



FINANCIAL CONFERENCE

Consolidated Business Results and Forecast

May 14, 2010
NSK Ltd.

Cautionary Statements with Respect to Forward-Looking Statements

Statements made in this report with respect to plans, strategies and future performance that are not historical fact are forward-looking statements. NSK cautions that a number of factors could cause actual results to differ materially from those discussed in the forward-looking statements.

Note : This document is an English translation of material written initially in Japanese. The Japanese original should be considered the primary version.

- 1. Consolidated Business Results
for the Year Ended March 31, 2010**
- 2. Consolidated Business Forecast
for the Year Ending March 31, 2011**
- 3. Progress of Mid-term Plan(FY'09~FY'12)**

(Supplementary Material)

1. Consolidated Business Results for the Year Ended March 31, 2010

Summary of Consolidated Business Results for the Year Ended March 31, 2010



Business Environment

- ✓ **Industrial Machinery** :Although demand showed an upward trend, the speed of recovery is still moderate.
- ✓ **Automotive Products**: Automotive production recovered due to the positive effect of government stimulus policies.
- ✓ **Semiconductors/Liquid crystal production equipment**:
Recovery in demand for capital investment became clear from the second half of the year.

Summary of Business Results

- ✓ **Net sales ¥587.6 billion, Operating income ¥11.3 billion**
Ordinary income ¥7.6 billion, Net income ¥4.8 billion
 - Profitability has improved with each quarter, contributing to a full-year profit.
 - Improved profitability in the automotive product business greatly contributed to overall results.
- ✓ **Fulfilled goals of profitability/cash improvement initiatives**
 - **Effect of profitability improvement initiatives: +¥16.0 billion in operating income compared to the previous year.**
 - ⇒Suppressed increase in labor costs by appropriate deployment of personnel /Strict reduction of general and administrative costs
 - **Reduced capital investment: 09/3 ¥41.9 billion ⇒ 10/3 ¥19.8 billion**
 - ⇒As far as depreciation and amortization level (09/3 ¥38.5 billion / 10/3 ¥35.6 billion)
- ✓ **Dividend forecast : 09/3 ¥14.0/year⇒10/3 ¥8.0/year(Mid-term ¥4.0 /Year-end ¥4.0)**

Summary of Consolidated Business Results for the Year Ended March 31, 2010



(100 Million)	09/3 <Actual>	10/3 <Actual>	Increase/ decrease YOY	Difference YOY
Sales	6,476	5,876	-600	-9.3%
Operating income <%>	221 <3.4%>	113 <1.9%>	-108	-48.9%
Ordinary income	170	76	-94	-55.2%
Extraordinary gain	5	-	-5	-100.0%
Extraordinary loss	72	13	-59	-82.3%
Income before tax	103	63	-40	-38.7%
Net income	46	48	+2	+4.5%
<Exchange rate> 1US\$= 1EURO=	¥100.74 ¥144.47	¥92.83 ¥130.89		

【Major Indexes】

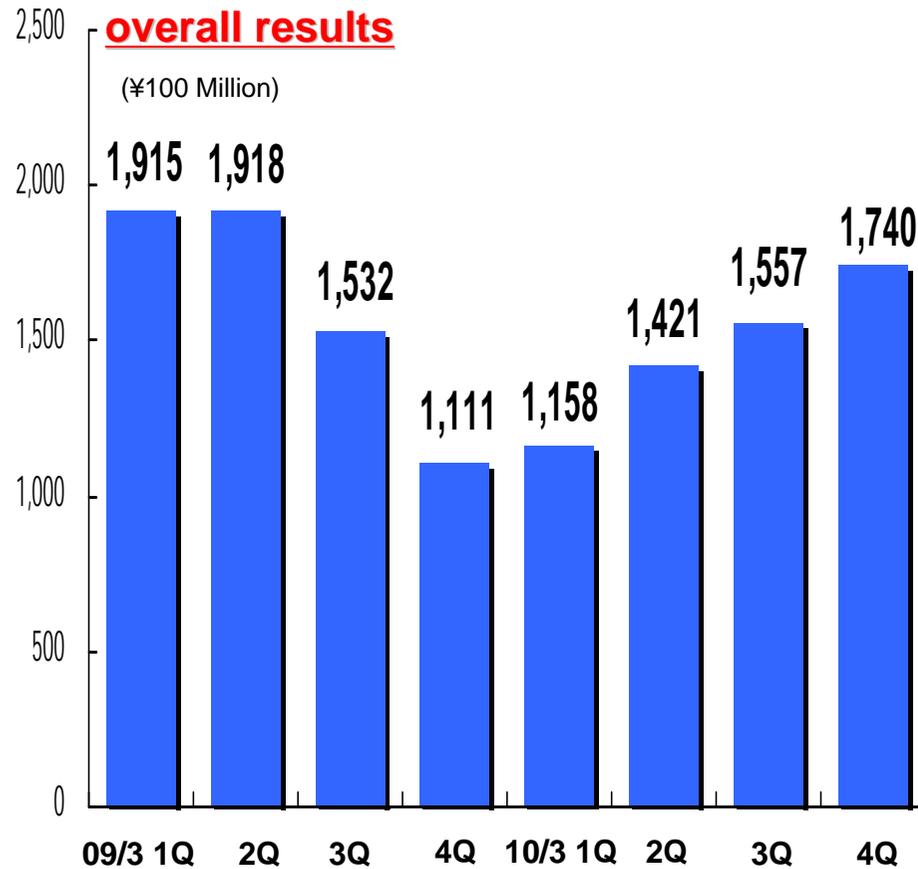
ROE	1.8%	2.0%		
Net D/E ratio (times)	0.85	0.73		
Inventory turnover (times)	6.2	5.5		

Quarterly Business Performance



Sales

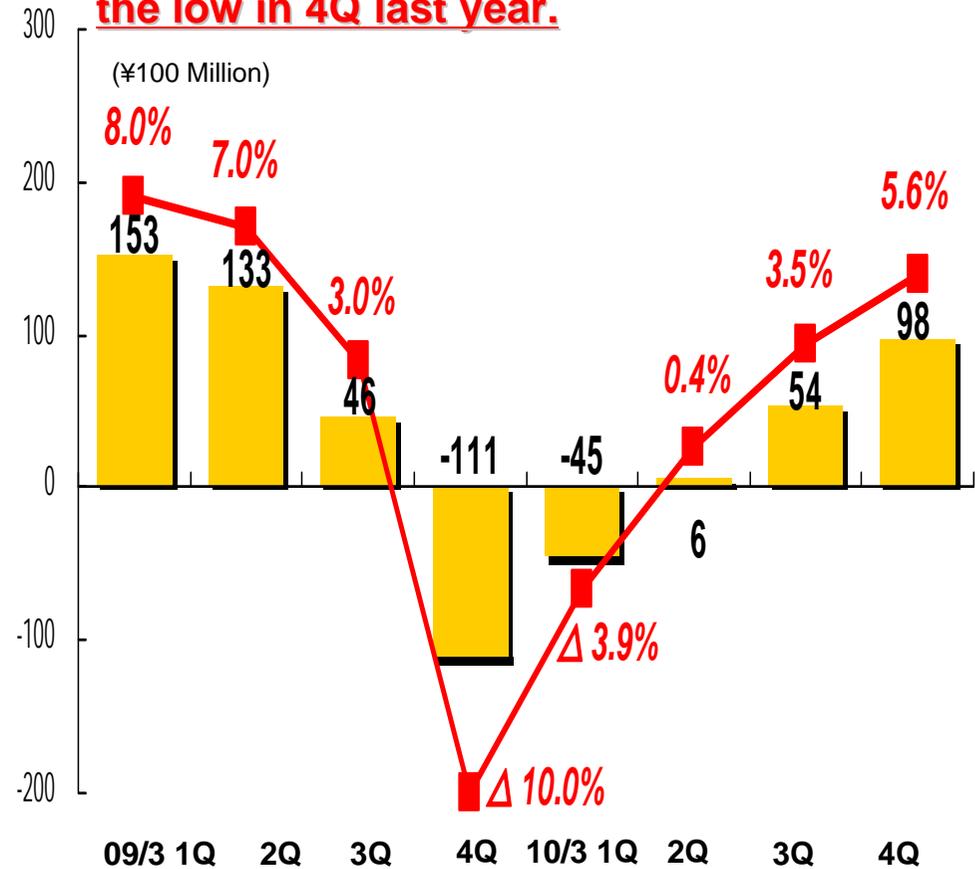
Business results have been recovering quarter by quarter since 1Q. Demand recovery from automakers contributed to overall results



US\$=	¥104.40	¥107.50	¥97.07	¥93.99	¥97.13	¥93.78	¥89.81	¥90.61
EURO=	¥163.12	¥162.64	¥129.22	¥122.90	¥132.51	¥133.61	¥132.55	¥124.89

Operating income/Margin

In addition to profitability improvement initiatives, increased sales contributed to results. Profitability improved rapidly from the low in 4Q last year.



