

FY2015/3 Q3 Results Briefing (April–December, 2014)

Jan 30, 2014

Securities code: 6268

Nabtesco Corporation

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Consolidated Results for the first nine months (Apr.-Dec.)
 (Comparison with the same period of the previous fiscal year)



(JPY million)	2014/3 Apr.-Dec. result	2015/3 Apr.-Dec. result	Variation (YoY)	Ratio (YoY)
Sales	141,806	158,880	17,073	12.0%
Operating profit	12,794	17,329	4,534	35.4%
(Operating profit margin)	9.0%	10.9%	1.9pt	-
Non-operating profit and loss	3,303	3,288	-14	-0.5%
Ordinary profit	16,098	20,617	4,519	28.1%
Extraordinary profit and loss	-697	-79	617	-
Profit before taxes	15,401	20,538	5,137	33.4%
Net profit	9,860	13,701	3,840	39.0%
Net profit per share (Yen)	77.66	108.28	30.62	

FOREX rate	US\$1=¥96.62 RMB1=¥15.60 EUR1=¥127.43 CHF1=¥103.67	US\$1=¥103.27 RMB1=¥16.75 EUR1= ¥139.18 CHF1=¥114.42
FOREX sensitivity in O.P.	(US\$) JPY 71 million (RMB) JPY 35 million (EUR) minimal (CHF) minimal	(US\$) JPY 65million (RMB) JPY 13million (EUR) minimal (CHF) minimal

*Three-month time lag should be considered for all overseas subsidiaries of Nabtesco.
 (Their accounting period is from January to December.)

Consolidated Results for the first nine months by Business Segment (Apr.-Dec)



(Comparison with the same period of the previous fiscal year)

(JPY million)

Segment	Term	2014/3 (Apr.-Dec.) result	2015/3 (Apr.-Dec.) result	Variation (YOY)	Ratio (YOY)
Precision	Sales	29,966	37,619	7,652	25.5%
	O.P.	4,208	6,214	2,005	47.7%
	OPM	14.0%	16.5%	-	-
Transport	Sales	36,938	45,191	8,253	22.3%
	O.P.	4,326	8,713	4,387	101.4%
	OPM	11.7%	19.3%	-	-
Aircraft & Hydraulic	Sales	38,047	36,550	-1,497	-4.0%
	O.P.	2,385	1,131	-1,254	-52.6%
	OPM	6.3%	3.1%	-	-
Industrial	Sales	36,853	39,519	2,666	7.2%
	O.P.	1,873	1,268	-604	-32.3%
	OPM	5.1%	3.2%	-	-

Forecast for FY2015/3 Consolidated Results



(JPY million)	2014/3			2015/3			
	H1 result	H2 result	Full-year result	H1 result (A)	(B-A)	Previous Full-year forecast	Previous Full-year forecast (B)
Sales (year-on-year)	93,458 (+3.1%)	108,834 (+22.5%)	202,292 (+12.7%)	105,598 (+13.0%)	111,402 (2.4%)	216,000 (+6.8%)	217,000 (+7.3%)
Operating profit (year-on-year)	7,938 (+4.5%)	12,154 (+63.8%)	20,092 (+33.8%)	11,612 (+46.3%)	11,388 (-6.3%)	21,600 (+7.5%)	23,000 (+14.5%)
Operating profit margin	8.5%	11.2%	9.9%	11.0%	10.2%	10.0%	10.6%
Ordinary profit (year-on-year)	9,673 (+14.2%)	14,554 (+54.5%)	24,227 (+35.4%)	13,842 (+43.1%)	12,259 (-15.8%)	24,400 (+0.7%)	26,100 (+7.7%)
Net profit (year-on-year)	5,037 (-22.7%)	9,940 (+47.1%)	14,978 (+12.9%)	8,951 (+77.7%)	8,249 (-17.0%)	15,500 (+3.5%)	17,200 (+14.8%)
ROA			6.9%			6.7%	7.3%
ROE			12.2%			11.7%	12.4%

