

Advance to The Next Stage

President & CEO Kazuaki KOTANI

Nabtesco Corporation

The forecast data presented herein reflects assumed results based on conditions that are subject to change.

Nabtesco Corporation does not make representations as to, or warrant, in whole or in part, the attainment or realization of any of the forecasted results presented in this document.

March, 2013

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Steps in the Consolidation

Nabtesco



Established in 1944

Sept., 2003

Establishment of Nabtesco
(as a holding company)

NABCO

Established in 1925

Nov., 2002

Conclusion of basic agreement
with regard to consolidation

Oct., 2004

Merged into Nabtesco

Company Overview



Aiming to be the world's leading manufacturer of Motion Control Systems and related components for Air, Land and Marine applications

- Company Name Nabtesco Corporation
- Established September 29, 2003
- Address 7-9, Hirakawacho 2-chome, Chiyoda-ku,
Tokyo 102-0093, Japan
- Capital 10 billion yen
- Representatives President & CEO: Kazuaki KOTANI
- Employees* Consolidated 5,119
- Consolidated subsidiaries*
 - Japan: 11 (other 6 equity-method affiliates)
 - International: 31 (other 3 equity-method affiliates)

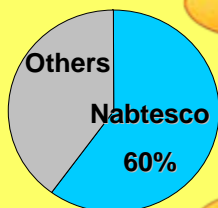
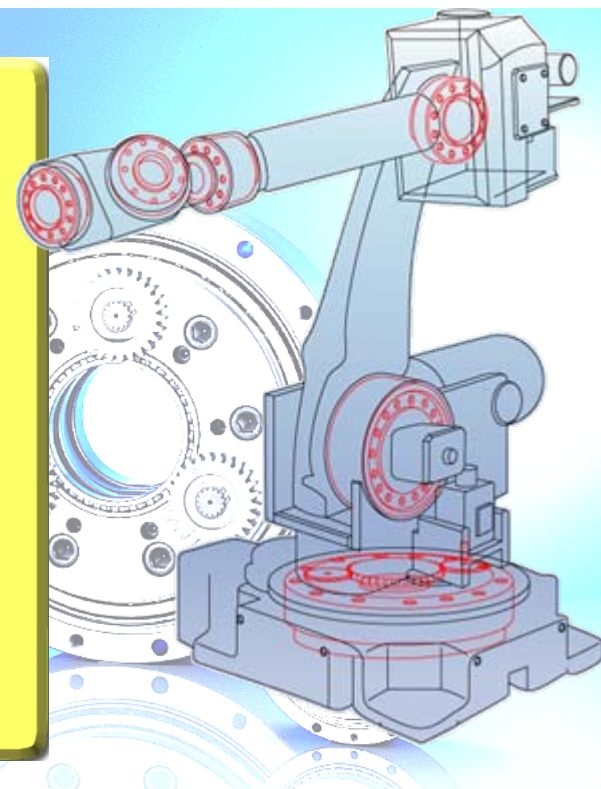
(*as of September 2012)

Main Products: Precision Equipment

Precision Reduction Gears

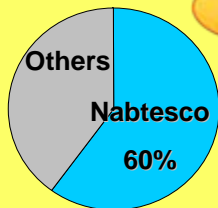
Features

High positioning accuracy, high rigidity



No.1

Approx. 60% of the world market share for joints of industrial robots



No.1

Approx. 60% of the domestic market share for machine tool ATCs

(ATC = Automatic Tool Changer)

Main Customers

Robots: Fanuc, Yaskawa Electric, KUKA Roboter (Germany), ABB Robotics (Sweden)

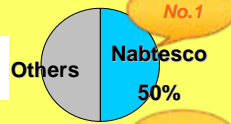
Machine tools: Yamazaki Mazak, Okuma, Mori Seiki