US\$=	¥104.40	¥107.50	¥97.07	¥93.99	¥97.13	¥93.78	¥89.81	¥90.61
EURO=	¥163.12	¥162.64	¥129.22	¥122.90	¥132.51	¥133.61	¥132.55	¥124.89

Results by Business Segment

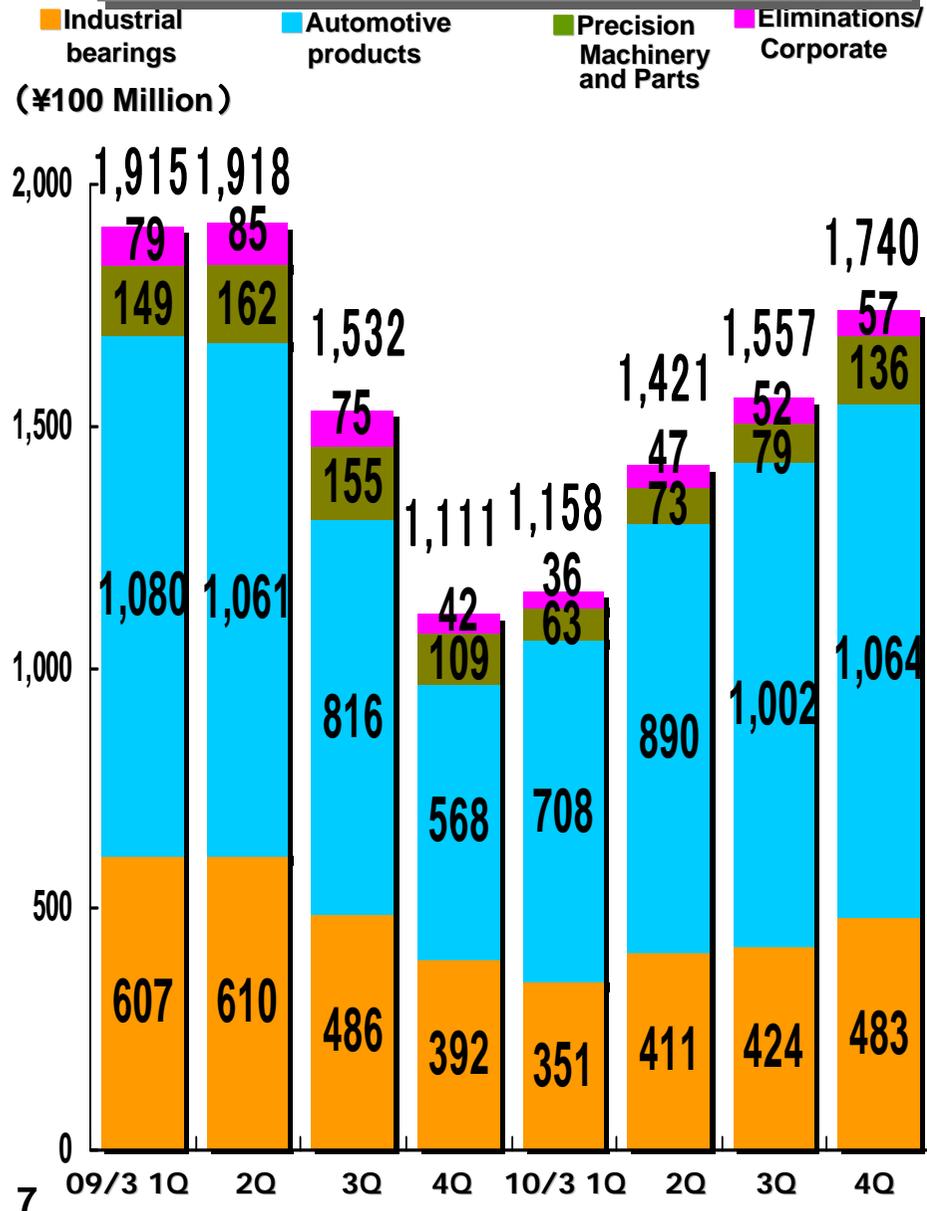


(¥100 Million)	09/3 <Actual>		10/3 <Actual>		Increase/ decrease YOY	Difference YOY
Industrial bearings						
Sales	2,095		1,669		-426	-20.4%
Operating income	195	<9.3%>	58	<3.5%>	-137	-70.2%
Automotive products						
Sales	3,525		3,664		139	+4.0%
Automotive bearings	1,900		1,914		14	+0.7%
Automotive Components	1,625		1,750		125	+7.8%
Operating income	68	<1.9%>	183	<5.0%>	115	+168.4%
Precision machinery and Parts						
Sales	575		351		-224	-39.0%
Operating income	5	<0.9%>	-75	<-21.3%>	-80	-
Others						
Sales	507		349		-158	-31.1%
Operating income	8	<1.6%>	-2	<-0.5%>	-10	-
Eliminations/Corporate						
Sales	-226		-157		69	-
Operating income	-55		-51		4	-
Total						
Sales	6,476		5,876		-600	-9.3%
Operating income	221	<3.4%>	113	<1.9%>	-108	-48.9%