Dividend per share(yen)	18	20	38	20	20(forecast)	40(forecast)	40(forecast)
Dividend payout ratio			32.2%			32.7% (forecast)	29.4% (forecast)

FOREX rate 15/3 Q4 (premise)
 US\$ 1=¥115.0 RMB1=¥18.5 EUR1=¥130.0 CHF1=¥134.5

Results for FY2014/3 and Forecast for FY2015/3 by Business Segment



Precision Equipment

(JPY million)	2014/3			2015/3			
	H1 result	H2 result	Full-year result	H1	H2	Full-year	
				Result (A)	(B-A)	10/31 forecast	1/30 forecast (B)
Sales (year-on-year)	19,513 (-3.9%)	23,339 (+9.8%)	42,853 (+3.1%)	25,033 (+28.3%)	25,167 (+7.8%)	48,000 (+12.0%)	50,200 (+17.1%)
Operating profit (year-on-year)	2,665 (+24.1%)	3,694 (+15.2%)	6,359 (+18.8%)	3,976 (+49.2%)	3,824 (+3.5%)	6,800 (+6.9%)	7,800 (+22.7%)
Operating profit margin	13.7%	15.8%	14.8%	15.9%	15.2%	14.2%	15.5%

Transportation Equipment

(JPY million)	2014/3			2015/3			
	H1 result	H2 result	Full-year result	H1	H2	Full-year	
				Result (A)	(B-A)	10/31 forecast	1/30 forecast (B)
Sales (year-on-year)	23,960 (+6.2%)	28,681 (+32.2%)	52,641 (+18.9%)	29,769 (+24.2%)	30,531 (+6.5%)	60,700 (+15.3%)	60,300 (+14.5%)
Operating Profit (year-on-year)	2,581 (+5.3%)	3,762 (+113.6%)	6,344 (+50.5%)	5,875 (+127.6%)	4,925 (+30.9%)	10,200 (+60.8%)	10,800 (+70.2%)
Operating profit margin	10.8%	13.1%	12.1%	19.7%	16.1%	16.8%	17.9%

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Results for FY2014/3 and Forecast for FY2015/3 by Business Segment



Aircraft & Hydraulic Equipment

(JPY million)	2014/3			2015/3			
	H1 result	H2 result	Full-year result	H1	H2	Full-year	
				Result (A)	(B-A)	10/31 forecast	1/30 forecast (B)
Sales (year-on-year)	26,538 (+3.2%)	25,994 (+29.8%)	52,533 (+14.8%)	25,144 (-5.3%)	22,756 (-12.5%)	49,000 (-6.7%)	47,900 (-8.8%)
Operating Profit (year-on-year)	1,840 (+9.0%)	2,022 (+1276.0%)	3,862 (+110.4%)	1,115 (-39.4%)	85 (-95.8%)	1,100 (-71.5%)	1,200 (-68.9%)
Operating profit margin	6.9%	7.8%	7.4%	4.4%	0.4%	2.2%	2.5%

Industrial Equipment

(JPY million)	2014/3			2015/3			
	H1 result	H2 result	Full-year result	H1	H2	Full-year	
				Result (A)	(B-A)	10/31 forecast	1/30 forecast (B)
Sales (year-on-year)	23,445 (+6.2%)	30,819 (+19.1%)	54,264 (+13.2%)	25,651 (+9.4%)	32,949 (+6.9%)	58,300 (+7.4%)	58,600 (+8.0%)
Operating Profit (year-on-year)	851 (-34.8%)	2,675 (+16.2%)	3,526 (-2.3%)	644 (-24.3%)	2,556 (-4.5%)	3,500 (-0.8%)	3,200 (-9.3%)
Operating profit margin	3.6%	8.7%	6.5%	2.5%	7.8%	6.0%	5.5%

