

Financial Results For the Year Ended March 31, 2013 [Japanese Accounting Standards] (Consolidated)

May 15, 2013

NTN Corporation
 Security Code: 6472
 Listings: Tokyo and Osaka Stock Exchanges
 URL: <http://www.ntn.co.jp>
 Representative: Shigeyoshi Takagi, President
 Contact: Hiroshi Ohkubo, Director and Corporate General Manager, Finance Headquarters
 Telephone: +81-6-6443-5001
 Scheduled date of annual shareholders' meeting: June 25, 2013
 Scheduled commencement date of dividend payment: -
 Scheduled submission date of financial statements: June 26, 2013
 Supplementary material of the financial results: Prepared
 Investor meeting: Scheduled

1. Consolidated Financial Results for the Year Ended March 31, 2013 (April 1, 2012 to March 31, 2013)

(Amounts rounded down to the nearest million yen)
(Percentage figures represent year-on-year changes)

(1) Operating Results

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2013	539,594	-0.7	7,278	-64.9	2,512	-86.6	-14,195	—
Year ended March 31, 2012	543,468	2.5	20,723	-15.6	18,691	-11.4	5,993	-58.4

Note: comprehensive income: Year ended March 31, 2013: 8,087 million yen (171.8%)
 Year ended March 31, 2012: 2,975 million yen (-56.5%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary income/Total assets	Operating income/Net sales
	yen	yen	%	%	%
Year ended March 31, 2013	-26.69	—	-7.2	0.3	1.3
Year ended March 31, 2012	11.27	—	3.0	2.8	3.8

Note: Equity method investment gains or losses: Year ended March 31, 2013: 553 million yen
 Year ended March 31, 2012: 1,009 million yen

(2) Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
Year ended March 31, 2013	768,461	211,742	26.0	375.84
Year ended March 31, 2012	693,257	212,126	28.4	370.19

Note: Shareholders' equity Year ended March 31, 2013: 199,903 million yen
 Year ended March 31, 2012: 196,904 million yen

(3) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
Year ended March 31, 2013	20,505	-56,604	69,586	86,100
Year ended March 31, 2012	17,052	-52,842	47,248	52,605

2. Dividends

(Record date)	Dividends per share					Total dividends paid (full year)	Dividend payout ratio (consolidated)	Dividends on net assets (consolidated)
	at 1st quarter end	at 2nd quarter end	at 3rd quarter end	at fiscal year end	Total			
	yen	yen	yen	yen	yen	million yen	%	%
Year ended March 31, 2012	—	5.00	—	5.00	10.00	5,317	88.7	2.7
Year ended March 31, 2013	—	0.00	—	0.00	0.00	0	—	—
Year ended March 31, 2014 (forecast)	—	—	—	—	—		—	

(Note) The dividend amount for the Year Ending March 31, 2014 (forecast) has yet to be decided.

3. Forecast of Consolidated Earnings for the Year Ending March 31, 2014 (April 1, 2013 to March 31, 2014)

(For full year figures, percentage figures represent year-on-year changes.

For quarterly figures, percentage figures represent changes against the same period in the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
First half (cumulative)	294,000	10.3	9,000	320.3	5,500	—	500	—	0.94
Full year	600,000	11.2	30,000	312.2	23,000	815.6	10,000	—	18.80

*Notes

(1) Significant changes in subsidiaries during the period (Scope of consolidation): None

(2) Changes in accounting policy, changes in accounting estimates and retrospective restatements

1) Changes in accounting policy caused by revisions to accounting standards etc.: Yes

2) Changes in accounting policy other than 1): None

3) Changes in accounting estimates: Yes

4) Retrospective restatements: None

(Note) For details see P.20 of the attached document "4. Consolidated Financial Statements, (5) Notes to Consolidated Financial Statements (Changes in Accounting Policies)".