Main Products: Transport Equipment

Nabtesco

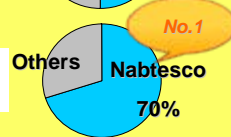
Railroad Vehicles

Brake Systems



Approx. 50% of the domestic market share

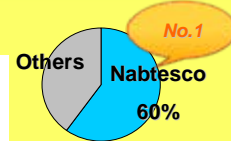
Door Operating Systems



Approx. 70% of the domestic market share

Marine Vessels

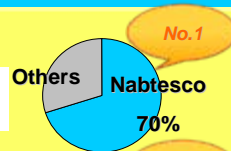
2-stroke Main Engine Control Systems



Approx. 60% of the domestic market share
(Approx. 40% of the world market share)

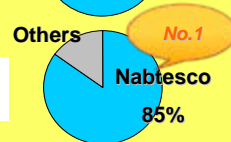
Commercial Vehicles

Wedge Chambers

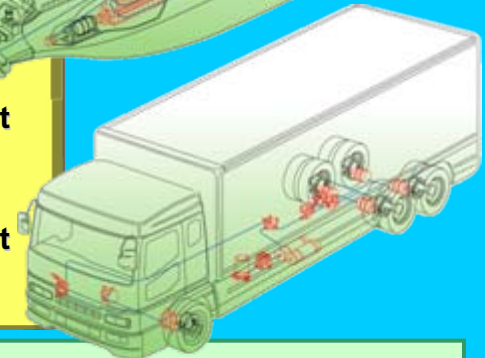
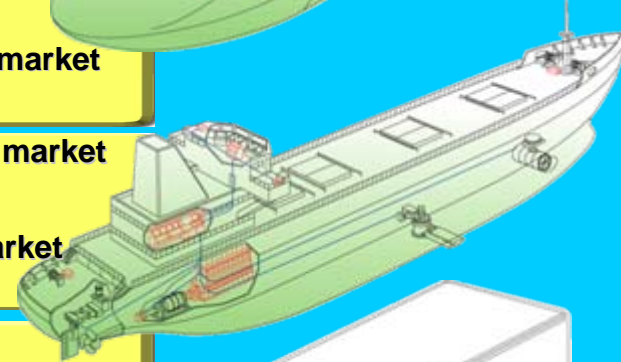
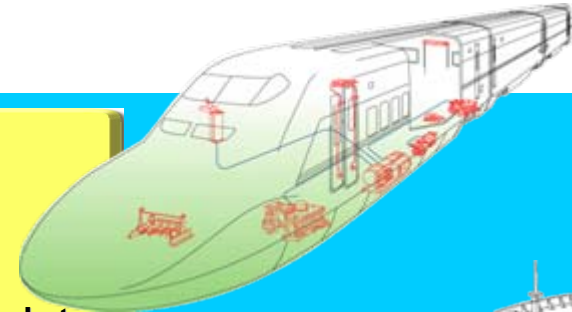


Approx. 70% of the domestic market share

Air Dryers



Approx. 85% of the domestic market share



Main Customers

Railroad vehicle equipment JR companies, Private railway companies, KHI, Bullet train and subway projects in China, etc.

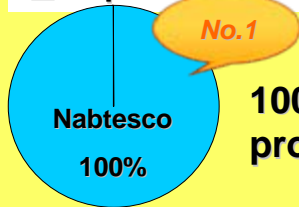
Marine vehicle equipment KHI, Mitsui Engineering & Shipbuilding, MHI, Hitachi Zosen, MHI, Diesel United, Hyundai Heavy Industries (Korea), MAN Diesel (Denmark)

Commercial vehicle equipment Mitsubishi Fuso Truck & Bus, Hino, Isuzu, UD Trucks

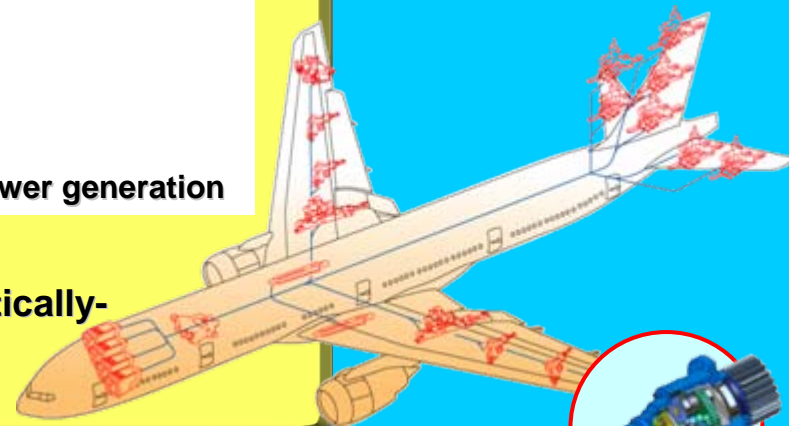
Main Products: Aircraft & Hydraulic Equipment