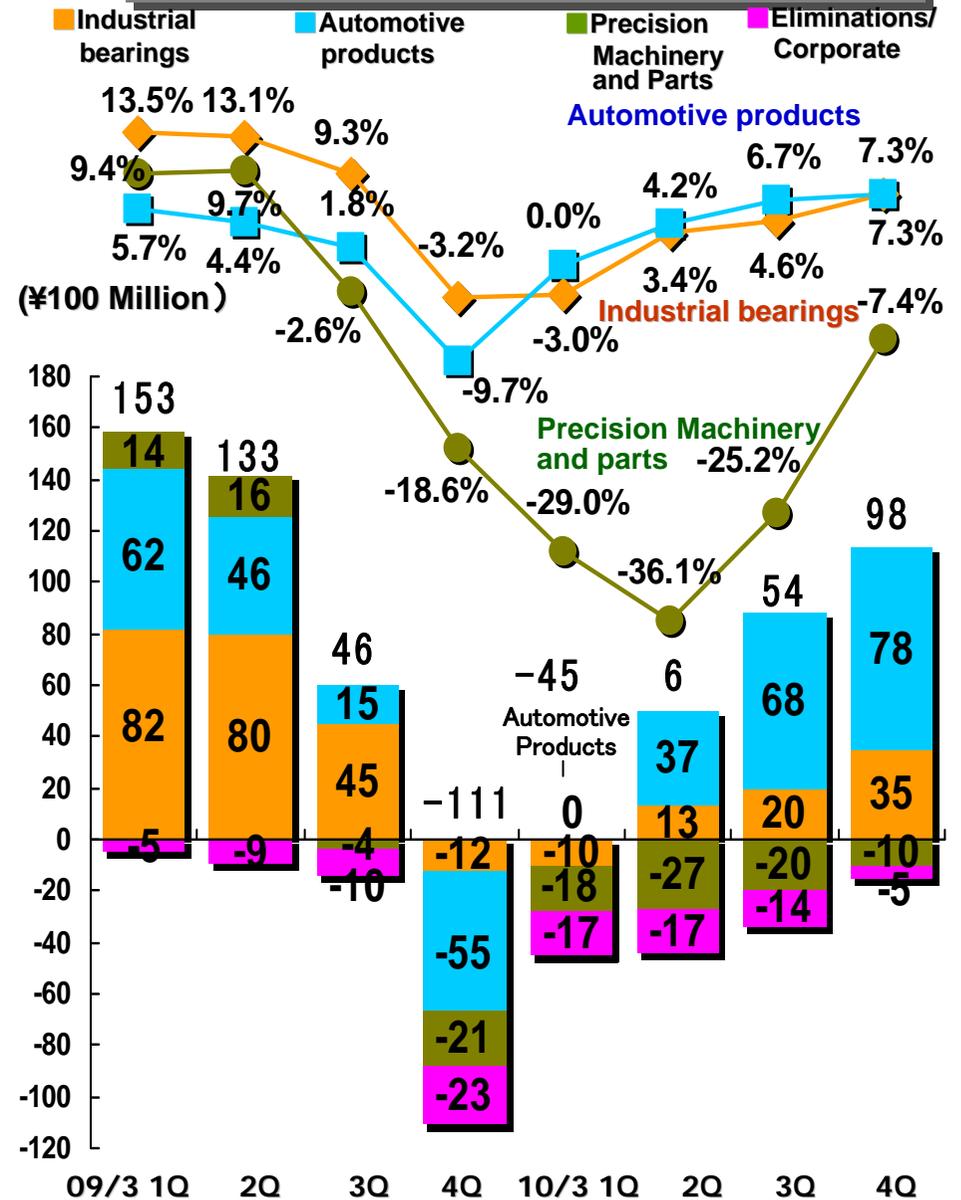
Quarterly Business Segment Performance



Sales

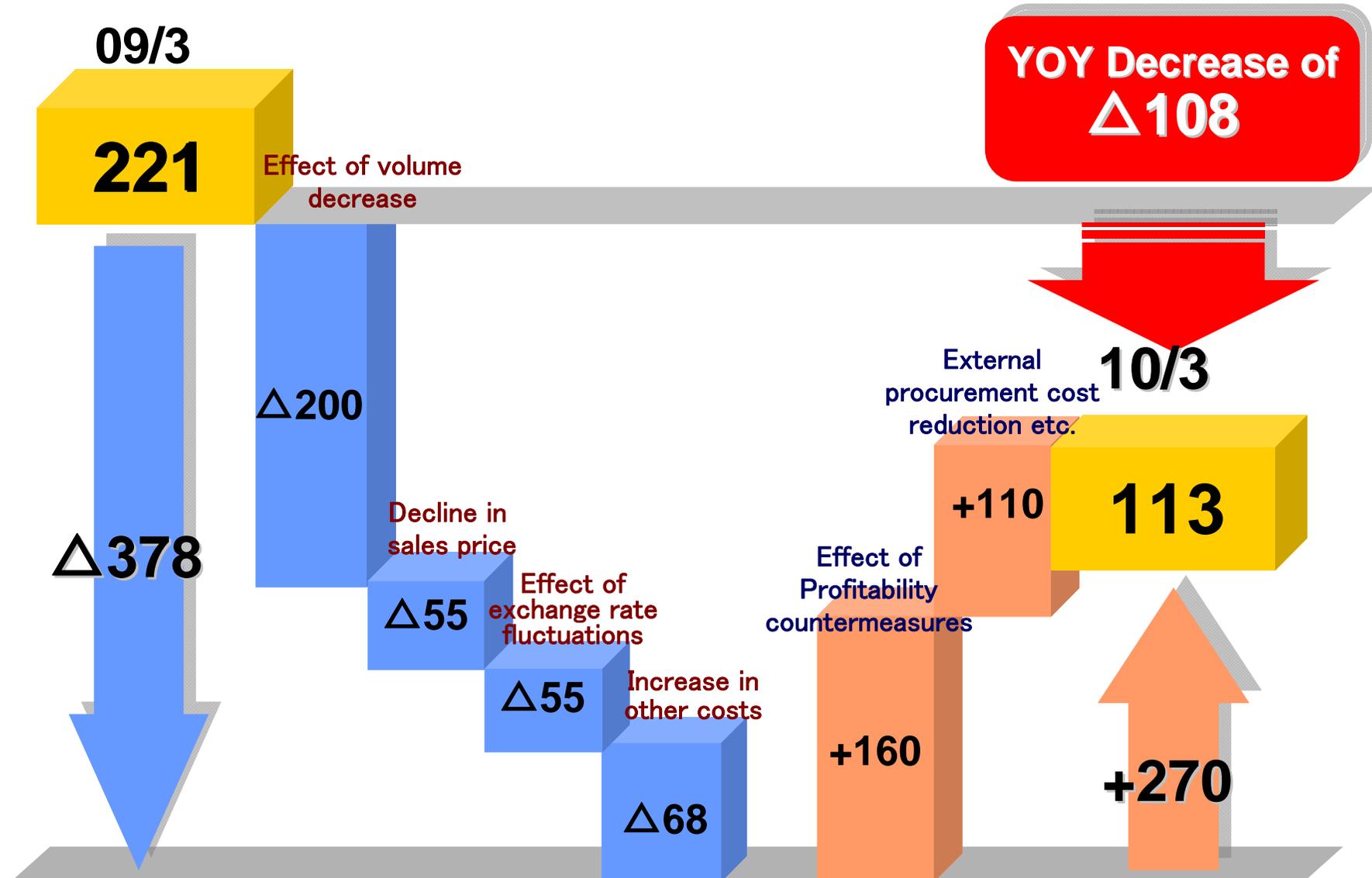


Operating income/Margin



Operating Income: Factors Behind Decline (09/3⇒10/3) **NSK**

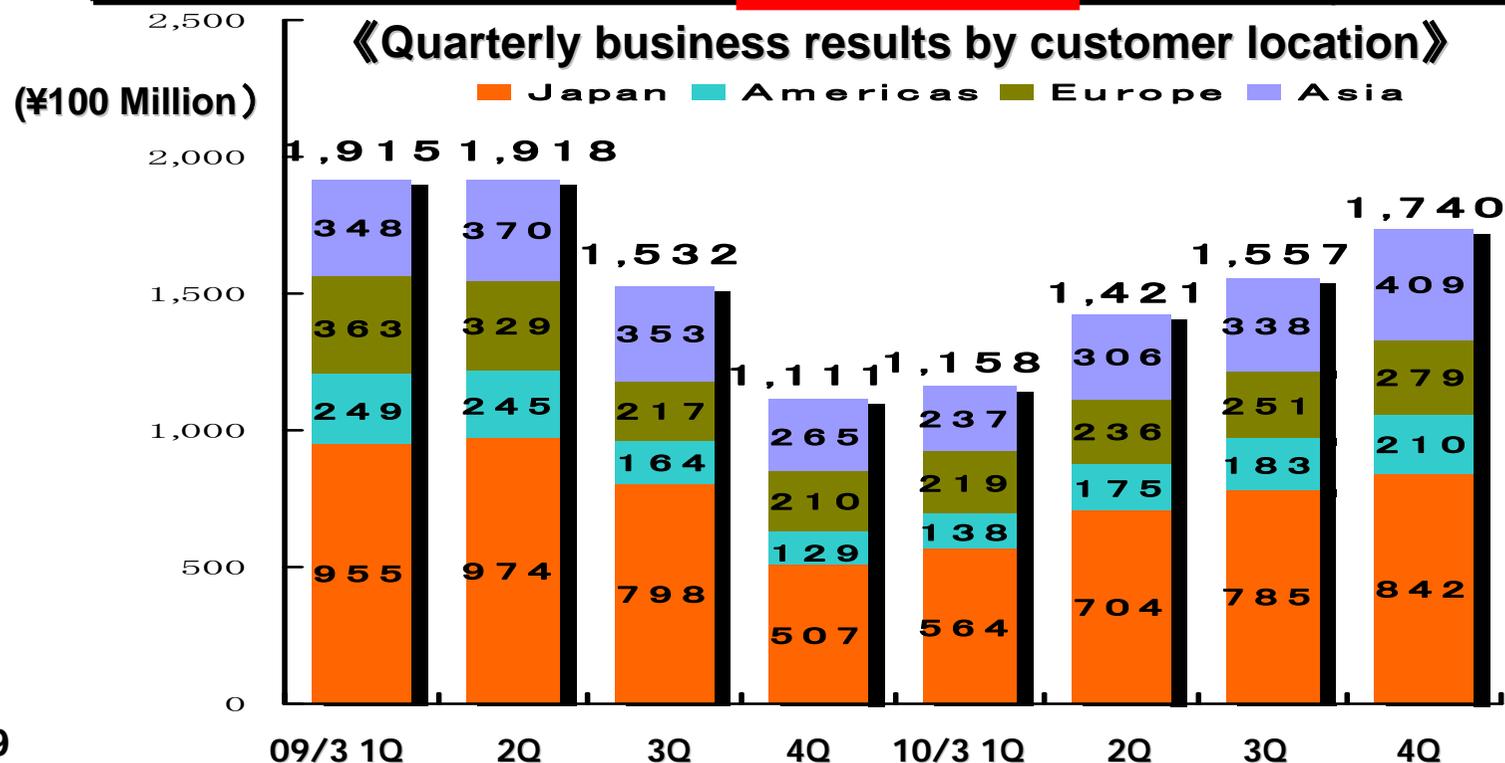
(¥100 Million)



Business Results by Customer Location



(100 Million)	09/3	10/3	Increase/ decrease YOY	Difference YOY
Sales	6,476	5,876	-600	-9.3%
Japan	3,234	2,895	-339	-10.5%
Non-Japan (Non-Japan ratio)	3,242 (50.1%)	2,981 (50.7%)	-261	-8.1%
The Americas	787	706	-81	-10.3%
Europe	1,119	985	-134	-11.9%
Asia	1,336	1,290	-46	-3.5%

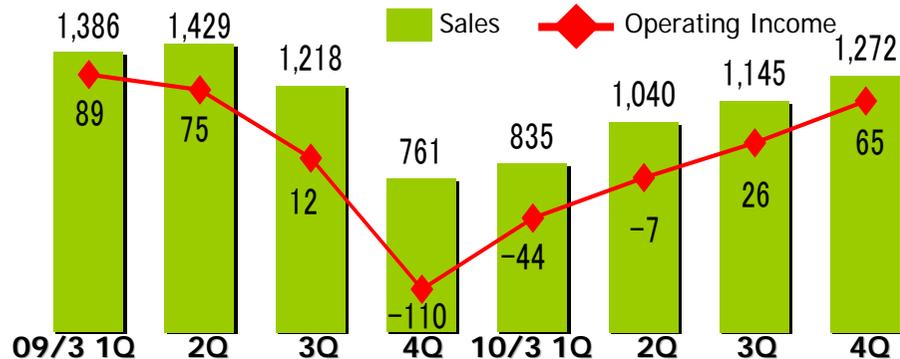


Business Results by Geographical Segment



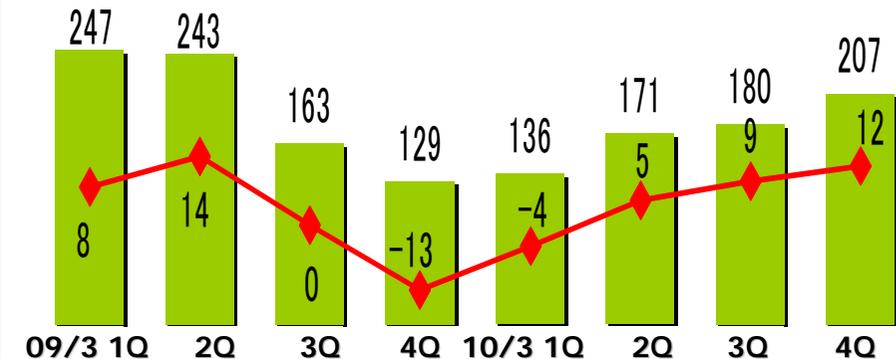
【Japan】

(100 Million)	09/3	10/3	Increase/ decrease YOY	Difference YOY
Sales	4,794	4,292	-502	-10.5%
Operating income	66 <1.4%>	40 <0.9%>	-26	-39.6%



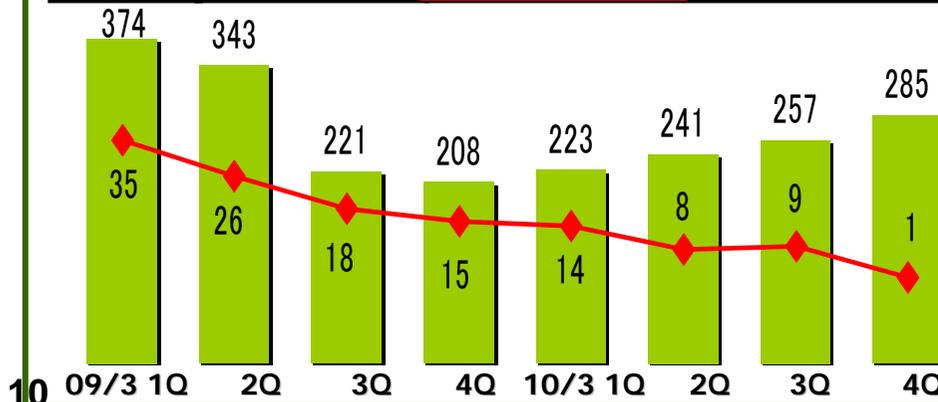
【The Americas】

(100 Million)	09/3	10/3	Increase/ decrease YOY	Difference YOY
Sales	782	694	-88	-11.3%
Operating income	9 <1.2%>	22 <3.2%>	+13	+139.9%