(3) Number of shares issued and outstanding (Common stock)

1) Number of shares issued and outstanding at end of the period (treasury stock included):

Year ended March 31, 2013: 532,463,527 shares

Year ended March 31, 2012: 532,463,527 shares

2) Number of treasury stock at end of the period:

Year ended March 31, 2013: 576,643 shares

Year ended March 31, 2012: 566,982 shares

3) Average number of shares outstanding:

Year ended March 31, 2013: 531,892,376 shares

Year ended March 31, 2012: 531,694,698 shares

Reference: Overview of Financial Results on Non-Consolidated basis

For the Year Ended March 31, 2013 – Non-consolidated

1. Financial Results for the Year Ended March 31, 2013 (April 1, 2012 – March 31, 2013)

(1) Operating Results

(Percentage figures represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2013	318,406	-6.1	3,441	—	8,800	91.1	-14,502	—
Year ended March 31, 2012	339,197	5.2	-1,621	—	4,603	168.0	-324	—

	Net income per share yen	Diluted net income per share yen
Year ended March 31, 2013	-27.27	—
Year ended March 31, 2012	-0.61	—

(2) Financial Position

	Total assets million yen	Net assets million yen	Shareholders' equity ratio %	Net assets per share yen
Year ended March 31, 2013	496,857	152,782	30.7	287.25
Year ended March 31, 2012	486,349	168,106	34.6	316.05

Note: Shareholders' equity

Year ended March 31, 2013: 152,782 million yen

Year ended March 31, 2012: 168,106 million yen

* Presentations related to implementation of review process

This financial results report is exempt from review under the Financial Instruments and Exchange Act of Japan. As of the date of disclosure, the review process for the financial statements under the Financial Instruments and Exchange Act has not been completed.

* Notes

All descriptions about the future of the Company contained herein including earnings forecasts are prepared on the basis of data and information currently in our possession as well as certain assumptions that are deemed reasonable, and therefore are not meant to have us committed to their achievement. Various factors may cause actual results to substantially differ from those described herein. For matters related to the above forecast, see "1. Operating Results and Analysis of Financial Position (1) Analysis of Operating Results" from page 3.

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1. Operating Results and Analysis of Financial Position

(1) Analysis of Operating Results

(Operating Results for the Fiscal Year Ended March 31, 2013)

During the fiscal year under review, the Japanese economy showed signs of bottoming out in some areas but tough conditions continued. In terms of the global economy, the Americas saw a gentle recovery but there was a financial impact from persistent uncertainty about the European financial crisis, and a slowdown was seen in the economic recovery in China.

Against this backdrop, the NTN Group has worked hard to achieve the targets of the medium-term management plan, "Global Advance 2013," which covers the three-year period from April 2011 to March 2014. However, as a result of major changes in the economic environment throughout the world the Group has carried out a wholesale review of the plan and set about implementing emergency measures and structural reform.

The Group's net sales for the period were 539,594 million yen (a year on year decrease of 0.7%). In terms of income, operating income was 7,278 million yen (a year on year decrease of 64.9%) and ordinary income was 2,512 million yen (a year on year decrease of 86.6%). A current net loss of 14,195 million yen was recorded (current net income of 5,993 million yen was recorded in the previous year) as a result of posting extraordinary gains composed of gains on negative goodwill of 1,929 million yen and gains on the sale of investment securities of 1,593 million yen, and extraordinary losses composed of a reserve for loss related to antimonopoly law of 7,231 million yen, structural reform expenses of 6,364 million yen, business restructuring expense of 3,026 million yen, impairment loss of 2,692 million yen, and loss on the sale of investment securities of 491 million yen.

Sales by geographical segment were as follows:

(1) Japan

In terms of sales, in automotive applications sales declined overall as a result of falling customer demand in exports, despite a recovery from production curtailments brought about by the Great East Japan Earthquake. In industrial machinery applications, sales declined in construction machinery applications as a result of falling customer demand for China as well as in general machinery applications, and there was also a fall in sales in the aftermarket. As a result, sales for the period were 315,932 million yen (a year on year decrease of 5.5%). In terms of income for the segment, the impact of decreased personnel costs and other fixed costs and other factors saw segment income reach 9,837 million yen (a year on year increase of 20.8%).

