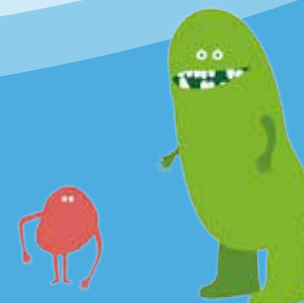


FY2016 / 12 Q3 Results Briefing

October 31, 2016

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. Numerical figures presented herein are rounded down to the nearest whole unit for monetary value and rounded off to one decimal place for percentage.

Definition of the Reference

FY2015/12 Q1-Q3 (Reference)

FY2015/12	CY2015								
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.
Nabtesco and domestic subsidiaries	Q1			Q2			Q3		
Overseas subsidiaries	Q1			Q2			Q3		

FY2015/12 Full-year(Reference)

FY2015/12	CY2015											
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
Nabtesco and domestic subsidiaries	Q1			Q2			Q3			Q4		
Overseas subsidiaries	Q1			Q2			Q3			Q4		

Consolidated Results for the FY2016/12 Q1-Q3

Sales and O.P. increase YoY due to the New consolidation of a sales affiliate and structural reform in the hydraulic equipment, Although Revised down the full-year plan due to the marine vessel business environment got worse.

(JPY million)	2016/12 Q1-Q3 Result	2016/12 Full-year Plan As of Feb.	2016/12 Full-year Plan As of Oct.	2015/12 Q1-Q3 Result(Reference**)
Sales	176,246	250,000	245,000	170,668
Operating profit	16,804	25,500	22,300	16,405
(O.P. Margin)	9.5%	10.2%	9.1%	9.6%
Non-operating profit and loss	-580	-	-	-
Ordinary profit	16,224	27,000	21,900	17,066
Extraordinary profit and loss	1,821	-	-	-
Net profit*	12,453	18,900	16,000	11,684
Net profit per share (Yen)	100.82	153.04	129.54	-

* Net profit = Net profit attributable to owners of the parent

** Please note that the estimates for FY2015/12 (Reference) were calculated for the period of 12 months to make comparisons with the plan for FY2016/12 under the same conditions. The number is only available for reference.

Notes: FOREX FY2016/12 Q1-Q3

FOREX FY2016/12 Q1-Q3 : US\$1=¥108.83 RMB1=¥16.52 EUR1=¥121.12 CHF1=¥110.65

FOREX sensitivity in O. P. (This represents the effect to be expected on operating profit if the exchange rate fluctuates by one yen):
(US\$): 39 million yen (RMB) minimal (EUR) minimal (CHF) minimal

Consolidated Results for the FY2016/12 Q1-Q3 by Business Segment

(JPY million)

Segment	Term	2016/12 Q1-Q3 Result	2016/12 Full-year Plan As of Feb.	2016/12 Full-year Plan As of Oct. (Revised)	2015/12 Q1-Q3 Result (Reference**)
Precision	Sales	40,979	61,000	57,300	41,584
	OP (OPM)	6,196 (15.1%)	8,800 (14.4%)	8,400 (14.7%)	6,996 (16.8%)
Transport	Sales	43,790	65,500	60,300	45,970
	OP (OPM)	7,392 (16.9%)	11,200 (17.1%)	9,600 (15.9%)	7,771 (16.9%)
Aircraft & Hydraulic	Sales	34,808	47,400	47,900	35,195
	OP (OPM)	-330 (-0.9%)	0 (0.0%)	100 (0.2%)	-1,234 (-3.5%)
Industrial	Sales	56,668	76,100	79,500	47,916
	OP (OPM)	3,546 (6.3%)	5,500 (7.2%)	4,200 (5.3%)	2,869 (6.0%)