Flight Control Actuation Systems (FCA)

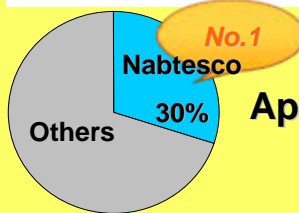
- One of the four major world players in FCA manufacturing (major FCA supplier to Boeing Company)
- Expanding business into engine accessories and electric power generation



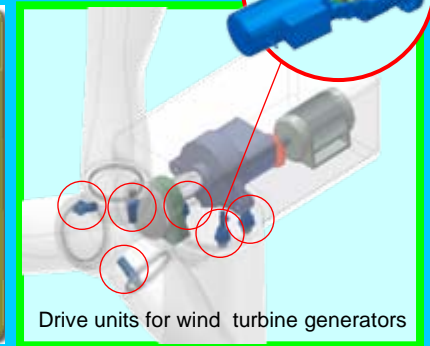
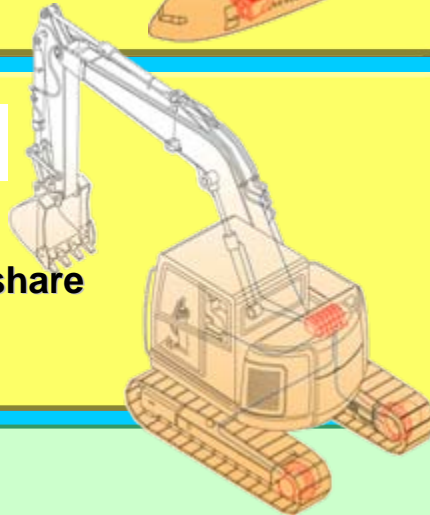
100% share of the FCA market for domestically-produced aircrafts



Traveling Motors for hydraulic excavators



Approx. 30% of the world market share



Drive units for wind turbine generators

Main Customers

Hydraulic equipment

Traveling motors: (Japan) Komatsu, Kobelco Construction Machinery, Sumitomo Construction Machinery Manufacturing, (China) Sany, Xugong Excavator, Zoomlion, Liu Gong, (Korea) Doosan

Drive units for wind turbine generators: MHI, Others

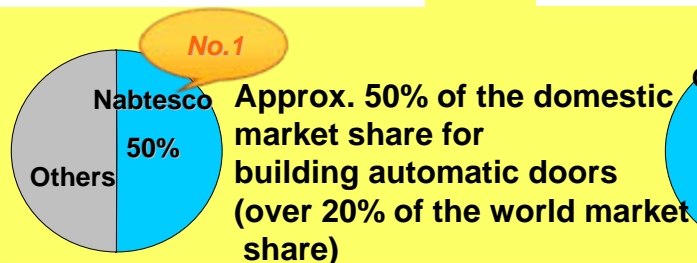
Aircraft equipment

Boeing, MHI, KHI, IHI, Japanese Ministry of Defense, ANA, Singapore Airlines

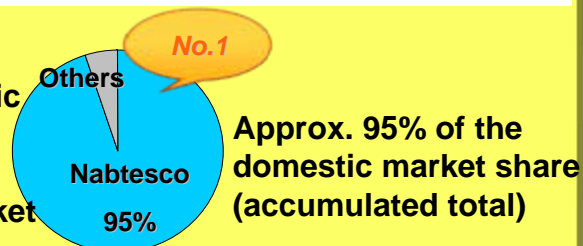
Main Products: Industrial Equipment



Automatic Doors



Platform Screen Doors



Packaging Machines



Main Customers

Automatic doors

Automatic doors for buildings: Major general contractors, sash manufactures, hospitals, banks, public institutions, etc.
Platform doors: Subway projects in France, subway projects in China