(2) Americas

In terms of sales, there was an overall increase thanks to an expansion in customer demand in automotive applications. In industrial machinery applications, there was a decrease in sales of construction machinery applications, and an increase in sales in the aftermarket. As a result, sales for the period reached 138,477 million yen (a year on year increase of 14.3%), which was affected by the impact of the exchange rate. In terms of segment income, a segment loss of 3,218 million yen was recorded (income of 588 million yen was recorded in the previous year) due to factors such as an increase in temporary costs resulting from an additional burden imposed on production lines in coping with increased sales to the automotive market.

(3) Europe

In terms of sales, there was a decrease in sales in automotive applications as a result of a slow recovery in the regional economy caused by fiscal concerns. Sales also fell in industrial machinery applications and the aftermarket. As a result, sales for the period were 136,544 million yen (a year on year decrease of 5.0%), affected by the impact of the exchange rate. In terms of segment income, a segment loss of 214 million yen was recorded (income of 4,551 million yen was recorded in the previous year) due to factors such as decreased sales.

(4) Asia and other areas

Sales in automotive applications increased thanks to a recovery from production curtailments caused by the Thai flood and an expansion in customer demand in Asia and other areas, despite falling sales to Japanese manufacturers in China. In industrial machinery applications, sales fell in general machinery applications, office machinery applications and construction machinery applications. Sales in the aftermarket also decreased. As a result, sales for the period were 85,762 million yen (a year on year increase of 4.1%), affected by the impact of the exchange rate. In terms of segment income, segment income of 713 million yen was recorded (a year on year decrease of 86.2%) due to an increase in temporary expenses, including expenses incurred during the operational launch of production companies.

Results by business application were as follows.

Year ended March 31, 2012 (April 1, 2011 - March 31, 2012) (In million yen)

	Automotive applications	Industrial machinery applications	Aftermarket	Total
Sales to external customers	342,888	106,619	93,960	543,468
Operating income or operating loss (-)	-3,180	4,838	19,065	20,723

Year ended March 31, 2013 (April 1, 2012 - March 31, 2013) (In million yen)

	Automotive applications	Industrial machinery applications	Aftermarket	Total
Sales to external customers	356,626	93,746	89,222	539,594
Operating income or operating loss (-)	-8,981	1,534	14,725	7,278

(1) Automotive applications

Sales reached 356,626 million yen (a year on year increase of 4.0%) largely thanks to increased sales in Asia and other areas and the Americas, despite a fall in customer demand in Europe. In terms of operating income, despite a positive impact from reductions in personnel costs and other fixed costs, an operating loss of 8,981 million yen was recorded (an operating loss of 3,180 million yen was recorded in the previous year) as a result of factors such as an increase in temporary costs resulting from an additional burden imposed on production lines in coping with increased sales to the Americas.

(2) Industrial machinery applications

Sales fell to 93,746 million yen (a year on year decrease of 12.1%) as a result of declining customer demand. Operating income fell to 1,534 million yen (a year on year decrease of 68.3%).

(3) Aftermarket

Sales fell to 89,222 million yen (a year on year decrease of 5.0%) as a result of declining customer demand. Operating income was 14,725 million yen (a year on year decrease of 22.8%).

(Forecast for the Year Ending March 31, 2014)

Regarding the future forecast, while a recovery in the Japanese economy is expected thanks to government economic stimulus measures and the reversal in the trend towards a stronger yen, uncertainty about the future is expected to remain as a result of factors such as the long-term fiscal uncertainty in Europe and a slowdown in growth in the Chinese economy.

Under these circumstances, the Company will develop the measures set out in the new medium-term management plan "Revival 2014". (For details, see P.8 of the attached documents "3. Management Policy, (4) Management Issues to be Addressed".) For the full year ending March 31, 2014, the Company forecasts consolidated net sales of 600 billion yen, operating income of 30 billion yen, ordinary income of 23 billion yen and net income of 10 billion yen. These forecasts are based on foreign exchange rate assumptions of ¥95/US\$1.00 and ¥120/EUR1.00.

Consolidated subsidiaries of the Company in Europe, the United States, South Korea and Singapore have been investigated by the respective authorities in relation to competition law, and multiple civil action lawsuits (class action lawsuits) have been launched against the Company and its American and Canadian consolidated subsidiaries. Moreover, arbitration proceedings related to compensation for damages have been launched in respect to the Company's European consolidated subsidiary. In all cases it is difficult to estimate any impact on our operating results and financial position. As such, this situation has not been taken into consideration in the above forecast.

