



Consolidated Financial & Business Results for the Quarter ended June 30,2004

July 29,2004

Listed Company Name **Nihon Inter CO., Ltd.**

(Code No : 6974 Listed on the second section of the Tokyo Stock Exchange)

(U R L <http://www.niec.co.jp>)

Contact President, Takeshi Yasuda

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Title and name of the person: General Manager, Accounting Department, Fumio Inoue

1. Information on Preparing Quarterly Financial and Business Results

Changes in accounting policies : None
 Changes in accounting policies from consolidated report for most recent fiscal year : Yes
 Changes in scope of consolidation and application of equity method : None

2 . Financial results for the first quarter of Fiscal 2005 (From Apr 1, 2004 to June 30, 2004)

(1) Consolidated results of operations

	Net Sales		Operating Income		Ordinary Income		1QTR (this qtr) Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
1 st Quarter, FY2005	8,947	(29.3)	895	(62.5)	799	(66.9)	430	(54.0)
1 st Quarter, FY2004	6,917	(-)	551	(-)	478	(-)	279	(-)
(Ref) Year ended March 31, 2004	30,715		3,157		2,586		1,194	

	Net income per share		Diluted net income per share	
	yen	Yen	Yen	Yen
1 st Quarter, FY2005	13.81		13.68	
1 st Quarter, FY2004	9.00		-	
(Ref) Year ended March 31, 2004	36.91		36.61	

(Note) Percentage (%) shown for Net Sales, Operating income and others represents change from the data of the same quarter of the previous year.

[Qualitative information with respect to the consolidated operating results]

The consolidated net sales of the first quarter increased 29% to 8,947 mil yen from the same quarter of the previous year. Of which the product net sales increased 13% to 5,130 mil yen from the same quarter of the previous year and merchandise increased 61% to 3,817 mil yen respectively. We report operating profit of 895 mil yen (up 63%) and ordinary profit of 799 mil yen (up 67%) The net income increased 54% to 430 mil yen from the same quarter of the previous.

We experienced strength in many of our market segments. Digital Home Appliances (PDP=Plasma Display Panel, LCD and DVD recorders) were up greater than 70%. Industrial Products (multi-purpose invertors, UPS and welders) were up greater than 30%. Automobile related products was up greater than 30%. Analog home appliances and PC related revenues were down year over year.

Although year over year price reductions and delay in production lump up negatively impacted gross margins, gross margin improvements were driven by an improved product mix and manufacturing cost reductions. Therefore, product gross margins increased by 1.3% to 29.3% in the current quarter.

The net sales of Merchandise division showed unusual strength. This strength was driven by non-recurring sales to a customer in the amusement market. Merchandise revenues for the remaining 3 quarters of the year are anticipated to up modestly over last year.

(1) Trends in Consolidated Financial Position

	Total Assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	yen
1 st Quarter, FY2005	29,927	9,901	33.1	317.66
1 st Quarter, FY2004	28,324	8,511	30.2	275.47
(Ref) Year ended March 31, 2004	28,029	9,588	34.2	306.15

【 Consolidated Cash Flow 】

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of ye	Millions of ye	Millions of ye
1 st Quarter, FY2005	136	1,105	756	1,834
1 st Quarter, FY2004	567	69	88	3,030
(Ref) Year ended March 31, 2004	2,754	851	2,260	2,303

Qualitative Information on Trends in Consolidated Financial Position]

Balance of cash and cash equivalents at the end of the first quarter amounted to 1.834 bil yen decreased by 469 mil yen from the end of the previous fiscal year.

The status of cash flow for the first quarter of the fiscal year ending Mar 31, 2005 is as follows:

Cash flow provided by operating activities for the first quarter amounted to -136 mil yen due to +774 mil yen from income before tax, -999 mil yen from the increase of sales receivables, -136 mil yen from the increase of inventories and so on.

Cash flow provided by investing activities amounted to -1.105 bil yen due mainly to the capital investment payment for plant and property in Tsukuba.

Cash flow provided by financing activities amounted to +756 mil yen due to borrowing 3.736 bil yen of short term bank loan and making payment of 2.892 bil yen of long-term borrowings.

[Reference]

Consolidated Business Results Forecast for Fiscal 2005 (From Apr 1, 2004 to March 31, 2005)

	Forecasted net sales	Forecasted ordinary income	Forecasted net income
	Millions of yen	Millions of yen	Millions of yen
Fixed six months of fiscal 2005	16,000	1,600	850
Fiscal 2005	33,400	3,600	1,900

(Reference) Forecasted net income per share (Fiscal Year) 60.96yen

[Qualitative information on consolidated business results forecast etc]

There are no changes or revise to the consolidated business forecast previously announced on May 14,2004.