Packaging machines

Ajinomoto, Marudai Food, Mitsui Sugar, P&G, Kao, Lion, Mars (France), beverage companies in US, food companies in China

Forecast for 2013/3 Consolidated figures



(JPY million)	2012/3			2013/3			
	H1 result	H2 result	Full-year result	Full-year (previous Forecast)	H1 result	H2 forecast	Full-year forecast
Sales (year-on-year)	97,671 (+23.5%)	100,856 (+11.8%)	198,527 (+17.3%)	185,000 (-6.8%)	90,666 (-7.2%)	89,834 (-10.9%)	180,500 (-9.1%)
Operating profit (year-on-year)	12,234 (+29.4%)	10,624 (-1.2%)	22,858 (+13.1%)	17,000 (-25.6%)	7,595 (-37.9%)	6,605 (-37.8%)	14,200 (-37.9%)
Operating profit margin	12.5%	10.5%	11.5%	9.2%	8.4%	7.4%	7.9%
Ordinary profit (year-on-year)	13,201 (+27.9%)	11,455 (-4.9%)	24,656 (+10.2%)	19,200 (-22.1%)	8,470 (-35.8%)	7,930 (-30.8%)	16,400 (-33.5%)
Net profit (year-on-year)	8,351 (+41.2%)	6,405 (-14.3%)	14,756 (+10.2%)	14,300 (-3.1%)	6,513 (-22.0%)	5,487 (-14.3%)	12,000 (-18.7%)
Dividend per share (Yen)	17	17	34	36 (forecast)	18	16 (forecast)	34 (forecast)

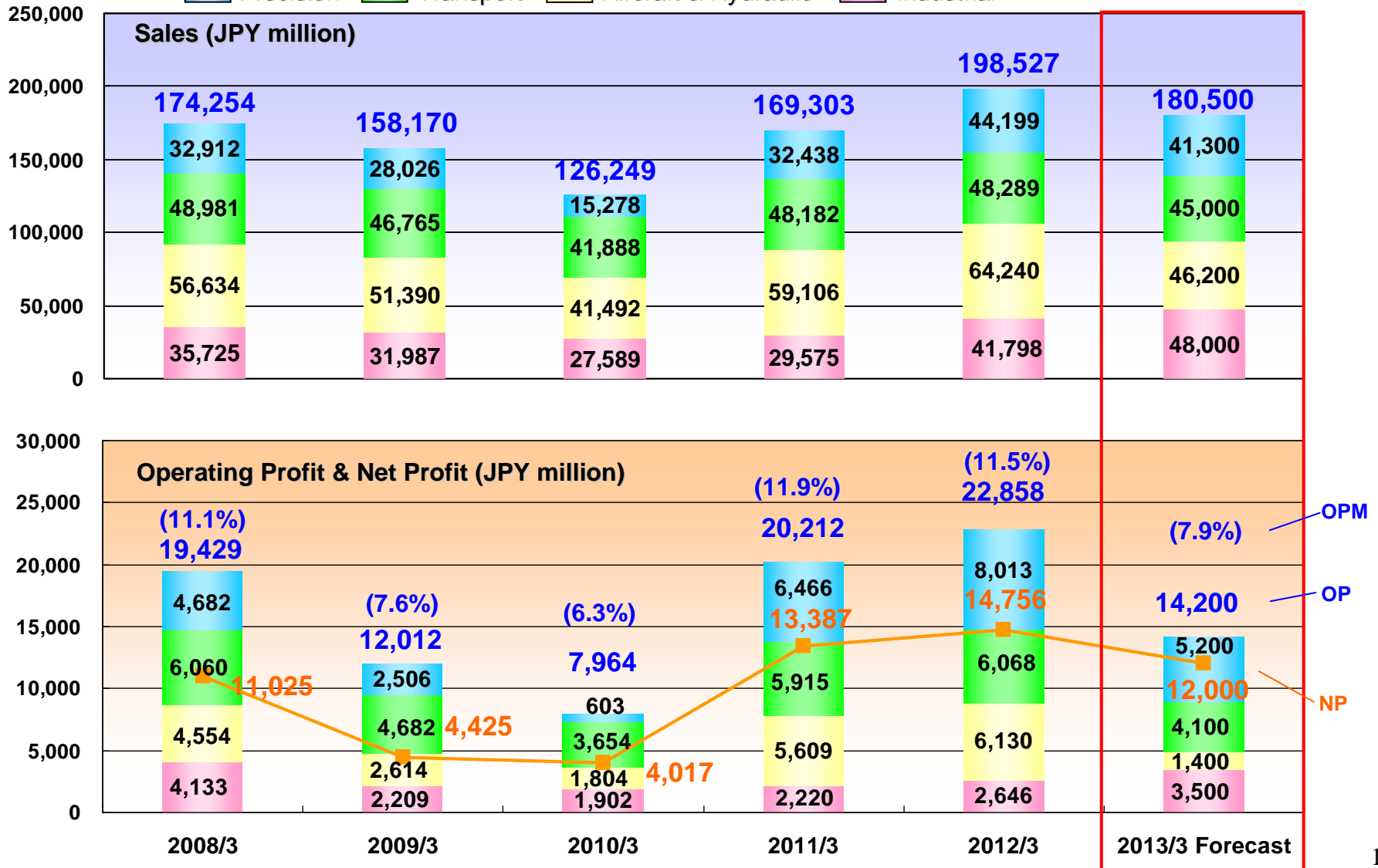
Notes: Full-year forecast for 2013/3 consolidated figures