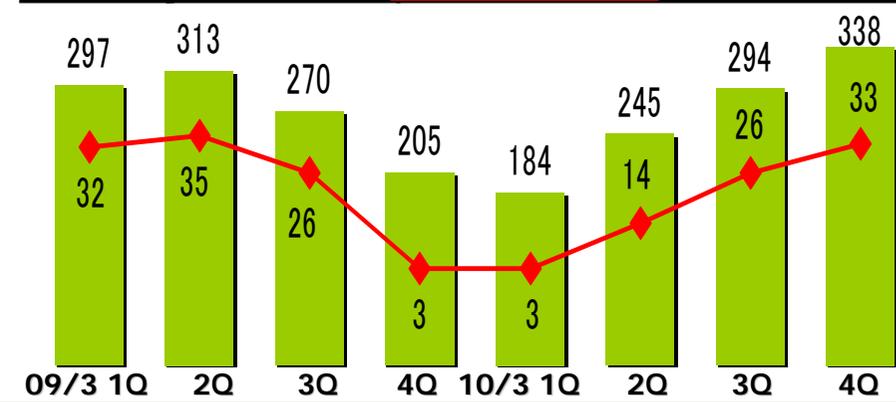
【Europe】

(100 Million)	09/3	10/3	Increase/ decrease YOY	Difference YOY
Sales	1,146	1,006	-140	-12.2%
Operating income	94 <8.2%>	32 <3.2%>	-62	-66.0%



【Asia】

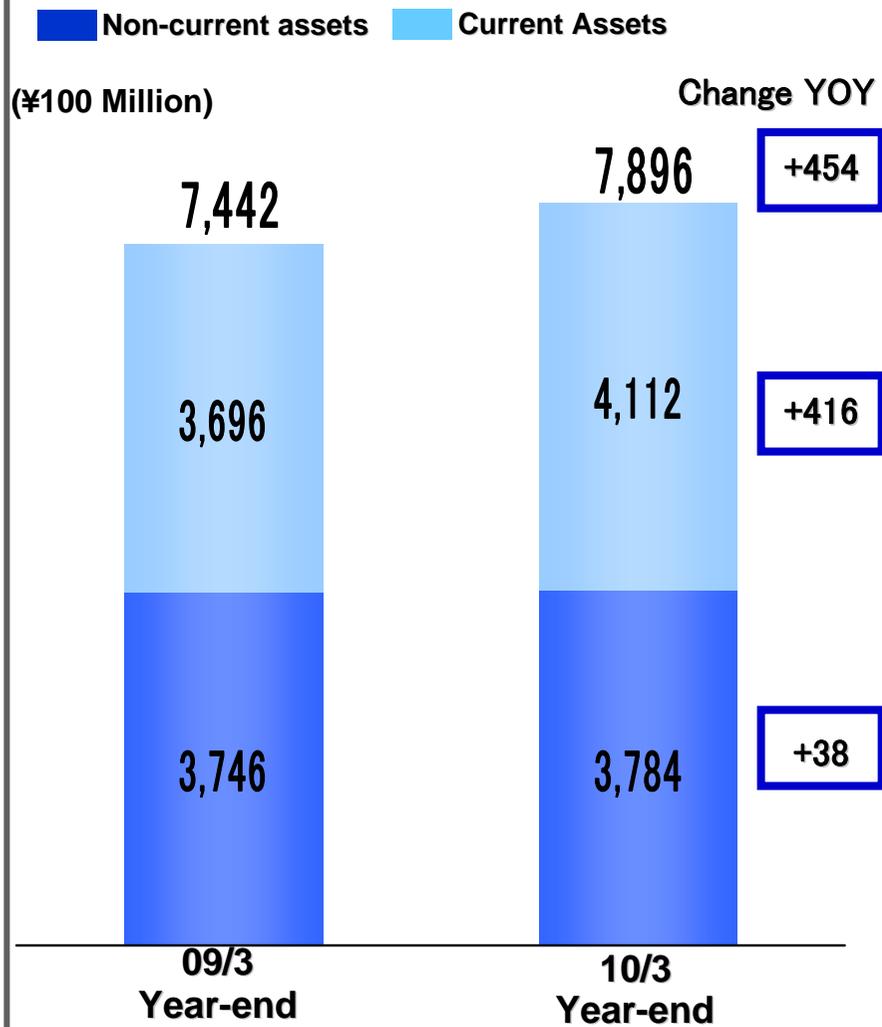
(100 Million)	09/3	10/3	Increase/ decrease YOY	Difference YOY
Sales	1,085	1,061	-24	-2.2%
Operating income	96 <8.8%>	76 <7.1%>	-20	-20.9%



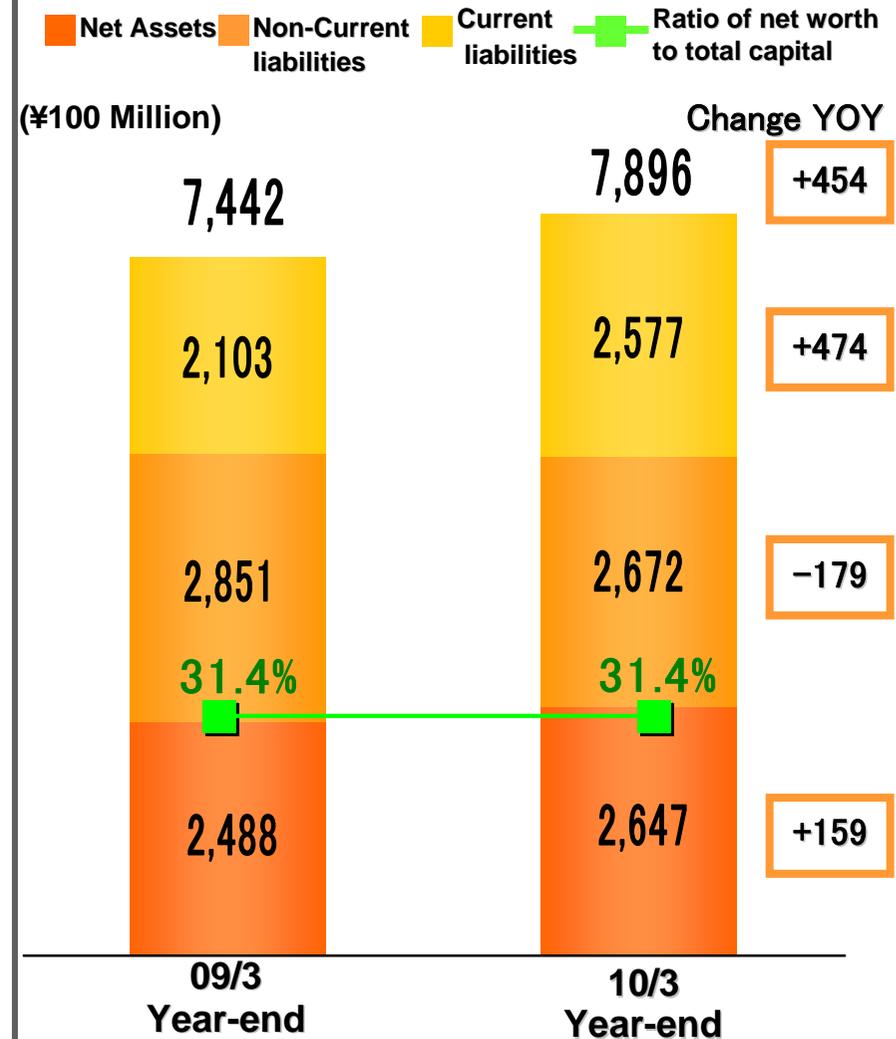
Consolidated Balance Sheets



Assets



Liabilities/Net Assets



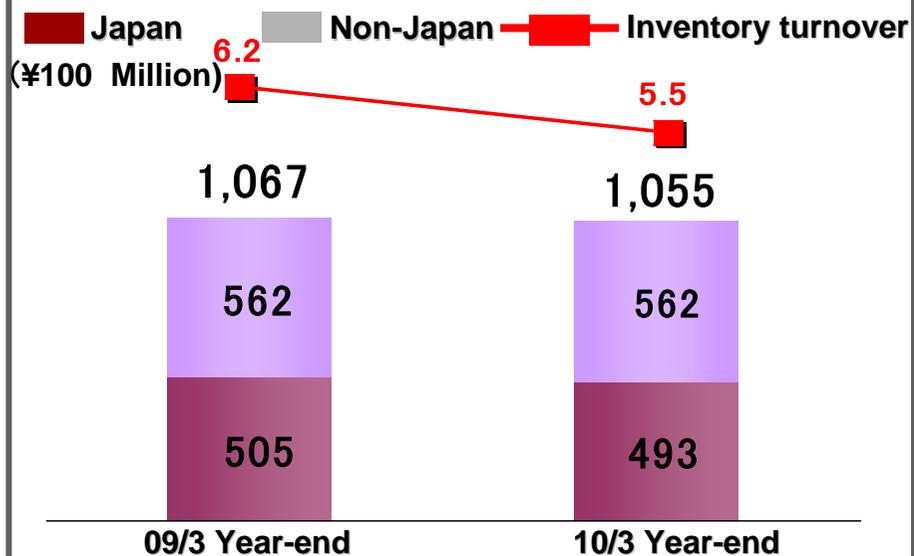
US\$	98.23	93.04
Euro	129.84	124.92

US\$	98.23	93.04
Euro	129.84	124.92

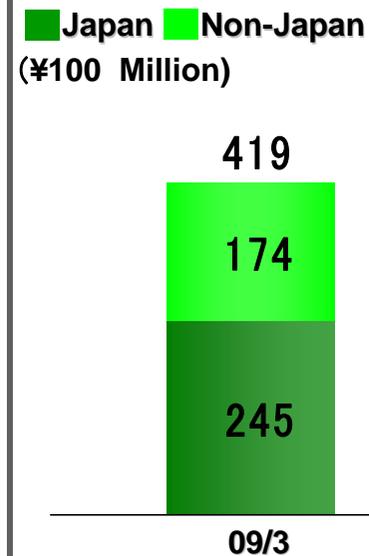
Inventory/ Interest-Bearing Debts/ Capital Expenditure/ Depreciation