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Balance Sheet Summary



(JPY million)	2014/3 As of Mar. 31, 2014	2015/3 Q3 As of Dec. 31, 2014	Variation
Assets	233,984	231,684	-2,300
(Cash and time deposits)	53,725	37,819	-15,906
(Accounts receivable)	52,840	57,151	4,311
Receivable turnover period (in days)	88	95	7
(Inventory)	22,233	26,874	4,640
Inventory turnover period (in days)	53	59	6
(Fixed assets)	55,225	55,551	325
Liabilities	94,513	81,679	-12,833
(Interest-bearing debt)	26,204	15,809	-10,395
Net assets	139,471	150,004	10,533
(Stock acquisition right)	306	357	50
(Minority interests)	8,121	7,830	-290
Equity capital	131,043	141,816	10,773

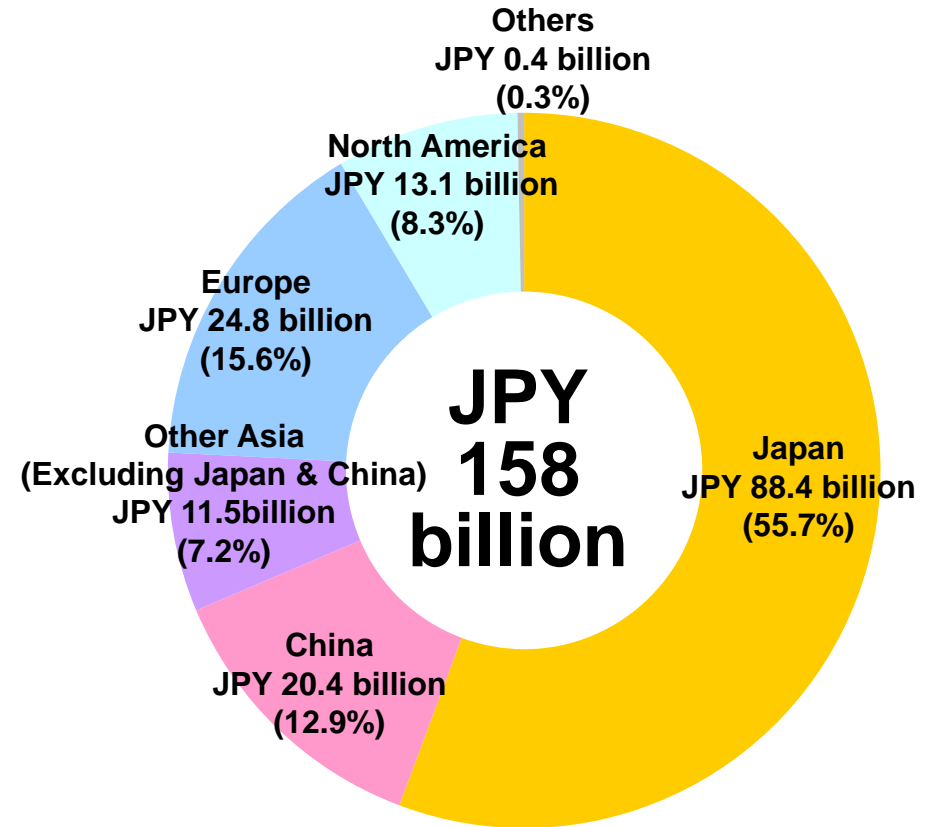
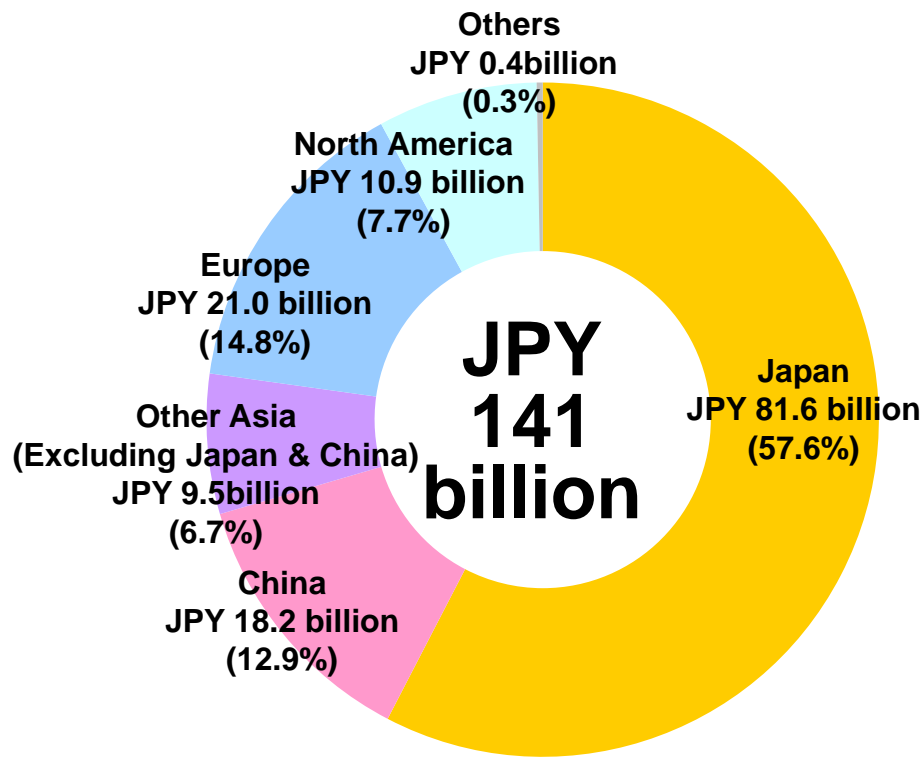
※ Equity ratio : 56.0% 61.2%