● Revised downward the business performance forecast due to reduced profits caused by a drop in sales, particularly in three segments: the railroad vehicle equipment business, which faces a slow recovery from decreased orders received from Chinese companies; the precision equipment business, which has been affected by inventory adjustment executed by some customers; and the hydraulic equipment business, which is heavily dependent on the Chinese construction machinery market.

Consolidated Annual Sales & Profit by Business Segment



■ Precision
 ■ Transport
 ■ Aircraft & Hydraulic
 ■ Industrial



Railroad Vehicles Japanese Market

- Mature market
- Stable sales (around +/-5%)
- Key point: Higher factory operating rate

Marine Vessels

- Will continue to face sluggish sales in the ship building market
- Business might begin to improve in the latter half of 2015/3 as a result of sales of new products that comply with NOx regulations and market recovery
- Key point: Cost reduction

Commercial Vehicles

- Demand for trucks will continue to increase in South East Asia markets
- Important to find new markets (Establishment of a JV in India)

Aircraft Equipment

- Stable orders from the Ministry of Defense
- Increase in sales to Boeing
- Expansion of the MRO business mainly for B777

Automatic Doors

- Expansion of the sales network across four world regions
- Higher profitability due to value chain management in Japan and overseas

Packaging Machines

- There will no longer be any special demand from sugar companies in and after 2014/3
- The domestic market is mature
- Key point: Expansion of sales to overseas markets

* (MRO=Maintenance, Repair and Overhaul)

Precision Reduction Gears

- Driven by capital investment in the automobile industry for the time being
- Key point: Timing of the receipt of orders for solar thermal power generation-related projects (in Europe, US and Africa)