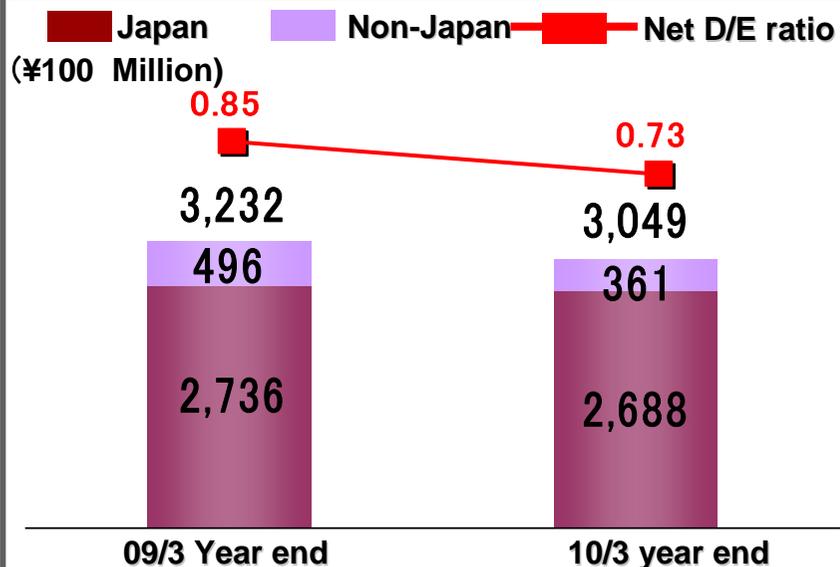
Inventory



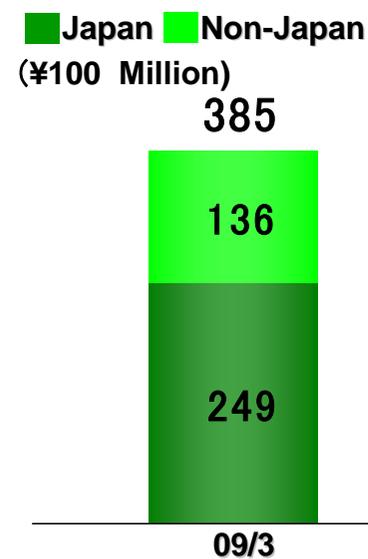
Capital Expenditure



Interest-Bearing Debts



Depreciation and Amortization



2. Consolidated Business Forecast for the Year Ending March 31, 2011

Business Forecast

- ✓ Net sales ¥665.0 billion Operating income ¥38.0 billion
Ordinary income ¥33.0 billion Net income ¥21.0 billion
- ✓ Exchange rate forecast : US\$=¥90.0 Euro=¥125.0
(09/3 1st half US\$=¥92.83 Euro=¥130.89)
- ✓ Dividend Forecast : ¥10.0 /year (Interim:¥5.0 / Year-end:¥5.0 +¥2 increase/year)

Forecasted Business Environment

- ✓ Industrial Machinery :
 - * Demand expansion backed by economic development in emerging countries will contribute positively to results.
 - * Recovery in Electronic/IT and semiconductor/photo fabrication - related sectors is expected to continue. The speed of recovery in the industrial machinery sector will be limited.
- ✓ Automotive products :
 - * Production in Japan: recovery in export sales is expected to continue. However, a slow-down in domestic sales is anticipated.
 - * Economic development will continue in emerging countries; Automotive production in US will increase, compared to the previous year; Risk of drop-off in Europe as stimulus policies end.

Forecast for the Year Ending March 31, 2011



(¥100 Million)	10/3 Actual			11/3 Forecast			Increase/ decrease YOY	Difference YOY
	1st half	2nd half	Full year	1st half	2nd half	Full year		
Sales	2,579	3,297	5,876	3,300	3,350	6,650	+774	+13.2%
Operating income <%>	-39 <-1.5%>	152 <4.6%>	113 <1.9%>	165 <5.0%>	215 <6.4%>	380 <5.7%>	+267	+236.3%
Ordinary income	-87	163	76	140	190	330	+254	+334.2%
Income before tax	-98	161	63	140	190	330	+267	+423.8%
Net income	-59	107	48	85	125	210	+162	+337.5%
<Exchange rate>								
1US\$=	¥95.45	¥90.20	¥92.83	¥90	¥90	¥90		
1EURO=	¥133.06	¥128.73	¥130.89	¥125	¥125	¥125		

Key strategies for the Year Ending March 31, 2011



Continue profitability improvement countermeasures

- Promote restructuring of global production sites
- Reduce external procurement costs
- Enhance countermeasures against risk of rising steel price
- Contain fixed costs by production efficiency
- Contain sales administrative expenses/Continue cost reduction

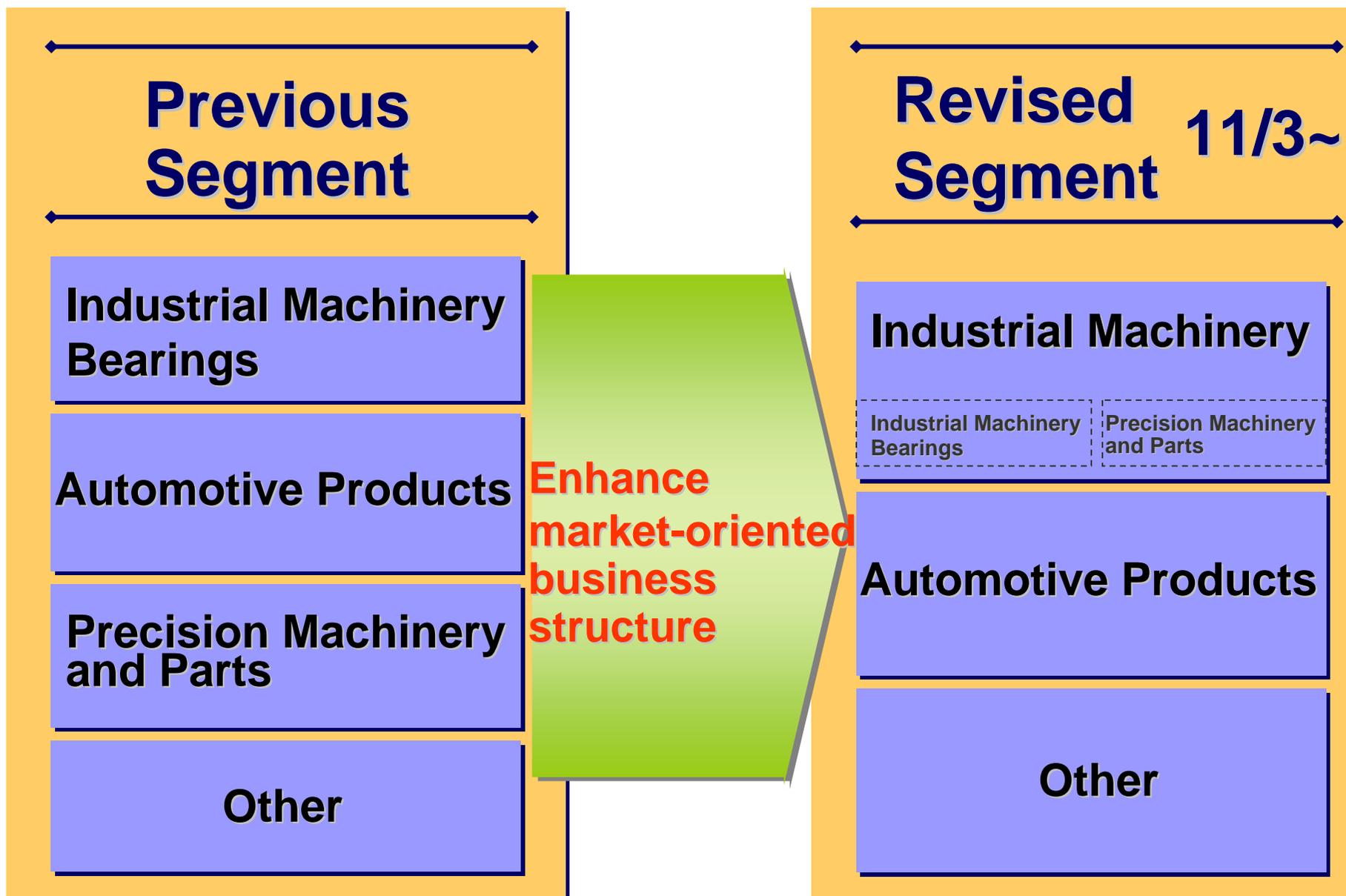
Accelerate response speed to match changing demand

- Industrial Machinery
 - * Industrial Machinery Bearings: Expand sales by enhancement of sector activities
 - * Precision Machinery and Parts: Respond promptly to rapid recovery in orders
- Automotive Products: Capture demand in growing markets

Implement capital investment based on mid-term plan

- 11/3 Capital expenditure plan ⇒ ¥35.0 billion (Within depreciation and amortization level)
- Reinforce Strategic field-related investment –for emerging countries and EPS.