(2) Analysis of Financial Position

(Assets, Liabilities, and Net assets)

Total current assets at March 31, 2013 amounted to 401,321 million yen, a year-on-year increase of 39,003 million yen, or 10.8%. Major factors included a 24,000 million yen increase in securities and a 13,432 million yen increase in cash and bank deposits. Total fixed assets at the fiscal year-end amounted to 367,140 million yen, a year-on-year increase of 36,201 million yen, or 10.9%. This was largely the result of an increase of 32,470 million yen in property, plant and equipment. As a result, total assets were 768,461 million yen, an increase of 75,204 million yen, or 10.8% from a year earlier.

Total current liabilities at March 31, 2013 amounted to 315,361 million yen, a year-on-year increase of 33,068 million yen, or 11.7%. Major factors included an increase of 44,289 million yen in short-term loans, an increase of 10,000 million yen in current portion of bonds and a decrease of 25,758 million yen in notes and accounts payable. Total long-term liabilities at the fiscal year-end amounted to 241,357 million yen, a year-on-year increase of 42,520 million yen, or 21.4%. Major factors included an increase of 44,534 million yen in long-term loans and a decrease of 10,000 million yen in current portion of bonds. As a result, total liabilities were 556,719 million yen, an increase of 75,588 million yen, or 15.7% from a year earlier.

Total net assets decreased 384 million yen, or 0.2% from the previous consolidated fiscal year end to 211,742 million yen, due principally to an increase of 19,135 million yen in translation adjustments and a decrease of 16,856 million yen in retained earnings.

(Cash Flows)

Net cash provided by operating activities was 20,505 million yen (a year-on-year increase of 3,453 million yen, or 20.2%). Major items included income of 34,841 million yen from depreciation expenses and 11,952 million yen from decreased trade receivables, and expenditure of 27,967 million yen from decreased trade payables.

Cash used in investment activities was 56,604 million yen (a year-on-year increase of 3,762 million yen, or 7.1%). This was mainly due to expenditure of 55,244 million yen in the purchase of property.

Net cash gained from financing activities was 69,586 million yen (a year-on-year increase of 22,338 million yen, or 47.3%). This was mainly due to income of 89,247 million yen in proceeds from long-term loans against expenditure of 13,470 million yen in the repayment of long-term loans.

As a result of these cash flows, and including a foreign exchange loss of 207 million yen and an increase in cash and cash equivalents resulting from new consolidation of 214 million yen, cash and cash equivalents at the end of the fiscal year amounted to 86,100 million yen, an increase of 33,494 million yen, or 63.7%, from the end of the previous fiscal year.

(Reference) Cash flow indicators for the years ended March 31, 2010 to March 31, 2013

	Year ended March 31, 2010	Year ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2013
Shareholders' equity ratio (%)	32.2	31.6	28.4	26.0
Shareholders' equity ratio based on current market value (%)	36.3	33.6	26.9	17.0
Cash flows to interest-bearing debt ratio (annual)	5.3	5.0	15.9	17.6
Interest coverage ratio (times)	10.2	13.9	5.1	5.2

Notes: Shareholders' equity ratio: Shareholders' equity / Total assets

Shareholders' equity ratio based on current market value: Market capitalization / Total assets

Cash flows to interest-bearing debt ratio: Interest-bearing debt / Operating cash flows

Interest coverage ratio: Operating cash flows / Interest payments

- Each of these was calculated based on the consolidated statements.
- Market value on the stock is calculated based on the closing stock price at the end of the respective accounting period above multiplied by the number of shares issued and outstanding as of the end of the respective accounting period above (after deducting treasury stock).
- Operating cash flow is taken from the cash flows from operating activities in the consolidated statements of cash flows. Interest-bearing debt refers to all debts included in the consolidated balance sheets for which interest is paid. The amount for Interest payments was taken from interest expenses paid in the consolidated statements of cash flows.