Consolidated Results for the first nine months by Geographic Segment (Apr.-Dec)



**2014/3 Apr.-Dec.
result**

**2015/3 Apr.-Dec.
result**



**Overseas Sales Ratio
42.4%**

**Overseas Sales Ratio
44.3%**

CAPEX, R&D, Depreciation



	The first nine months result	
(JPY million)	2014/3 Apr.-Dec. result	2015/3 Apr.-Dec. result
CAPEX	5,296	4,824
R&D	4,675	4,995
Depreciation	5,559	4,499

Full-year result and forecast	
2014/3 result	2015/3 forecast
6,760	9,000
6,401	7,600
7,600	6,700

Appendix

Targeted Financial Figures

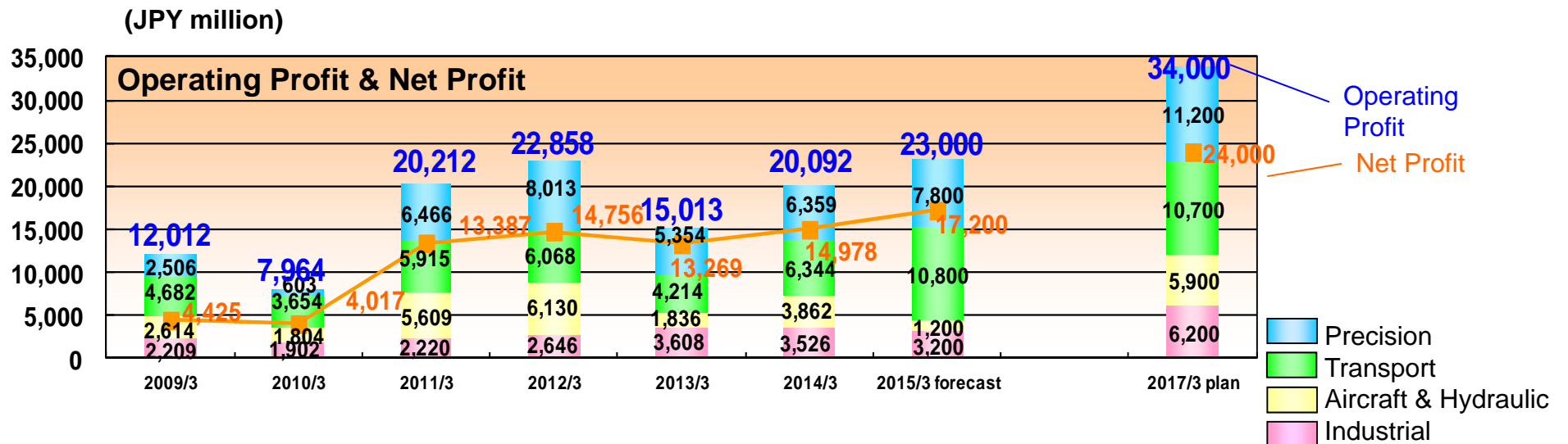
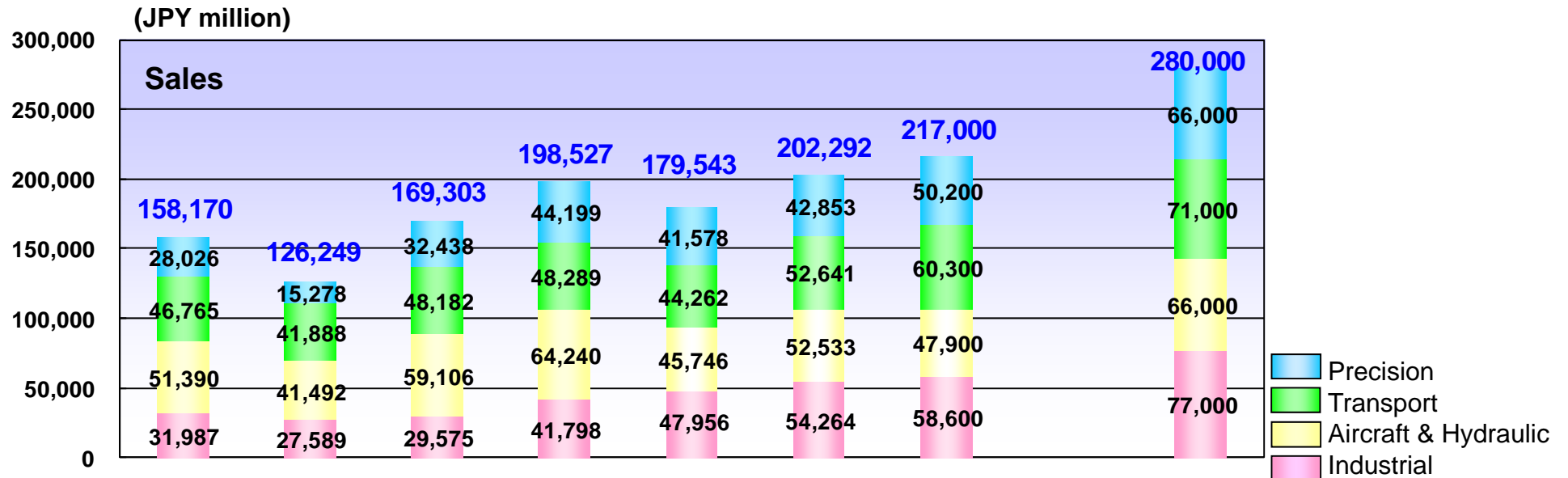


(JPY billion)	2014/3 Result	2015/3 Forecast <small>announced in Jan. 30, 2015</small>	2017/3 Plan <small>announced in May 2014</small>	2021/3 Long-term vision <small>announced in May 2012</small>
Sales	202.2	217	280±5%	400
Operating profit	20	23	34	60
O.P. margin	9.9%	10.6%	12.0%	15.0%
Net profit	14.9	17.2	24	-
EPS(Yen)	117.95	135.92	190	-
ROA	6.9%	7.3%	7.5%	11.0%
ROE	12.2%	12.4%	15.0%	18.0%
Payout ratio	32.2%	29.4%	30% being maintained	

Basic policy of the new mid-term management plan from 2015/3 to 2017/3

1. Further expansion of the business scale and pursuance of profitability
2. Promoting management with the conscious of asset and capital efficiency
3. Distribution of business earnings with the conscious of corporate growth

Sales and Operating Profit by Business Segment



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