Change of Business Segment Disclosure



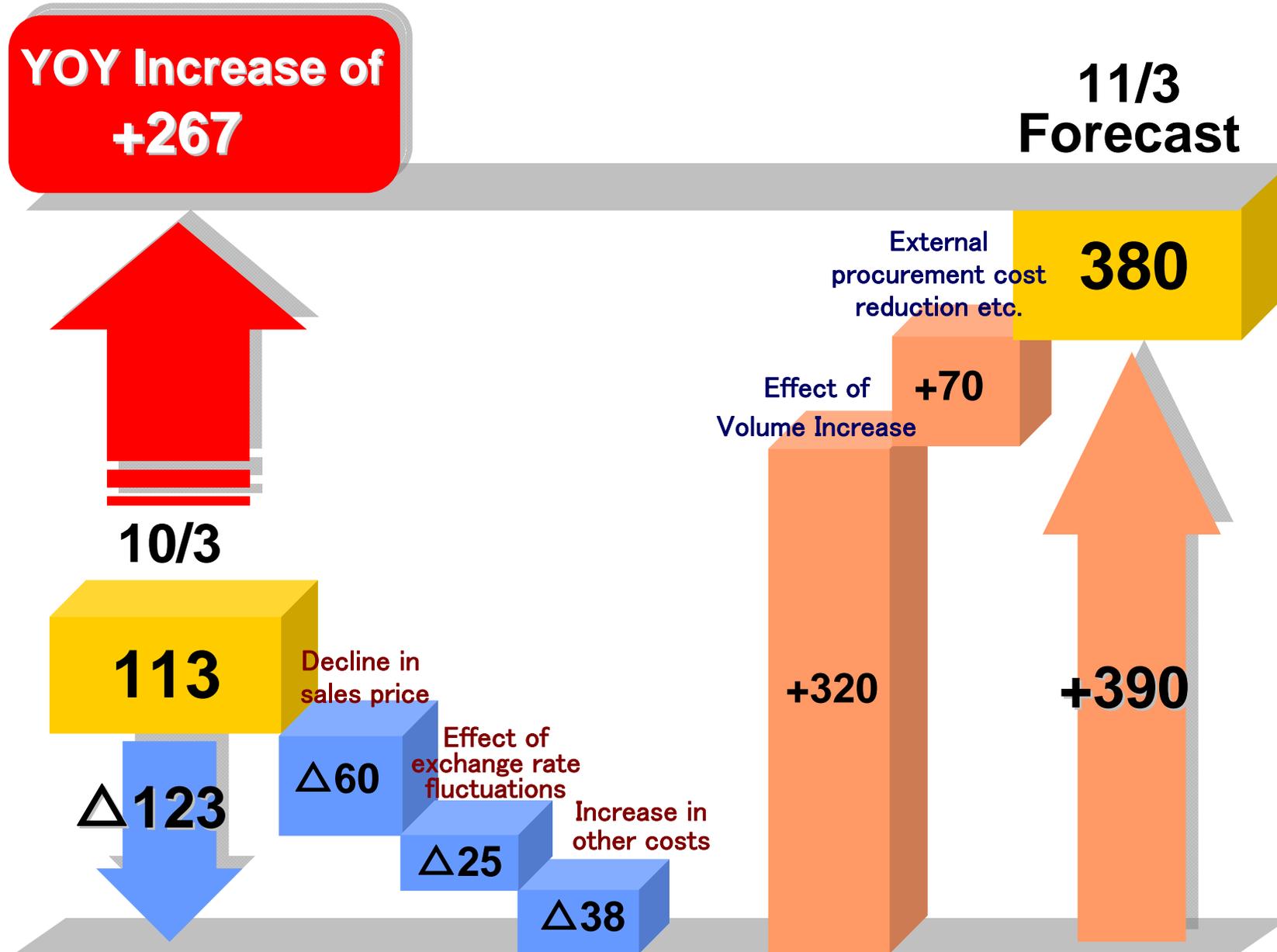
Forecast by Business Segment



(¥100 Million)	10/3 Actual			11/3 Forecast			Increase/ decrease YOY	Difference YOY
	1st half	2nd half	Full year	1st half	2nd half	Full year		
Industrial Machinery								
Sales	898	1,122	2,020	1,185	1,220	2,405	+385	+19.1%
Industrial machinery bearings	762	907	1,669	920	955	1,875	+206	+12.3%
Precision machinery and parts	136	215	351	265	265	530	+179	+51.0%
Operating Income	-42 <-4.6%>	25 <2.2%>	-17 <-0.8%>	55 <4.6%>	95 <7.8%>	150 <6.2%>		
Automotive products								
Sales	1,598	2,066	3,664	2,005	2,030	4,035	+371	+10.1%
Automotive bearings	839	1,075	1,914	1,035	1,050	2,085	+171	+8.9%
Automotive components	759	991	1,750	970	980	1,950	+200	+11.4%
Operating Income	37 <2.3%>	146 <7.0%>	183 <5.0%>	130 <6.5%>	140 <6.9%>	270 <6.7%>	+87	+47.5%
Other								
Sales	149	200	349	190	195	385	+36	+10.3%
Operating Income	-9 <-6.3%>	7 <3.8%>	-2 <-0.5%>	10 <5.2%>	10 <5.1%>	20 <5.2%>	+22	-
Eliminations/Corporate								
Sales	-66	-91	-157	-80	-95	-175	+18	-
Operating Income	-25	-26	-51	-30	-30	-60	-9	-
Total								
Sales	2,579	3,297	5,876	3,300	3,350	6,650	+774	+13.2%
Operating Income	-39 <-1.5%>	152 <4.6%>	113 <-1.9%>	165 <5.0%>	215 <6.4%>	380 <5.7%>	+267	+236.3%

Operating Income: Factors Behind Increase (10/3⇒11/3) **NSK**

(¥100 Million)



Forecast by Customer Location



(¥100 Million)	10/3 Actual			11/3 Forecast			Increase/ decrease YOY	Difference YOY
	1st half	2nd half	Full year	1st half	2nd half	Full year		
Sales	2,579	3,297	5,876	3,300	3,350	6,650	+774	+13.2%
Japan	1,268	1,627	2,895	1,618	1,657	3,275	+380	+13.1%
Non-Japan	1,311	1,670	2,981	1,682	1,693	3,375	+394	+13.2%
(Non-Japan ratio)	(50.8%)	(50.6%)	(50.7%)	(50.9%)	(50.5%)	(50.8%)		
The Americas	313	393	706	383	387	770	+64	+9.1%
Europe	455	530	985	471	464	935	-50	-5.1%
Asia	543	747	1,290	828	842	1,670	+380	+29.5%

Forecast by Geographical Segment



(¥100 Million)	10/3 Actual			11/3 Forecast			Increase/ decrease YOY	Difference YOY
	1st half	2nd half	Full year	1st half	2nd half	Full year		
Japan								
Sales	1,875	2,417	4,292	2,530	2,570	5,100	+808	+18.8%
Operating income	-51 <-2.7%>	91 <3.8%>	40 <0.9%>	115 <4.6%>	145 <5.6%>	260 <5.1%>	+220	+550.0%
The Americas								
Sales	307	387	694	380	380	760	+66	+9.5%
Operating income	1 <0.4%>	21 <5.4%>	22 <3.2%>	10 <2.6%>	10 <2.6%>	20 <2.6%>	-2	-9.1%
Europe								
Sales	464	542	1,006	480	490	970	-36	-3.6%
Operating income	22 <4.8%>	10 <1.8%>	32 <3.2%>	10 <2.1%>	20 <4.1%>	30 <3.1%>	-2	-6.3%
Asia								
Sales	429	632	1,061	660	700	1,360	+299	+28.2%
Operating income	17 <3.9%>	59 <9.3%>	76 <7.1%>	60 <9.1%>	70 <10.0%>	130 <9.4%>	+54	+71.1%
Eliminations/ Corporate								
Sales	-496	-681	-1,177	-750	-790	-1,540	-363	-
Operating income	-28	-29	-57	-30	-30	-60	+3	-
Total								
Sales	2,579	3,297	5,876	3,300	3,350	6,650	+774	+13.2%
Operating income	-39 <-1.5%>	152 <4.6%>	113 <1.9%>	165 <5.0%>	215 <6.4%>	380 <5.7%>	+267	+236.3%

3. Progress of Mid-term Plan(FY'09~FY'12)

Outline of the FY'09~FY'12 Mid-term Plan



Transition of the Mid-term plan (FY'09~FY'12)