(3) Dividend Policy and Dividends for the Current and Next Fiscal Year

The Company considers rewarding its shareholders an issue of foremost importance. Regarding dividends, from a medium- and long-term perspective, the Company's goal is to provide a steady and sustainable dividend, which it will determine on the basis of its consolidated performance, dividend payout ratio, and business environment.

However, in consideration of the large current net loss as a result of the reserve for loss related to antimonopoly law, structural reform expenses, restructuring expenses and impairment loss, we regret to announce that no end-of-term dividend will be paid this fiscal year. No decision has yet been made regarding dividends in the next fiscal year. An announcement will be made as soon as disclosure becomes possible in the light of progress in business results.

2. The Group Overview

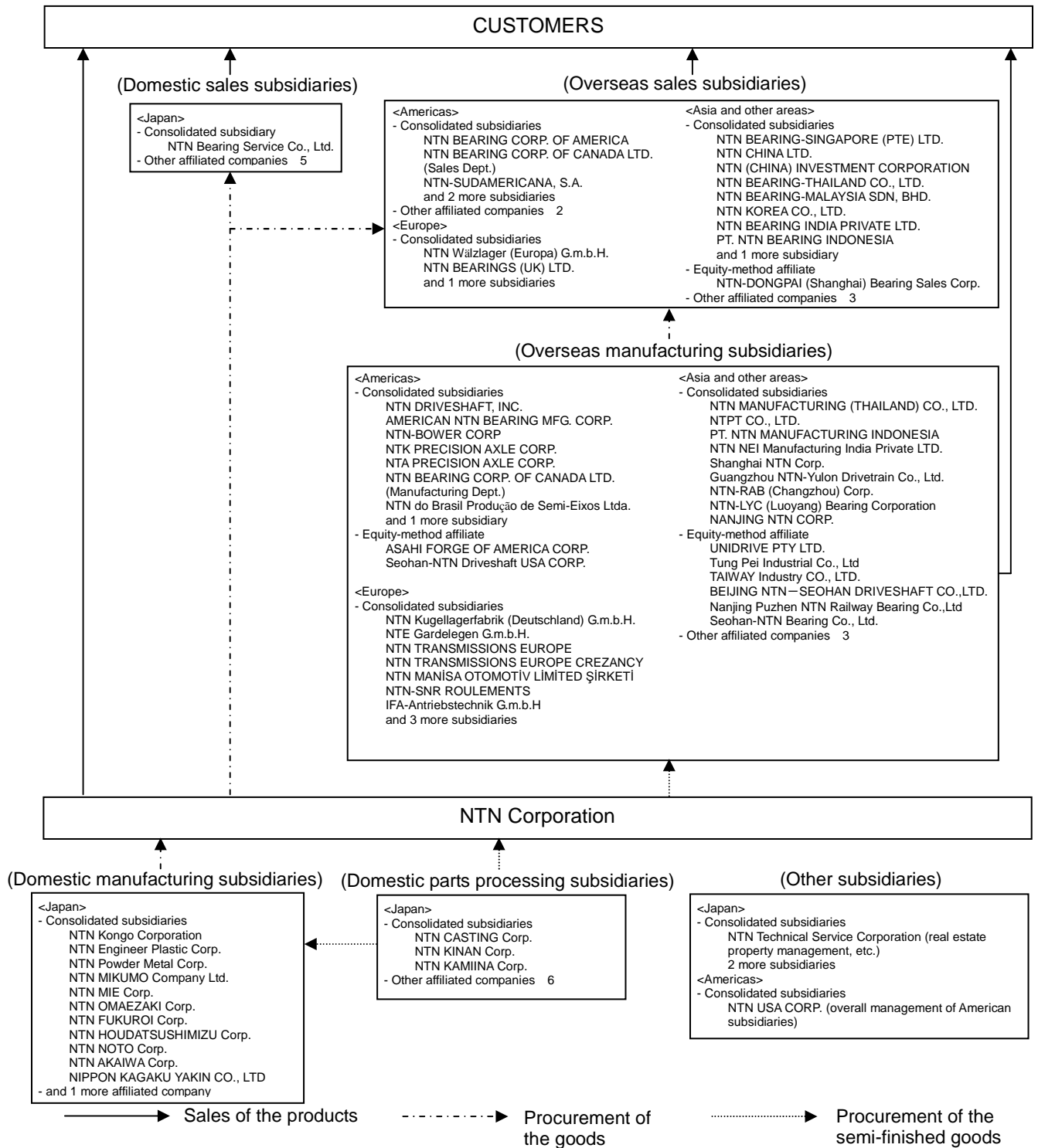
The NTN Group consists of NTN Corporation (the Company), 74 subsidiaries, and 20 affiliated companies (as of March 31, 2013). The Group's main business is the manufacturing and sale of bearings, constant-velocity joints and precision equipment for automotive applications, industrial machinery applications and the aftermarket. Business activities in Japan are controlled by the Company and overseas the activities of each region are controlled by the general managers' department allocated to each region. Overseas subsidiaries in each region formulate independent business strategies and business plans and develop business activities while analyzing profitability and investment efficiency.

