

October 28, 2002

Notice of Change to Performance Forecasts

In view of recent trends in the Company's performance, we have made the following adjustments to the interim and yearly performance forecasts for the year to March 2003 (April 1, 2002-March 31, 2003), which were announced with the previous year's results on May 21, 2002.

- Adjustments to performance forecasts for the first half of the year to March 2003 (April 1-September 30, 2002)

(1) Consolidated

(¥millions, %)

	Sales	Ordinary Income	Interim Net Income
Previous forecast (A) (Announced May 21, 2002)	250,000	4,000	2,400
Revised forecast (B)	256,000	6,000	4,400
Change (B-A)	6,000	2,000	2,000
Percentage change	2.4	50.0	83.3
Previous interim results (for half-year ended September 2001)	257,602	2,410	1,692

(2) Non-consolidated

(¥millions, %)

	Sales	Ordinary Income	Interim Net Income
Previous forecast (A) (Announced May 21, 2002)	200,000	1,900	1,400
Revised forecast (B)	207,000	3,800	2,800
Change (B-A)	7,000	1,900	1,400
Percentage change	3.5	100.0	100.0
Previous interim results (for half-year ended September 2001)	213,924	983	1,191

- Adjustments to performance forecasts for the whole of the year to March 2003 (April 1, 2002-March 31, 2003)

(1) Consolidated

(¥millions, %)

	Sales	Ordinary Income	Net Income
Previous forecast (A) (Announced May 21, 2002)	500,000	8,000	4,800
Revised forecast (B)	500,000	9,500	5,900
Change (B-A)	-	1,500	1,100
Percentage change	-	18.8	22.9
Results for previous year (year ended March 2002)	490,583	4,739	(2,097)

(2) Non-consolidated

(¥millions, %)

	Sales	Ordinary Income	Net Income
Previous forecast (A) (Announced May 21, 2002)	400,000	3,800	2,900
Revised forecast (B)	404,000	5,700	3,400
Change (B-A)	4,000	1,900	500
Percentage change	1.0	50.0	17.2
Results for previous year (year ended March 2002)	407,950	2,761	(2,361)

3. Reasons for Adjustment

(1) Interim Performance Forecasts

Though domestic sales remained sluggish during the first half of the current accounting period, buoyant overseas trends pushed sales above the predicted level. In addition, Nagase has been working since last year to reduce its selling and administrative expenses. These factors are reflected in results higher than the initial forecasts, which have been adjusted as shown above.

(2) Yearly Performance Forecasts

The world economy is slowing down, and the state of the Japanese economy remains bleak. As a result, Nagase's business environment is expected to become more difficult in the second half of the year. Despite this, the results for the whole of the current accounting period are expected to surpass the initial forecasts, which have been adjusted as shown above.

Notes Concerning Performance Forecasts, etc.

The performance forecasts and other figures stated in this document are based on the best information available at this time and are subject to a variety of uncertainties. Actual results, etc., may differ from the figures cited here due to changes in the business situation and other factors.