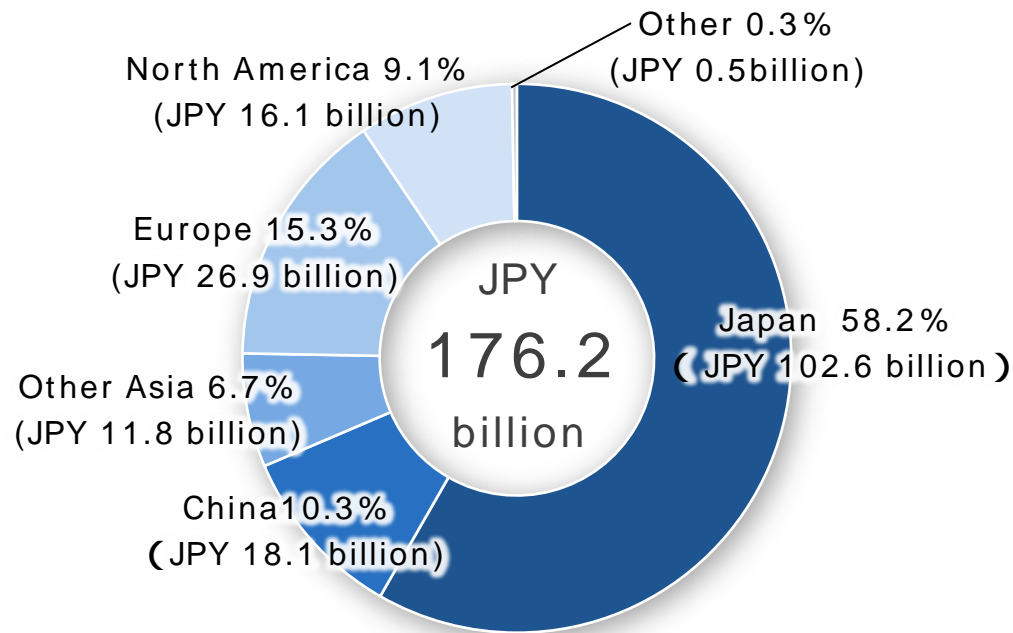
** Please note that the estimates for FY2015/12 (Reference) were calculated for the period of 12 months to make comparisons with the plan for FY2016/12 under the same conditions. The number is only available for reference.

(JPY million)	2015/12 (as of December 31, 2015)	2016/12 Q3 (as of September 30, 2016)	Variation
Assets	233,381	241,712	8,331
(Cash and time deposits)	35,068	39,677	4,609
(Accounts receivable)	59,750	55,739	-4,011
(Inventory)	28,421	32,839	4,417
(Tangible fixed assets)	55,916	64,243	8,327
Liabilities	84,456	93,434	8,977
(Interest-bearing debt)	15,333	17,461	2,128
Net assets	148,924	148,278	-645
(Stock acquisition right)	379	466	-86
(Minority interests)	6,476	7,097	620
Equity capital	142,068	140,715	-1,353

*Equity ratio: 60.9% 58.2% -2.7pt

Sales by Geographic Segment

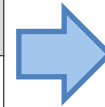
2016/12 Q1-Q3 result



Overseas Sales	JPY 73.5 billion
Ratio	41.8%

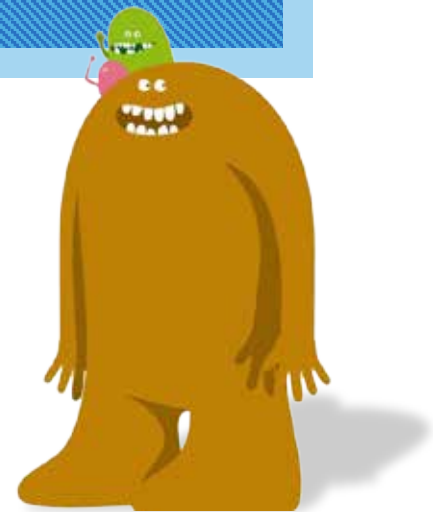
CAPEX, R&D and Depreciation

(JPY million)	2016/12 Q1-Q3 result	2016/12 Full-year Plan As of Feb.	2016/12 Full-year Plan As of Oct.	2015/12 Full-year Result (Reference) *
CAPEX	10,482	20,000	17,500	10,291
R&D	5,483	8,200	8,200	7,265
Depreciation	5,508	8,600	6,700	7,399



* Please note that the estimates for FY2015/12 (Reference) were calculated for the period of 12 months to make comparisons with the plan for FY2016/12 under the same conditions. The number is only available for reference.