Accordingly, the NTN Group consists of the Head Office and business segments in different regions based on general managers' departments. Its four reporting segments are "Japan", "Americas", "Europe" and "Asia and other areas".

The main roles of each company within the Group are as follows in all segments.

- Domestic manufacturing is mainly handled by the Company, but some production is consigned to domestic affiliated companies, from whom the Company purchases products. Part of the Company's parts processing operation is also consigned to domestic affiliated companies.
- Domestic sales is mainly handled by the Company, but is also partly made through domestic affiliated companies.
- Overseas manufacturing is handled by the Company's overseas affiliates, with some semi-finished goods supplied by the Company.
- Overseas sales are conducted by the company, by its overseas sales subsidiaries which procure goods from the Company or from its overseas manufacturing subsidiaries, and by its overseas manufacturing subsidiaries directly.

NIPPON KAGAKU YAKIN CO., LTD., previously a non-consolidated subsidiary, became a consolidated subsidiary in April 2012 because of its increased importance.
NTN-BCA CORP., which entered liquidation proceedings in the year ended March 31, 2010, completed liquidation proceedings in March 2013 and was removed from the scope of consolidation.



3. Management policy

(1) Basic Management Policy

The NTN Group's basic management policy is "to contribute to international society through creating new technologies and developing new products". Based on compliance with laws and regulations, fairness and honesty, the Group carries out business activities appropriate for an international company by creating unique technologies, improving customer satisfaction and promoting globalization as well as aiming to reduce its burden on the environment and construct a resources recycling society.

(2) Goals and Objectives

The Company attaches great importance to operating profit margin as a measure of profitability, return on assets (ROA) as a measure of the overall return on assets, and return on equity (ROE), and continuously strives to improve operating performance by these measures. At the same time, the Company aims to increase cash flow, and to further reinforce its management resources.

(3) Medium to Long Term Management Strategy

Under the medium-term management plan launched in April 2011 "Global Advance 2013" (April 2011 to March 2014), the Group has worked hard to improve corporate value by aiming to expand the business globally and achieve high levels of growth throughout the world.

However, in order to respond to changes in the environment surrounding the Group, we have reviewed existing initiatives and launched a new medium-term management plan "Revival 2014" for the two-year period starting in April 2013. Under "Revival 2014", the basic policy is to "reform business structure to generate profit" and we will implement the following main policies.

(i) As "Emergency Measures" to generate profit, reductions in personnel costs and other expenses and inventories and capital expenditure controls shall be promoted.

(ii) As part of the "Centralization of Management Resources", resources shall be concentrated in priority areas, including sales expansion in the highly profitable Aftermarket/Distributor Business, global strengthening of the Industrial Machinery Business, and greater profits in the Automotive Business.

(iii) As part of "Structural Reform" efforts, the personnel cost structure shall be reformed, overseas production shall be accelerated and business selection shall be implemented.

(iv) As part of efforts in the "Expansion of New Product and New Business" towards further growth, the Company shall promote stronger development of module products and system products, full operation of the EV system products business and development of composite material products and market deployment.

