

Transforming ourselves into a company that can be relied upon to excel

Working to create growth through creativity and achievements with CSR as a core element of management

NTN implemented a new medium-term business plan, “Growth through Creativity and Achievements 21” in fiscal 2007.

“Growth through Creativity and Achievements” means creating new Enterprise Value through continued growth and realizing significant achievements.

“Growth through Creativity and Achievements 21” aims to improve the efficiency of our assets by seeking faster returns on past investments as well as to use additional investment to achieve the continuous growth of our business. Creating value is a critical issue for us.

NTN regards CSR (corporate social responsibility) as a “core element of management.” With “Growth through Creativity and Achievements 21,” we will work to increase value for all of our stakeholders including customers, shareholders, suppliers, employees, and local communities.

In fiscal 2007, we placed a special emphasis on corporate ethics and regulatory compliance, and we focused on these themes in our educational programs. At the same time, through efforts such as interacting with local communities and preserving the environment, we were able to get together with our stakeholders and increase our dialogue in order to fulfill our social responsibilities as a reliable corporate citizen.

In addition to creating an internal control system, we set out a “Risk Management Policy” to thoroughly define preventive measures and crisis countermeasures so that we can mitigate the various risks to the survival of our business. We also established a risk management committee to strengthen our risk management.

Responding to the expectations of all stakeholders including customers, shareholders, suppliers, employees, and local communities

NTN regards the trust of all stakeholders – such as customers, shareholders, suppliers, employees, and local communities – as a key source of our Enterprise Value and we will work to meet all of their expectations.

Customers: To provide top-quality products in a timely manner every time, we work hard to get an accurate understanding of our customers’ needs, to offer new, value-added products that are ahead of the curve, and to

improve customer satisfaction.

Shareholders: Through proactive investor relations, we explain our business strategy and our investments and decisions, which are based on our Corporate Philosophy to further maintain and develop our business.

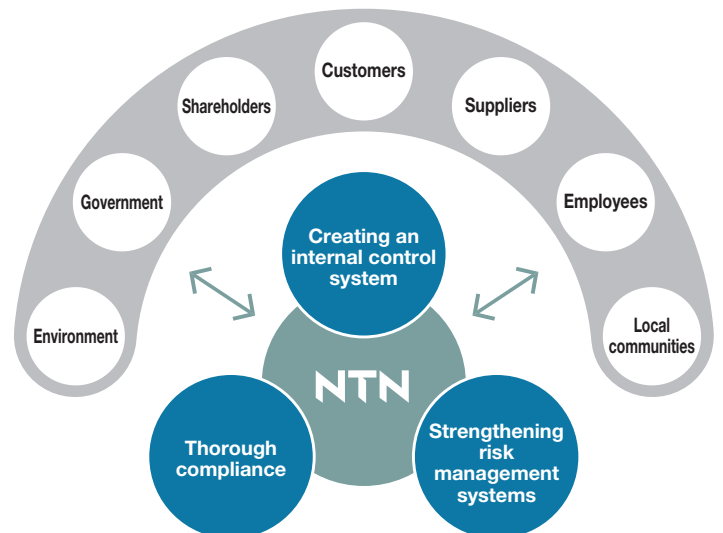
Suppliers: We work to strengthen strategic partnerships, to develop quality control systems based on supply-chain management, and to carry out green procurement that is environmentally friendly.

We will develop our people in conjunction with our suppliers to further improve our skill level – our motto in this respect is “coexistence”.

Employees: Based on the belief that “MONOZUKURI (manufacturing) means HITOZUKURI (developing the individual),” we constantly carry out practical, worksite-based HITOZUKURI measures to ensure that engineering and technical skills are passed down.

In addition to maintaining a safe and pleasant work environment, we operate a “Dream Workshop” that helps handicapped workers achieve independence and we are engaged in creating systems and arrangements in which women can take an active part.

Local communities: We are strengthening our relationships with local residents both in Japan and overseas by promoting greening activities around operating sites, by working to beautify environments, and by promoting social contribution activities such as art, culture, and sporting events.



A company that can be relied upon to excel

Working to create the ultimate environment-friendly bearing – one made with light and wind

The entire NTN group is working to solve environmental problems.

Bearings and constant velocity joints are eco-friendly products that reduce friction and energy consumption.

In our R&D, we are working to eliminate the use of substances of environmental concern and to develop bearings that use biodegradable materials that return to nature and are better for both people and the environment.

In terms of manufacturing, we have introduced solar panels and wind power generators to effectively use natural energy and we are developing compact oil-free equipment, but our ideal bearing is made with light and wind.

We have greatly reduced the amount of waste by using the grinding swarf briquetting machine that we developed. We contribute to creating a recycling society by providing this machine to other industries and companies.

Also, to support the establishment of environmental management systems, we assist suppliers to become certified in “EcoStage” (a private environmental certification), which is a preliminary step toward ISO14001 certification. Our environmental efforts also include distributing a Household Eco-Account Book to our employees so that they can increase awareness and energy conservation at home.

Going back to basics in MONOZUKURI to further improve customer satisfaction

Recently, there has been a spate of corporate scandals involving product recalls and fake products. Society as a whole is looking at corporations and what we do with more intensity than ever before.

NTN believes that quality is the most important issue when it comes to increasing Enterprise Value, and we work to create products that meet and exceed the expectations of our customers. Our Design, Manufacturing, and Sales Departments believe, respectively, that design determines everything, that quality must be built in, and that customer needs have to be understood right away. All three departments act accordingly to further improve customer satisfaction.

Also, we have instituted the NTN Meister system and other HITOZUKURI measures at our production worksites in order to pass on engineering and technical skills to the next generation. They have worked to comprehensively strengthen our MONOZUKURI capacity in terms of our quality control and equipment R&D capabilities. In addition to these efforts, we have put in “hazard experience corners” at our primary operating sites to raise

employees’ safety awareness through experiencing and recognizing hazards hiding in equipment and work.

Working to create growth through creativity and achievements with a vision of the universe

Realizing growth through creativity and achievements includes “going beyond earthbound thinking and looking at our earth as an island in space”.


This vision is related to the idea that “employees cannot be stuck in a rut with the way they do things and see things,” which is one point in “[Growth through Creativity and Achievements 21.](#)”

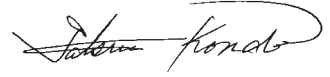
By having each employee think for themselves to produce results and grow, we are providing increased value for all stakeholders.

We hope for continued understanding and support from all stakeholders.

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Yasunobu Suzuki
Chairman and CEO


Tatsuo Kondo
President