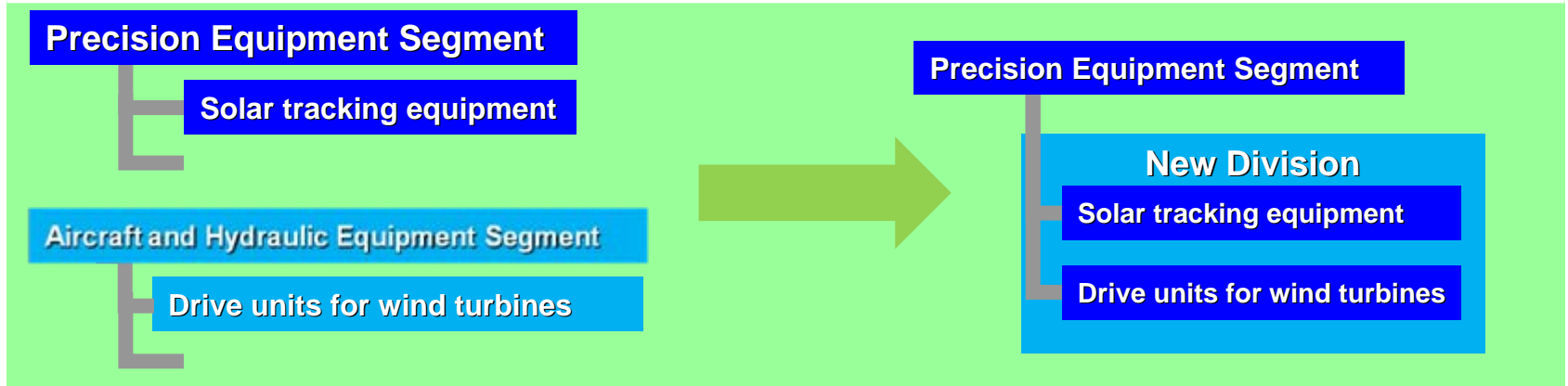
Railroad Vehicles (Overseas Market)

- Driven by investment schedule for the bullet train project in China
- Higher price competitiveness in the subway project in China
- Opportunities to enter overseas markets other than the Chinese market

Hydraulic Equipment (Chinese market)

- Timing when inventory is reduced to zero for completed excavators and parts
- Business will recover in and after July 2013 (Best case scenario)

Establishment of the New Energy Business Development Division



Receipt of an order for platform screen doors and automatic platform gates from the Hong Kong subway operator MTR Corporation

- ✓ Products: Platform screen doors and automatic platform gates
- ✓ Lines: Sha Tin to Central Link (new line) and Ma On Shan Line (existing line)
- ✓ Amount: HK\$415 million