(4) Management Issues to be Addressed

(1) Strengthening systems to promote compliance with laws and regulations

The NTN Group regards thorough compliance as one of its top priority issues and has worked hard to improve systems for compliance with laws and regulations.

In June 2012, the Company and some of its former officers were indicted by the Tokyo District Public Prosecutors Office on suspicion of a violation of the Antimonopoly Act in relation to domestic transactions in bearings, and in March 2013 the Company was issued with a cease and desist order and surcharge payment order (7,231 million yen) by the Japan Fair Trade Commission. Since the findings on which these orders were based differ from the Company's understanding, the Company made a hearing request in April 2013 as it appeals against both orders and it will deliver its opinions in a criminal trial.

Overseas, in July 2012 a consolidated subsidiary of the Company in South Korea underwent an on-site inspection by the Korea Fair Trade Commission. In February 2013 a consolidated subsidiary of the Company in Singapore underwent an on-site inspection by the Competition Commission of Singapore. Investigations are also underway into the Company's European and United States consolidated subsidiaries by the respective authorities.

Moreover, multiple civil action lawsuits (class actions) have been launched in the United States and Canada against the Company and its United States and Canadian consolidated subsidiaries.

The Company offers its sincere apologies for the great deal of concern caused to all relevant personnel, including the shareholders.

The NTN Group has been committed to complying with laws and regulations, including antimonopoly law. However, the Group takes the situation seriously and with the greatest of concern and has worked hard to rebuild systems and promote activities in order to readdress the need for thorough compliance with antimonopoly law. In April 2012, the Company established **the Fair Trade Monitoring Committee** under the Board of Directors to specialize in ensuring thorough compliance with the Antimonopoly Act and the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors. The Committee is chaired by the President, with directors in charge of the sales and procurement departments in Japan and overseas and outside directors and attorneys acting as committee members. At the same time, the Company established **the Fair Trade Promoting Department** to take responsibility for developing the policies and decisions of the Fair Trade Monitoring Commission on a company-wide level. The Department offers supervision and guidance on compliance with laws and regulations, including internal training for directors, sales staff and managers, awareness-raising activities such as the distribution of an antimonopoly law compliance handbook, self-audits related to compliance with antimonopoly law, and screening including advance applications to prevent and monitor contacts with competing companies. Moreover, the Company has established a system that allows a rapid response and investigation into reports or consultations from officers and employees, including a helpline and a contact point for direct consultations with the Department. The Internal Audit Department works to control the compliance system by assessing the results of self-audits based on the Antimonopoly Act Compliance Rules in addition to carrying out audits on the implementation of correction and improvement measures at the relevant departments. Overseas, in order to promote global controls the Company has worked hard to establish a system of responsibility for each region under the guidance of the Fair Trade Promoting Department, in addition to promoting measures aimed at reconstructing a compliance system that deals with the antimonopoly laws in each region, including promoting the construction of a system for regionally-led training and screening such as the advance applications. Under the above system, the Company has carried out ongoing training and awareness-raising activities and strengthened its comprehensive controls.

(2) Reform business structure to generate profit

The NTN Group has formulated a **new medium-term management plan "Revival 2014"** for the two-year period from April 2013 to March 2015 and promoted various initiatives based on the main policy to **"reform business structure to generate profit"**.

<Initiatives aimed at strengthening profitability>

The Finance Headquarters, which was newly established in October 2012, has led efforts to strengthen the financial framework of the Company.

As **Emergency Measures** the Company has carried out measures aimed at generating profits, including reductions in the salaries and bonuses of directors, managers and employees, reduced expenses, reductions in inventory assets and limits on capital expenditure.

As part of the **Centralization of Management Resources**, efforts will be made to promote **an expansion in sales to the highly profitable Aftermarket and Distributor Business** and **an expansion of sales with a focus on growth markets such as China**. Moreover, efforts will be made to **improve profits in the Automotive Business** through the promotion of cost reductions by carrying out a fundamental review of design and manufacturing methods, in addition to expanding production in areas of local demand and local procurement.

