

October 31, 2012

To whom it may concern,

Company name: Nabtesco Corporation

Representative: Kazuaki Kotani, Representative Director, President & CEO

(Code: 6268, 1st Section of TSE)

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Announcement on Revisions of Financial and Dividend Forecasts

Nabtesco Corporation (hereinafter, “the Company”) hereby announces that it has revised the full-year financial forecast (consolidated and non-consolidated) and the year-end dividend forecast announced on May 10, 2012 based on recent developments in its business performance. The details are as follows:

1. Revision of financial forecast

- (1) Consolidated full-year forecast for the fiscal year ending March 31, 2013 (April 1, 2012 to March 31, 2013)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previously announced forecast (A) (Announced on May 10, 2012)	Million yen	Million yen	Million yen	Million yen	Yen
	210,000	24,200	26,100	16,800	132.91
Revised forecast (B)	185,000	17,000	19,200	14,300	112.68
Change (B-A)	(25,000)	(7,200)	(6,900)	(2,500)	
Rate of change (%)	(11.9)	(29.8)	(26.4)	(14.9)	
(Reference) Previous year's results	198,527	22,858	24,656	14,756	116.74

- (2) Non-consolidated full-year forecast for the fiscal year ending March 31, 2013 (April 1, 2012 to March 31, 2013)

	Net sales	Ordinary income	Net income	Net income per share
Previously announced forecast (A) (Announced on May 10, 2012)	Million yen	Million yen	Million yen	Yen
	142,000	19,000	12,900	101.53
Revised forecast (B)	122,000	12,400	8,700	68.20
Change (B-A)	(20,000)	(6,600)	(4,200)	
Rate of change (%)	(14.1)	(34.7)	(32.6)	
(Reference) Previous year's results	133,709	18,112	12,204	96.05

- (3) Reason for the revision

Reflecting the prolonged financial uncertainty triggered by the European debt crisis and deceleration of the Chinese economy, the construction machinery market in China in particular witnessed an oversupply leading to a sharp decline in sales. The industrial robot market also recorded less-than-expected growth in demand.

Under such a business environment, we have reached the decision to significantly revise downward the business performance forecast due to reduced profits caused by a drop in sales, mainly in the hydraulic equipment business, as well as deteriorating profitability arising from an increase in fixed expenses such as depreciation in the precision equipment business.

2. Revision of dividend forecast

(1) Revision of the dividend forecast for the fiscal year ending March 31, 2013

	Dividend per share		
Record date	Interim	Year-end	Annual
Previously announced forecast (A) (Announced on May 10, 2012)	Yen 18.00	Yen 21.00	Yen 39.00
Revised forecast		18.00	36.00
Current year's results	18.00		
(Reference) Previous year's results	17.00	17.00	34.00

(2) Reason for the revision

With respect to the appropriation of earnings, the Company intends to maintain an appropriate balance between strategic investment for supporting business growth, securing of a sound financial position and return of profits to shareholders, while striving to provide stable dividend payments from comprehensive perspectives based on the business performance of the Company and the entire Nabtesco Group.

For this fiscal year, in response to the downward revision of the full-year consolidated business performance forecast as explained above, the Company has revised the forecast for the year-end dividend to ¥18 per share.

3. [Reference] Segment Information by Business Category

Consolidated full-year financial forecast for the fiscal year ending March 31, 2013 (April 1, 2012 to March 31, 2013)

(Net sales)

(Million yen)

	Precision Equipment	Transport Equipment	Aircraft and Hydraulic Equipment	Industrial Equipment	Total
Previously announced forecast (A) (Announced on May 10, 2012)	50,800	46,600	62,400	50,200	210,000
Revised forecast (B)	42,400	47,000	46,800	48,800	185,000
Change (B-A)	(8,400)	400	(15,600)	(1,400)	(25,000)
Rate of change (%)	(16.5%)	0.9%	(25.0%)	(2.8%)	(11.9%)
(Reference) Previous year's results	44,199	48,289	64,240	41,798	198,527

(Operating income)

(Million yen)

	Precision Equipment	Transport Equipment	Aircraft and Hydraulic Equipment	Industrial Equipment	Total
Previously announced forecast (A) (Announced on May 10, 2012) [Operating margin]	9,300 [18.3%]	5,000 [10.7%]	5,900 [9.5%]	4,000 [8.0%]	24,200 [11.5%]
Revised forecast (B) [Operating margin]	6,200 [14.6%]	5,100 [10.9%]	1,600 [3.4%]	4,100 [8.4%]	17,000 [9.2%]
Change (B-A)	(3,100)	100	(4,300)	100	(7,200)
Rate of change (%)	(33.3%)	2.0%	(72.9%)	2.5%	(29.8%)
(Reference) Previous year's results	8,013	6,068	6,130	2,646	22,858

(Note) The above figures are forecasts based on the information available to management as of the date hereof.
Actual results may differ significantly from these forecasts due to various factors.