Respond to paradigm shifts

Reorganize business foundation, aiming towards a 1trillion yen company

《Outline of the Mid-term Plan》

Net Sales ¥780.0 billion
Operating Income Margin 8.5%

Industrial Machinery Business

Automotive business



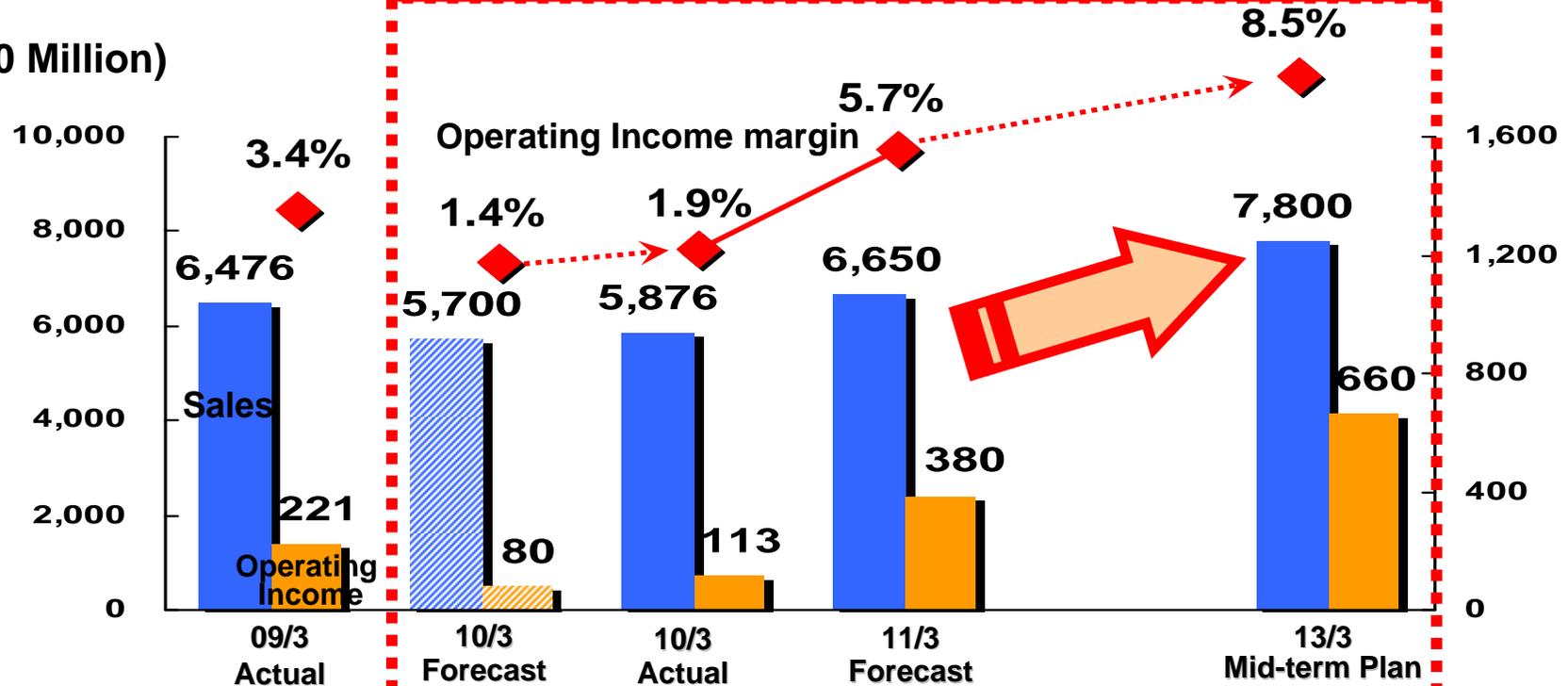
《Numerical Targets》

	13/3 Forecast
Net Sales	¥780.0 billion
Operating Income	¥66.0 billion
Ordinary Income	¥62.0 billion
Net Income	¥37.0 billion
Operating Income (margin)	8.5%
ROE	14.0%
Net D/E ratio (times)	0.5

Progress of the Mid-term Plan

FY'09~FY'12 Mid term Plan

(¥100 Million)



US \$	¥100.74	¥93	¥92.83	¥90	¥90
Euro	¥144.47	¥132	¥130.89	¥125	¥120

◎10/3 Actual : Achieved the revised forecast announced on October,30th

◎11/3 Forecast : We expect moderate demand recovery and progress towards profitability improvement

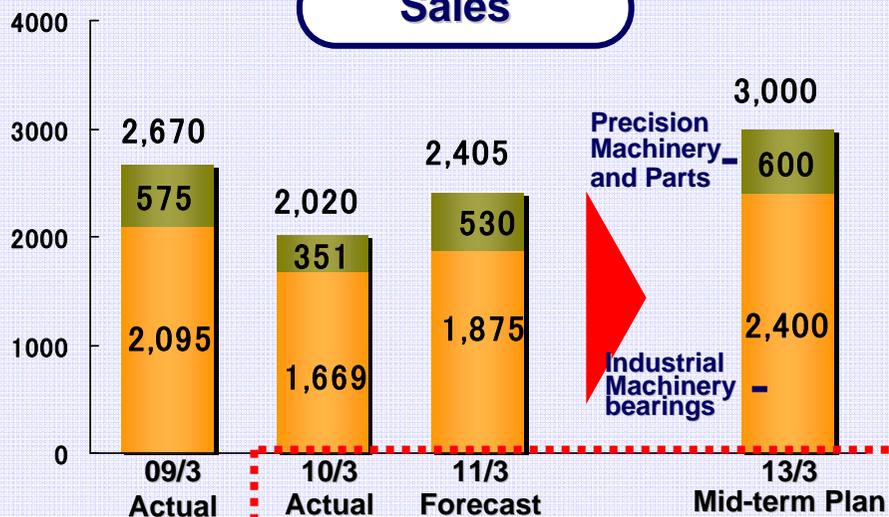
⇒A satisfactory start towards 13/3 Forecast

Mid-Term Plan Progress by Business Segment

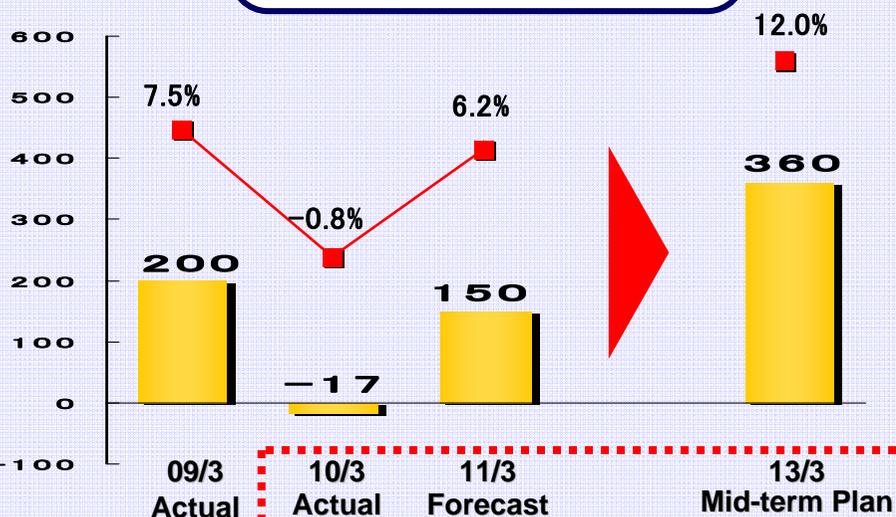


Industrial Machinery

Sales

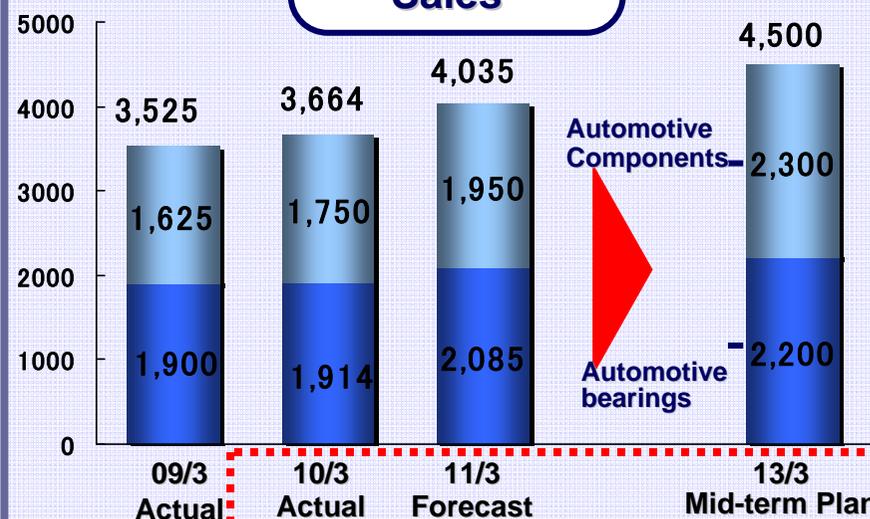


Operating Income/Margin

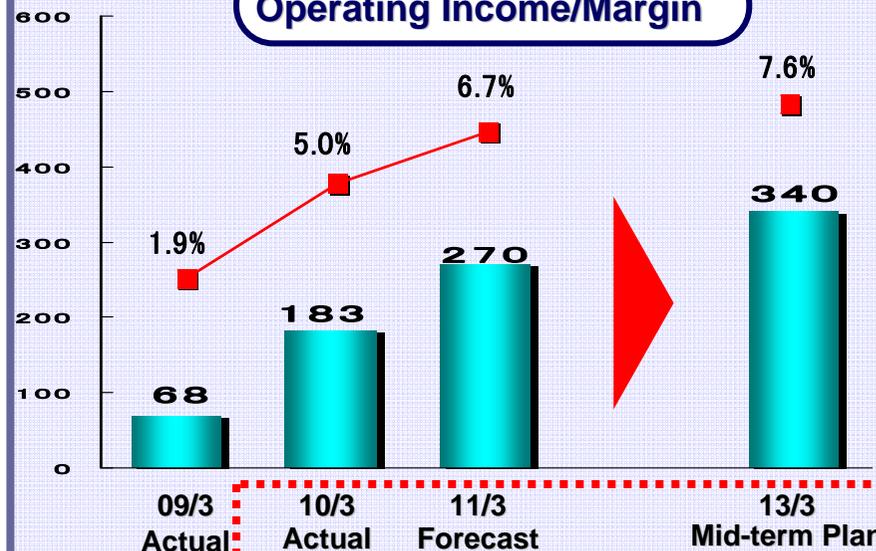


Automotive products

Sales



Operating Income/Margin



Expand sales in growing markets for profitability

Implement intensive sales strategies

- Continue and strengthen sales activities for target sectors

	Key fields
Environment	Wind turbines for China and India
Infrastructure	Railways in emerging countries
Resources	Steel and building site equipment for mining

- Continue channel development
 - * Maintain expansion of sales distribution networks in emerging countries

- Price increases within aftermarket sector by revising listed price
 - * Revise prices in response to demand environment