Appendix



Progress of the Mid-term Management Plan

(JPY billion)	2015/12 Result (Reference ^{Note})	2016/12 Initial Plan As of Feb. 12 2016	2016/12 Revised Plan As of Oct. 31, 2016	2017/3 Final Year of the Current Mid-term Plan (As of May 2014)
Sales	228.9	250.0	245.0	280.0±5%
Operating Profit	21.3	25.5	22.3	34.0
O.P. Margin	9.3%	10.2%	9.1%	12.0%
Net Profit *	14.7	18.9	16.0	24.0
EPS	118.41 JPY	153.04 JPY	129.54 JPY	190 JPY
ROA	6.2%	7.6%	6.3%	7.5%
ROE	10.1%	12.5%	10.8%	15.0%
Dividend	44 JPY	50 JPY(Plan)	50 JPY(Plan)	-
Payout Ratio	-	32.7%(Plan)	38.6%(Plan)	30% or higher

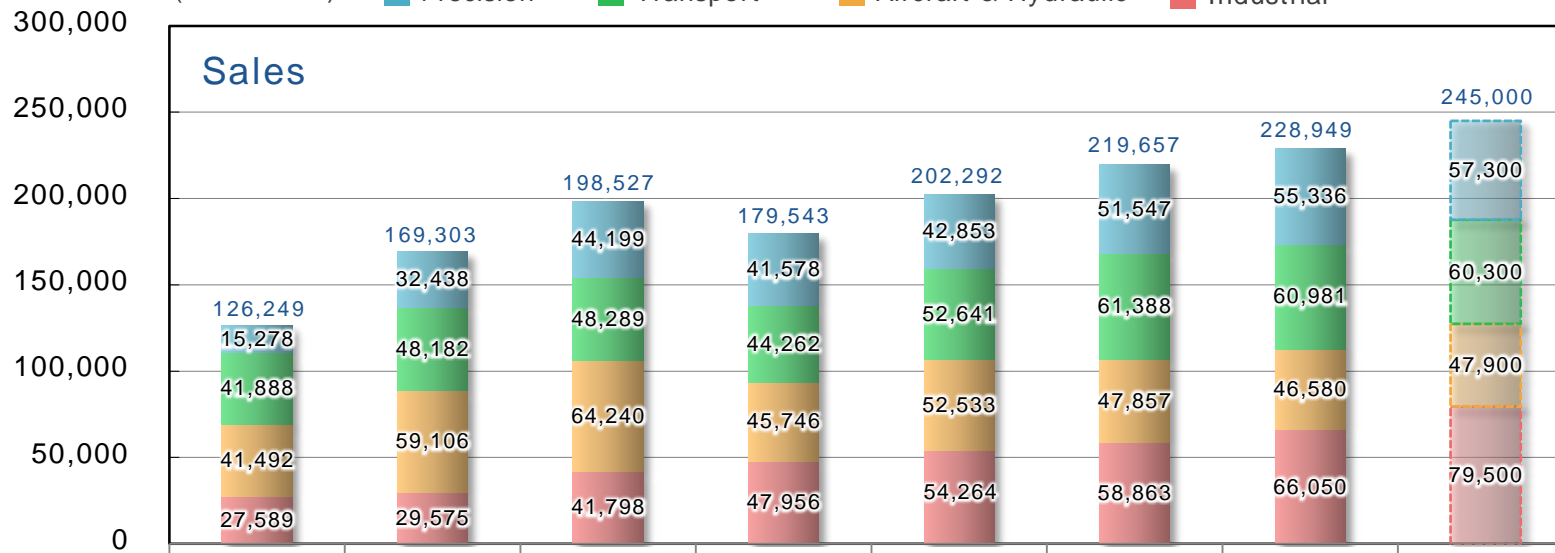
*Net profit = Net profit attributable to owners of the parent

** Please note that the estimates for FY2015/12 (Reference) were calculated for the period of 12 months to make comparisons with the plan for FY2016/12 under the same conditions. The number is only available for reference.

