

Quarterly Results Announcements

First Quarter ended June 30, 2002

On July 23, 2002, at the Tokyo Stock Exchange, NAC Co., Ltd. announced its business results on a consolidated basis for the first quarter (April 1, 2002 to June 30, 2002) of fiscal 2002, the business term ending March 31, 2003. The following is an outline of that announcement.

1. Business Performance

The Rental Division posted a 1.9% increase in sales compared with the same quarter of the previous business term, thanks to efforts to cultivate new customers in the household use market.

The System Engineering Division, aiming at a higher gross profit, effected a switchover from the low-cost support system for builders of inexpensive wooden houses – a bought-in product that has hitherto been the division's principal earner – to a new product developed in-house, called the Grandpia System, because of this, the division's de facto sales period during the quarter was only one month, and consequently, sales registered a year-on-year decline of 9.3%. Once sales of the new product got fully underway from June, however, the pace of sales outstripped that of the previous mainline product.

Since opening a model home in June, our consolidated subsidiary Tama Home Kyushu Co., Ltd. has already received orders for 22 houses (for total sales of approximately ¥ 300 million).

As a result, total sales on a consolidated basis were down from the previous year only by the very slight margin of 0.8%. Operating income, however, registered a drop of 28.5% owing to expenses for the start-up of Tama Home Kyushu Co., Ltd.

Consolidated Results for the First Quarter of the Business Term ended March 31, 2003 (Unaudited)

	(millions of yen, millions of U.S. dollars)			
	Three months ended June 30			
	2001	2002	Change	2002*
Sales and other operating revenue	¥ 2,832	¥2,811	(0.8%)	\$23.52
Operating income	308	220	(28.5%)	1.84
Income before income taxes	299	228	(29.4%)	1.91
Net income**	-	-	-	-

*\$1=¥119.50

**Net income have not finalized.

Consolidated Sales Breakdown Results

	(millions of yen, millions of U.S. dollars)			
	Three months ended June 30			
	2000	2002	Change	2002*
Rental Division	¥ 2,055	¥2,094	1.9%	\$17.52
System Engineering Division	494	448	(9.3%)	3.75
Others	282	267	(5.2%)	2.23
Total	2,832	2,811	(0.8%)	23.52

*\$1=¥119.50

(Note)

The statements herein are prepared according to generally accepted accounting standards in Japan.

2. Acquisition of Own Shares

In accordance with the resolution regarding the purchase of the Company's own shares adopted at the Company's Ordinary General Meeting of Shareholders for its 31st business term, held on June 23, 2002, a resolution was approved at the meeting of the Board of Directors on June 24, 2002 to acquire the Company's own shares in the maximum amount of 500,000 shares and for a maximum outlay of ¥ 500 million, the said purchases to commence on June 25, 2002.

3. General Meeting of Shareholders Commemorative Forum

A General Meeting of Shareholders Commemorative Forum was held following the conclusion of the ordinary general meeting of shareholders on June 23. The forum consisted of a special lecture given by the well-known radio personality Rokusuke Ei, followed by reports given by Company employees on their notable business experiences.

The forum was attended by shareholders, selected members of the public, and employees of the Company. A record 1,315 persons were present.

All resolutions on the agenda at the General Meeting of Shareholders were passed as proposed.

Cautionary Statement

Statements made in this release with respect to NAC's current plans, estimates, strategies and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of NAC. These statements are based on management's assumptions and beliefs in light of the information currently available to it and therefore you should not place undue reliance on them. NAC cautions you that a number of important factors could cause actual results to differ materially from those discussed in the forward-looking statements.