aircraft equipment, traveling motors for construction machinery, yaw drives for wind turbines, etc. The main products of the industrial equipment business include automatic doors for buildings, automatic food fillers, and special-purpose machine tools.

2. Information on Sales and Income (Loss) by Reportable Segment

(Million yen)

	Reportable segments					Adjustments (Note 1)	Quarterly consolidated income statement amounts (Note 2)
	Precision Equipment	Transport Equipment	Aircraft and Hydraulic Equipment	Industrial Equipment	Total		
Net sales							
Sales to external customers	9,654	11,483	17,496	6,546	45,181	–	45,181
Inter-segment sales or transfer	8	47	158	53	268	[268]	–
Total	9,663	11,531	17,655	6,599	45,449	[268]	45,181
Segment income	1,882	1,739	2,068	406	6,096	–	6,096

Notes: 1 Adjustments relating to the inter-segment sales or transfer amounted to negative ¥268 million in the elimination of inter-segment transactions.

2 Segment income is adjusted, with operating income stated in the quarterly consolidated income statement.

3. Information concerning Impairment Loss from Fixed Assets, Goodwill and Other Items by Reportable Segment (Significant change in the amount of goodwill)

In the industrial equipment business, the Company acquired the automatic door business of Kaba Holding AG, a Swiss company, through acquisition of the stock of Kaba Gilgen AG (currently, Gilgen Door Systems AG), a subsidiary of Kaba Holding AG. The acquisition procedures were completed on April 1, 2011.

The increase in goodwill attributable to this event amounted to ¥15,707 million for the first three-month period of the consolidated FY 2011.

(5) Notes in Case of Any Significant Change in the Amount of Shareholders' Equity

Not applicable.

4. Supplementary Information

(1) Production, Orders Received, and Sales

1) Production

Consolidated production per segment in the first three months of FY 2011 is shown below.

Segment	Output (Million yen)	Year-on-year comparison (%)
Precision Equipment	9,979	52.5
Transport Equipment	12,230	3.0
Aircraft and Hydraulic Equipment	17,831	29.8
Industrial Equipment	7,106	11.4
Total	47,148	22.3

Notes: 1 Amounts shown above are stated based on selling price and do not include consumption or other taxes.

2 Inter-segment transactions have been eliminated from the amounts shown above.

2) Orders received

Consolidated orders received per segment in the first three months of FY 2011 are shown below.

Segment	Amount of Orders Received (Million yen)	Year-on-year comparison (%)	Order Backlog (Million yen)	Year-on-year comparison (%)
Precision Equipment	11,860	44.3	11,764	65.5
Transport Equipment	10,943	(18.9)	22,143	(10.9)
Aircraft and Hydraulic Equipment	19,230	23.2	30,404	23.2
Industrial Equipment	7,088	6.7	8,861	6.3
Total	49,123	11.7	73,174	12.6

Notes: 1 Amounts shown above are stated based on selling price and do not include consumption or other taxes.

2 Inter-segment transactions have been eliminated from the amounts shown above.

3) Sales

Consolidated sales by segment in the first three months of FY 2011 are shown below.

Segment	Sales (Million yen)	Year-on-year comparison (%)
Precision Equipment	9,654	50.7
Transport Equipment	11,483	2.3
Aircraft and Hydraulic Equipment	17,496	29.9
Industrial Equipment	6,546	9.5
Total	45,181	21.9

Notes: 1 Amounts shown above are stated based on selling price and do not include consumption or other taxes.

2 Inter-segment transactions have been eliminated from the amounts shown above.

3 No single client accounts for 10% or more of total sales.

(2) Overseas Sales

The first three months of consolidated FY 2011 (April 1, 2011 to June 30, 2011)

	Asia	North America	Europe	Other regions	Total
I Overseas sales (Million yen)	15,121	1,920	3,160	88	20,290
II Consolidated sales (Million yen)					45,181
III Contribution to consolidated sales (%)	33.5	4.3	7.0	0.2	45.0

Notes: 1 The grouping of countries and regions is based on geographic adjacency.

2 The geographic groupings (excluding Japan) consist of the following countries or regions:

(1) Asia China, Thailand, South Korea, India and Singapore

(2) North America U.S.A.

(3) Europe Germany, Great Britain, France, Italy and the Netherlands

(4) Other regions Australia and New Zealand

3 Overseas sales refer to sales by the Company and its consolidated subsidiaries in countries or regions other than Japan.