Result and Forecast for Sales and Operating Profit by Business Segment

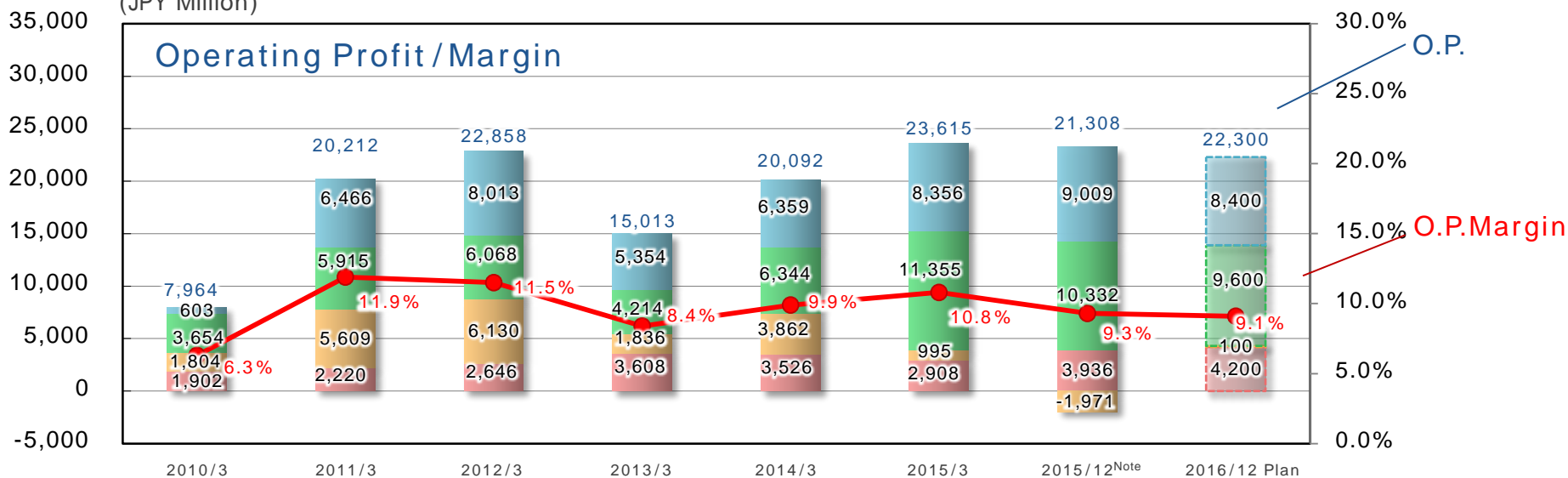
(JPY Million) Precision Transport Aircraft & Hydraulic Industrial

Sales



(JPY Million)