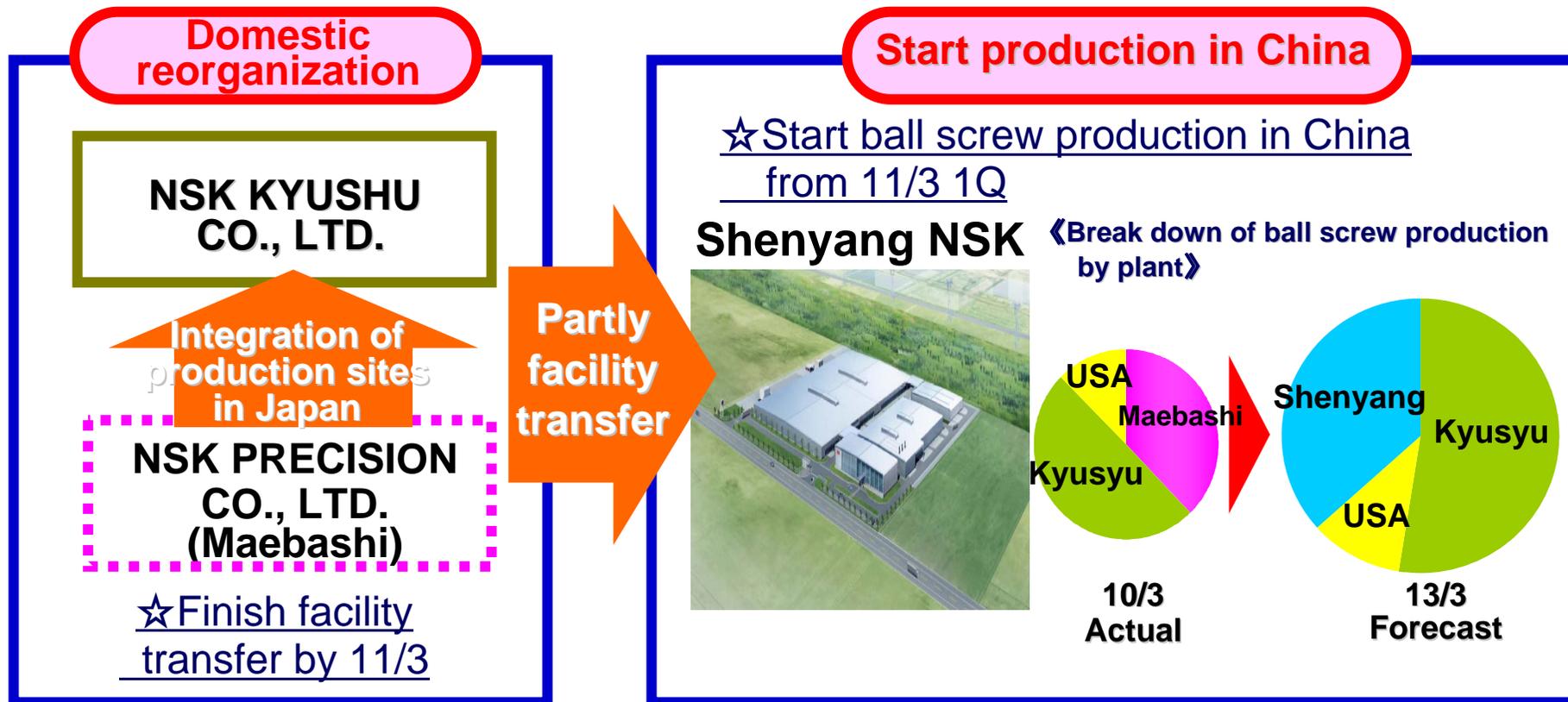
Strengthen product development capability

- Expand technology-driven sales activities for target sectors
- Develop products in response to market needs
 - * For emerging countries: Capital goods
 - * For volume zone : Customer goods

Reorganize production sites

- Reorganize global production sites
 - * Roller bearings : Consider local production in China
 - * Ball bearings : Enhance plants in China and ASEAN
- Maximize existing facilities, increase productivity
 - * Domestic factories ⇒ Strengthen facilities to reduce human resources

Accelerate integration of global ball-screw production sites



- Proactively capture growing demand in China (Machinery Tools/Injection-molding machines/General industrial machinery etc,)
- Cost reduction by consolidation of production sites in Japan

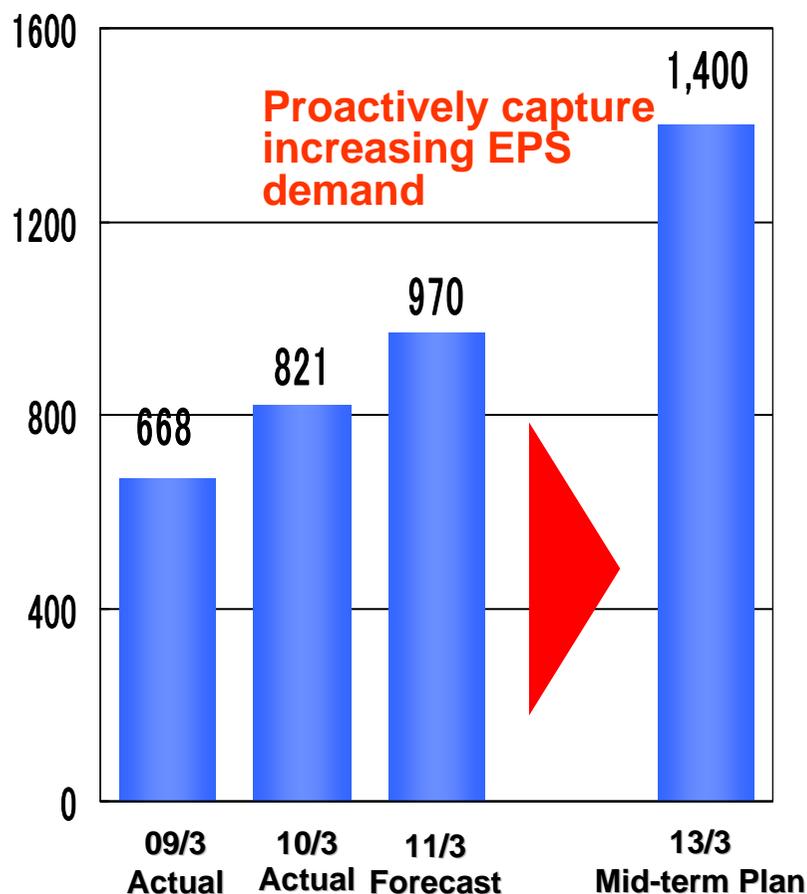
Automotive Products Business 《Electric Power Steering (EPS)》



Enhance business base for EPS sales expansion

(¥100 Million)

Expand EPS sales



【 Production 】

- Start production of new orders smoothly
- * Begin full-scale EPS production at NSK Wanda (China).
- Steady capital investment
- * Japan : Reduce workforce/investment to stabilize production
- * China/India/ASEAN : Investment to expand production capability

【 Technology 】

- Expand technology-related resources (employees and facilities)

【 Sales 】

- Achieve 100 percent intake of mid-term orders
- Ensure future orders are secured

Speed up business expansion in emerging countries



Further enhance advantage

China

- Further expand business structure (production/sales/technology/management)
- Enhance and utilize technology centers
Expand sales sites
- Expand production sites (Start production in Shenyang/
Expand EPS production/Consider roller bearing production)

Establish business foundation

India

- Establish local headquarter-based structure
- Operate bearing and steering businesses proactively and efficiently

Strengthen growing-demand sectors

ASEAN

- Improve production capability in response to sales expansion for home appliances, motorcycles and on-board motors

Further increase NSK's presence

South America

- Build sales sites in Latin America, enhance sales sites (in series, starting with Peru)

(Supplementary Material)

(Supplementary Information) Capital expenditure, Depreciation and Amortization, R&D expenses

(¥100 Million)	09/3 Actual	10/3 Actual	11/3 Forecast
Capital Expenditures (*)	419	198	350
Japan	245	99	165
Non-Japan	174	99	185
The Americas	22	10	22
Europe	35	11	26
Asia	117	78	137

* Excluding intangible assets

(¥100 Million)	09/3 Actual	10/3 Actual	11/3 Forecast
Depreciation and Amortization (*)	385	356	350

* Excluding intangible assets

(¥100 Million)	09/3 Actual	10/3 Actual	11/3 Forecast
R&D Expenses	107	88	90

(Supplementary Material) Forecast for Mid-term Plan by business segment



FY'09~FY'12 Mid term Plan

(¥100 Million)	09/3 Actual	10/3 Actual	11/3 Forecast	13/3 Forecast
Industrial Machinery				
Sales	2,670	2,020	2,405	3,000
Operating Income <%>	200 <7.5%>	-17 <-0.8%>	150 <6.2%>	360 <12.0%>
Industrial machinery bearings				
Sales	2,095	1,669	1,875	2,400
Operating Income <%>	195 <9.3%>	58 <3.5%>		315 <13.1%>
Precision Machinery and parts				
Sales	575	351	530	600
Operating Income <%>	5 <0.9%>	-75 <-21.3%>		45 <7.5%>
Automotive products				
Sales	3,525	3,664	4,035	4,500
Automotive bearings	1,900	1,914	2,085	2,200
Automotive components	1,625	1,750	1,950	2,300
Operating Income <%>	68 <1.9%>	183 <5.0%>	270 <6.7%>	340 <7.6%>
Other				
Sales	507	349	385	600
Operating Income <%>	8 <1.6%>	-2 <-0.5%>	20 <5.2%>	20 <3.3%>
Eliminations/Corporate				
Sales	-226	-157	-175	-300
Operating Income	-55	-51	-60	-60
Total				
Sales	6,476	5,876	6,650	7,800
Operating Income <%>	221 <3.4%>	113 <1.9%>	380 <5.7%>	660 <8.5%>