Targeted Financial Figures for 2021/3

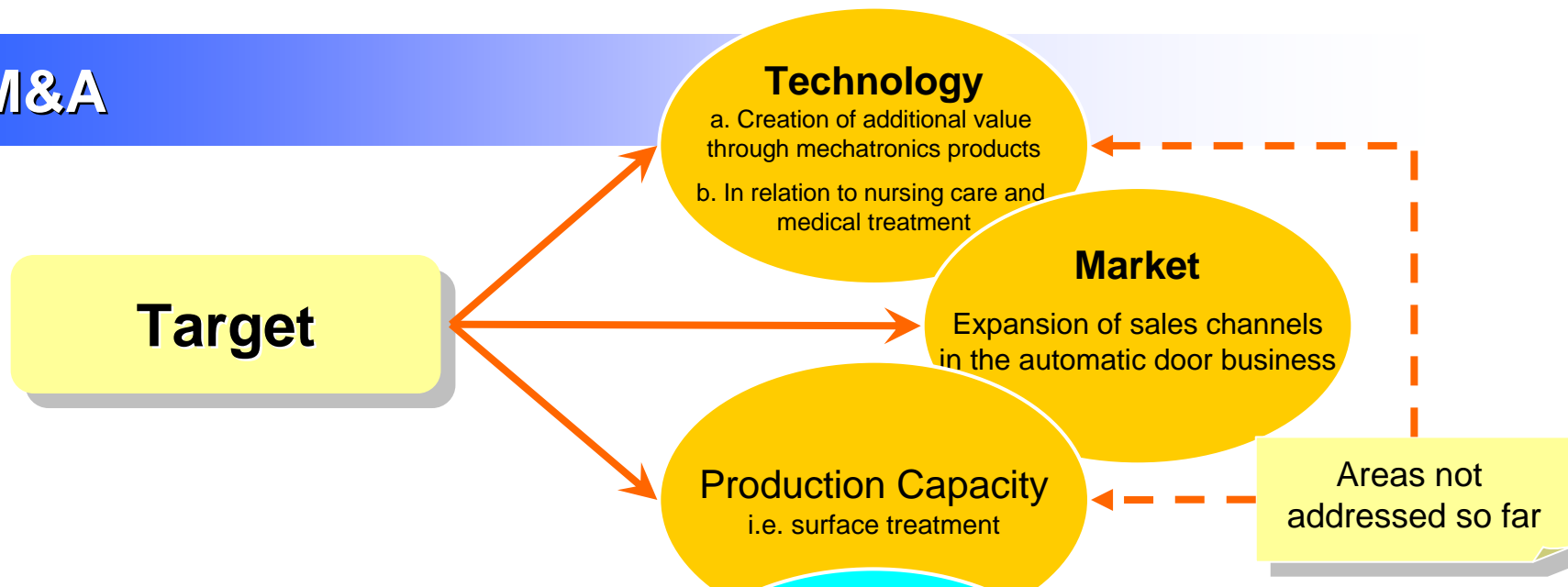


(JPY billion)	2012/3 <Result>	2013/3 <Forecast>	2021/3 <Long-Term Vision>
Sales	198.5	180	400
Operating profit	22.8	14.2	60
O.P. margin	11.5%	7.9%	15.0%
ROA	7.6%	-	11.0%
ROE	15.6%	-	18.0%

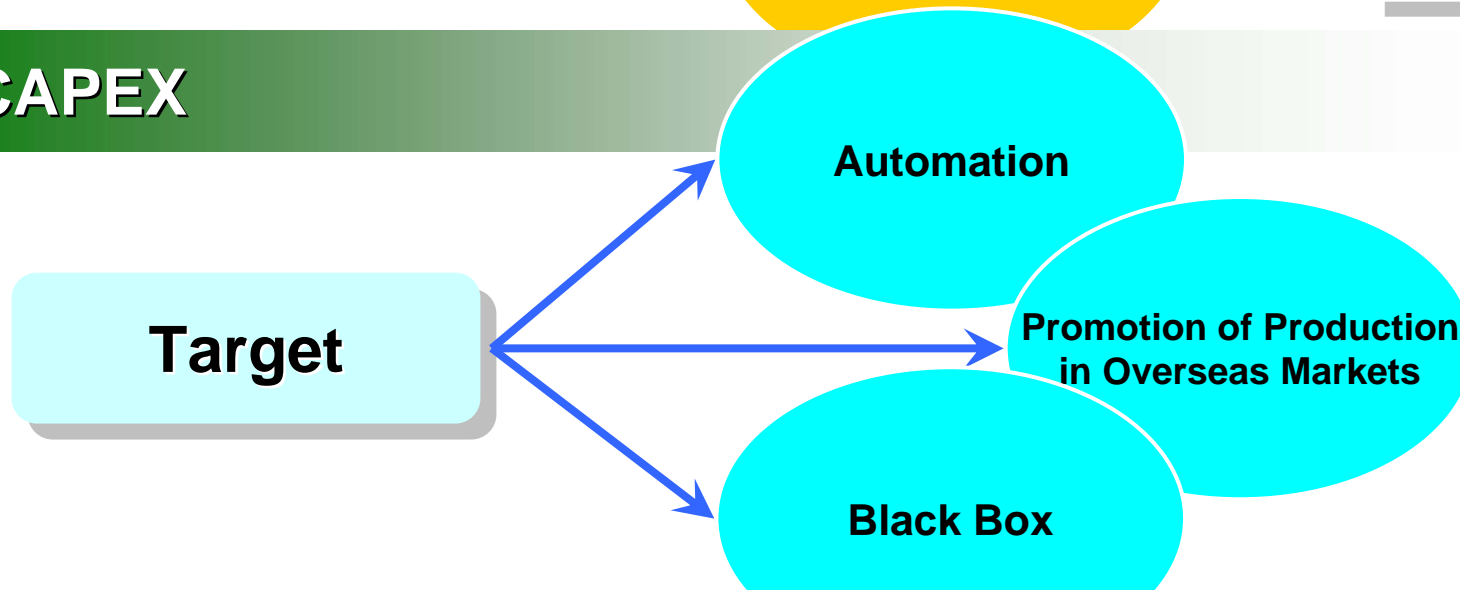
Notes:

- Target 300 billion yen in sales and more than 13% in O.P. margin as an interim goal in 2017/3.
- Risk factors:
Change in competitive climate with the appearance of third-party suppliers in emerging countries

M&A



CAPEX



Nabtesco

moving it. stopping it.