Operating Profit / Margin



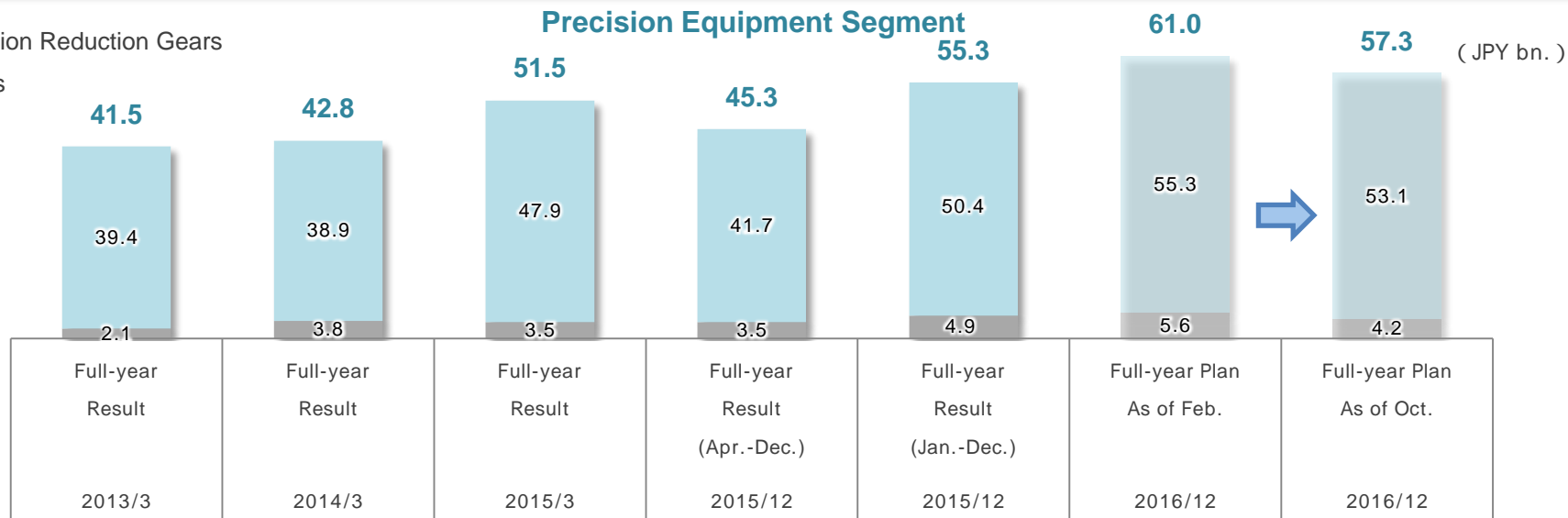
Note : Please note that the estimates for FY2015/12 (Reference) were calculated for the period of 12 months to make comparisons with the plan for FY2016/12 under the same conditions. As of Oct. 2016

Item	Currency	2016/12 Q1-Q3 実績	2016/12 Full-year Plan As of Feb.	2016/12 Full-year Plan As of Oct.	2015/12 Result Nabtesco and domestic subsidiaries (9M) Overseas subsidiaries (12M)	2015/3 Result
Currency	USD	108.83	115.00	100.00	121.03	106.46
	RMB	16.52	18.00	15.00	19.37	17.30
	EUR	121.12	130.00	110.00	133.69	140.35
	CHF	110.65	120.00	100.00	125.75	115.70
FOREX sensitivity in O.P.* (JPY million)	USD	39	91	66	57	91
	RMB	Minimal	55	Minimal	-32	-4
	EUR	Minimal	Minimal	Minimal	Minimal	Minimal
	CHF	Minimal	Minimal	Minimal	Minimal	Minimal

