

October 5, 2001  
 Nihon Inter Electronic Corporation (NIEC)  
 Code No. 6974  
 Contact Person: Manager, Accounting Department,  
 Yoichiro Sugita, Tel: 03-5275-9094

### Notice of Revised Performance Forecasts

The performance forecast, made public at the time of the announcement of the financial statements on May 23, 2001, have been revised as below on the basis of the recent performance trends.

**1. Revised performance forecasts for the interim period of the fiscal year ending March 31, 2002 (Period in question: April 1, 2001, to September 30, 2001)**

(Millions of yen, %)

	Net Sales	Ordinary Income	Net Income
<b>Original forecasts (A) (made on May 23, 2001)</b>	13,800	170	100
<b>Revised forecasts (B)</b>	11,200	(200)	(1,100)
<b>Increase (decrease) (B-A)</b>	(2,600)	(370)	(1,200)
<b>Rate of increase (decrease) (%)</b>	(18.8)	—	—
<b>Performance during the interim period of the previous fiscal year (ended March 31, 2001)</b>	16,055	670	(436)

**2. Revised consolidated performance forecasts for the interim period of the fiscal year ending March 31, 2002 (Period in question: April 1, 2001, to September 30, 2001)**

(Millions of yen, %)

	<b>Net Sales</b>	<b>Ordinary Income</b>	<b>Net Income</b>
<b>Original forecasts (A) (made on May 23, 2001)</b>	14,500	120	50
<b>Revised forecasts (B)</b>	11,600	(550)	(1,550)
<b>Increase (decrease) (B-A)</b>	(2,900)	(670)	(1,600)
<b>Rate of increase (decrease) (%)</b>	(20.0)	—	—
<b>Performance during the interim period of the previous fiscal year (ended March 31, 2001)</b>	16,669	721	(556)

**3. Revised performance forecasts for the fiscal year ending March 31, 2002 (Period in question: April 1, 2001, to March 31, 2002)**

(Millions of yen, %)

	<b>Net Sales</b>	<b>Ordinary Income</b>	<b>Net Income</b>
<b>Original forecasts (A) (made on May 23, 2001)</b>	31,500	950	500
<b>Revised forecasts (B)</b>	23,800	0	(9)
<b>Increase (decrease) (B-A)</b>	(7,700)	(950)	(1,400)
<b>Rate of increase (decrease) (%)</b>	(24.4)	—	—
<b>Performance during the previous fiscal year (ended March 31, 2001)</b>	31,480	1,271	(128)

**4. Revised consolidated performance forecasts for the fiscal year ending March 31, 2002 (Period in question: April 1, 2001, to March 31, 2002)**

(Millions of yen, %)

	<b>Net Sales</b>	<b>Ordinary Income</b>	<b>Net Income</b>
<b>Original forecasts (A) (made on May 23, 2001)</b>	33,000	1,000	550
<b>Revised forecasts (B)</b>	24,800	(350)	(1,400)
<b>Increase (decrease) (B-A)</b>	(8,200)	(1,350)	(1,950)
<b>Rate of increase (decrease) (%)</b>	(24.8)	—	—
<b>Performance during the previous fiscal year (ended March 31, 2001)</b>	32,470	1,591	(44)

**5. Reasons for the revision**

We predict negative ordinary income for the current interim period as a result of the global recession, the sharp downturn in demand for IT-related products, and the large-scale deterioration in sales, selling prices, and capacity utilization. NIEC plans to undertake a structural reform of its operations through a streamlining of the Group's personnel and disposing of unnecessary inventory and equipment, as well as clearly delineating the responsibilities of each department, in order to create a cost structure more suited to our current operating environment. With funds necessary for the above reforms adding to our forecasted expenditure for the interim period under review, we expect to record a net loss for the period.

With regard to performance for the whole year, the operating environment and business conditions are expected to remain severe, but on the other hand, we hope to see results of the reforms we will undertake during the interim period and expect these to contribute greatly to an about turn in performance.

Regarding interim dividends, we are considering suspending the payment of interim dividends this year.