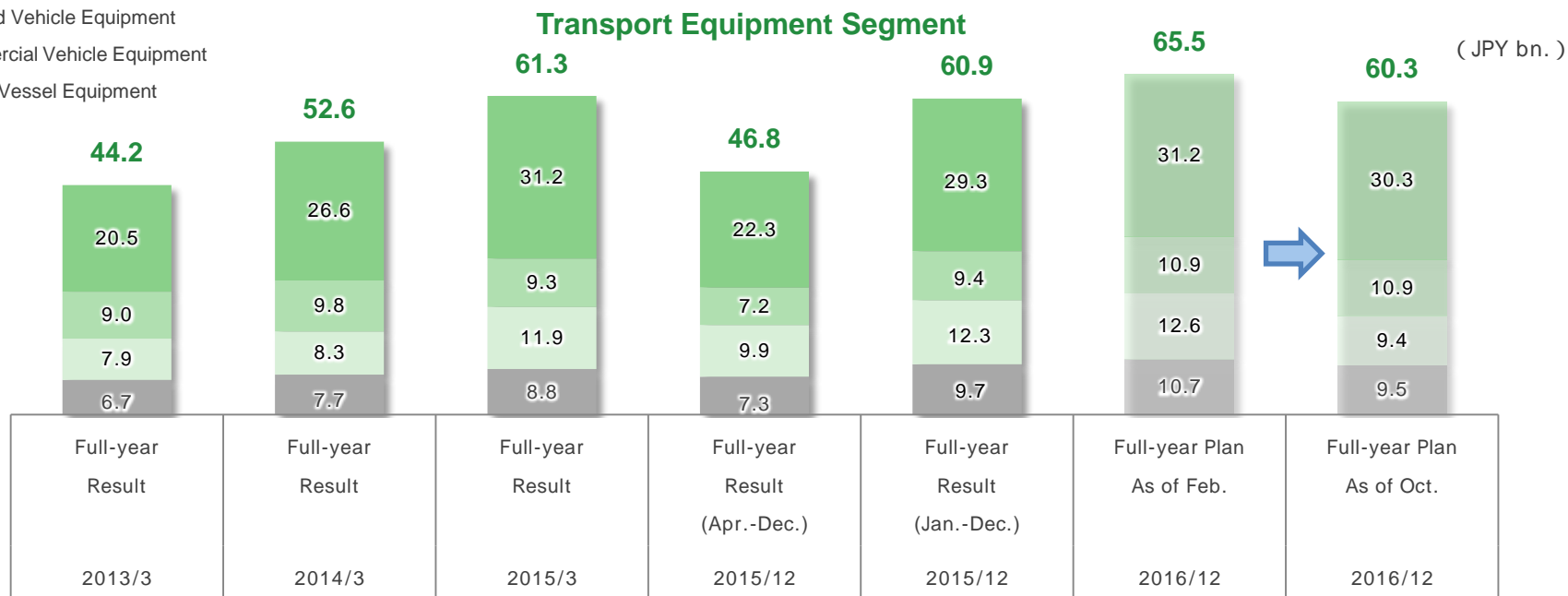
*This represents the effect to be given to operating profit if the exchange rate fluctuates by one yen

Result and Forecast for Sales by Business

- Precision Reduction Gears
- Others



- Railroad Vehicle Equipment
- Commercial Vehicle Equipment
- Marine Vessel Equipment
- Others



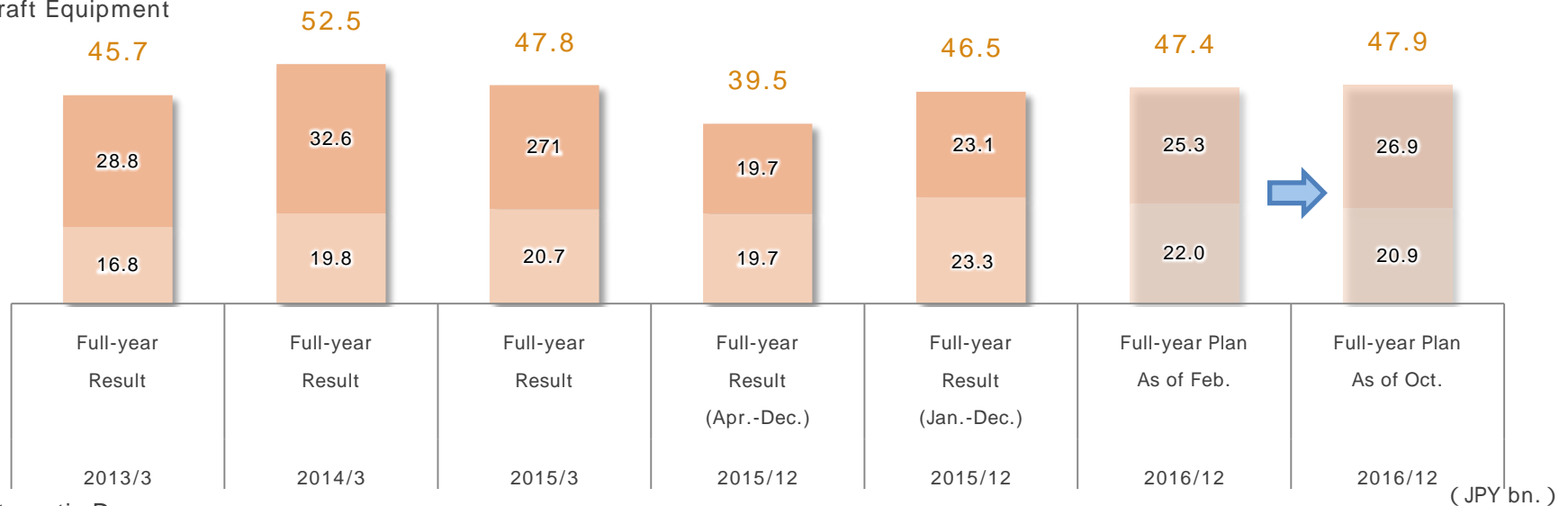
Result and Forecast for Sales by Business

Hydraulic Equipment

Aircraft Equipment

Aircraft and Hydraulic Equipment Segment

(JPY bn.)

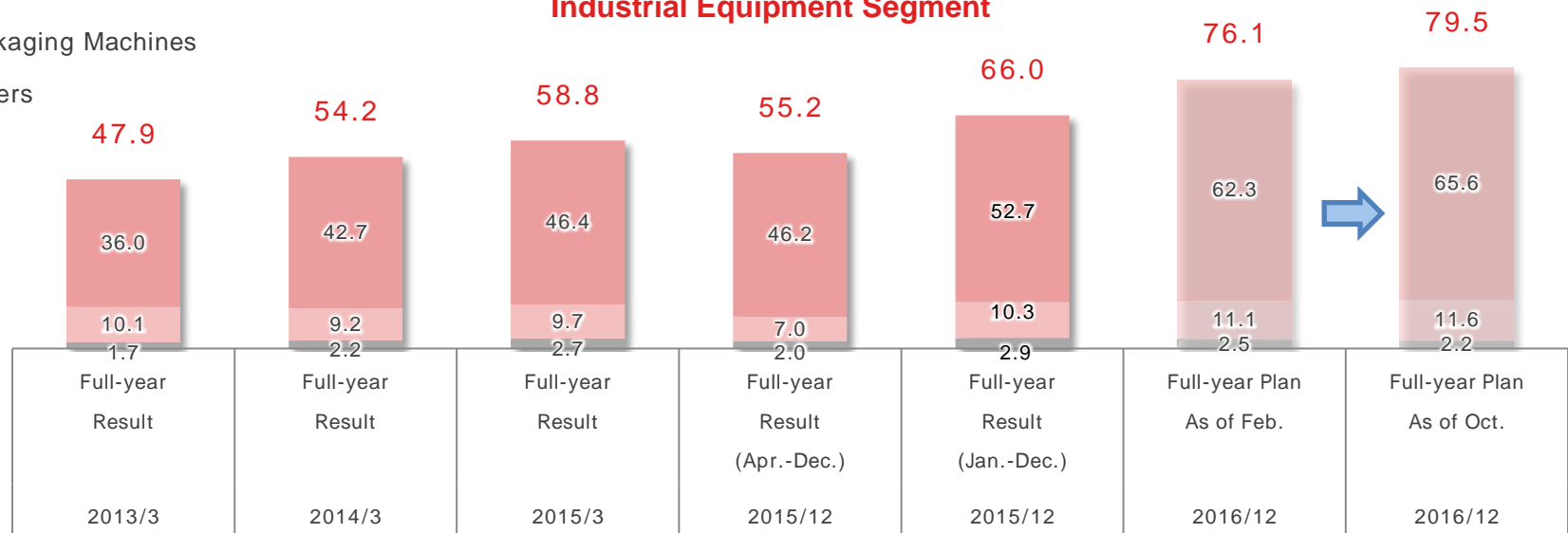


Automatic Doors

Packaging Machines

Others

Industrial Equipment Segment



Nabtesco

moving it. stopping it.