In terms of **Structural Reform**, the Company has worked to expand overseas production centered on production in areas of local demand, and in Japan it implemented an **early retirement system** in March this year. Moreover, in April this year a subsidiary was established to carry out central management of logistics business in order to promote logistics reform, thereby helping to increase the efficiency of the group's logistics business and reduce costs. Moving forward, the Company intends to **withdraw from some of its products** in the Precision Equipment Business.

<Sales-related initiatives>

In October last year, the **ASEAN, Oceania, India and West Asia Headquarters** was newly established to strengthen support for local bases and support for the regional control function in the growth markets of ASEAN and India. The Company will utilize its sales companies in India and Indonesia to **expand sales in these regions, where an increase in demand is expected.**

In China, the expansion of business has been accelerated through the development of new sales routes, including an expansion in branches and distributors in inland China, and through the planning and promotion of new business, led by the China Headquarters, which was established in April 2012.

In terms of business sectors, the Company focuses on expanding business in the highly profitable Aftermarket and Distribution Business and expanding sales in Industrial Machinery Business. In the Aftermarket and Distribution Business, handling production of small lot products and a rapid delivery system are important. By strengthening the supply chain, including the **construction of a new plant and warehouse exclusive for the aftermarket**, the Company will acquire new aftermarket demand from regions such as ASEAN, India, Russia, Eastern Europe, South America and China, to add to existing customers. At the same time, the Company will seek to acquire demand from plant facilities aftermarket services in a variety of industries around the world, including steel, mining and paper manufacturing, helping to increase profits.

<Production-related initiatives>

In China, NTN LYC (Luoyang) Precision Bearing Co., Ltd (Luoyang City, Henan Province) **began mass production for local automotive manufacturers** in September 2012. In October 2012, NANJING NTN CORPORATION (Nanjing City, Jiangsu Province) **began integrated production of a variety of bearings**, including construction machinery, iron and steel infrastructure and wind power generator applications, **using local materials.**

In Thailand, the Pinthong Plant (Si Racha, Chonburi Province), which is the second production base for NTN MANUFACTURING (THAILAND) CO., LTD., began production of constant velocity joints in April 2013. Moreover, NTPPT CO.,LTD., which was established as a joint venture to carry out forging and turning as a manufacturing pre-process on the same site as the Pinthong Plant, went into full-scale operation in April 2013, helping to launch integrated production from local materials.

In India, the Chennai Plant (Chennai, Tamil Nadu), which is the second production base of NTN NEI Manufacturing India Private LTD., began the production and sale of constant velocity joints and hub bearings in October 2012.

In Japan, production capacity was increased at NTN HOUDATSU SHIMIZU CORP., NTN NOTO CORP., NTN SHIKA CORP. and NTN HAKUI CORP., which operate in the Noto region of Ishikawa Prefecture, helping to diversify risk and strengthen business in bearings for industrial machinery applications. Moreover, in August 2012 NTN AKAIWA CORP. began mass production in Okayama Prefecture of bearings for automotive and industrial machinery applications.

<Research and development-related initiatives>

The Company has focused on the Expansion of New Products and New Business towards further growth.

In terms of **Strengthening development of module products and system products**, in October 2012 the Company's engineering department structure for automotive products was reorganized from a system based on the NTN product system to one that fits customers' applications, and the Drivetrain Engineering Department, Chassis Engineering Department and Powertrain Engineering Department were newly established. The Company will expand the scope of research and development beyond NTN products to include surrounding products and strengthen developments and proposals, including **"module products" with high added value and high profitability.** In industrial machinery applications, the Company has strengthened the development of **high-value added "system products"** built around sensor technology, rather than just simple bearings. The Company will

develop services and solutions business through the development of wind power generator monitoring systems and other systems.

In terms of the **Full Operation of the EV system Products Business**, a one-year social demonstration test was completed in January 2013 using two converted EVs for official vehicles at Iwata City, Shizuoka Prefecture. Demonstration tests were also launched for the world's first two-seater compact EV in Shizuoka Prefecture in April 2012 and in Annecy, France in June 2012. In March 2013, the "**EV Module Business Headquarters**" was established to handle module products for electrification of vehicles.

In terms of the **Development of Composite Material Products and Market Deployment**, the Company will categorize composite material products from bearings to structural materials, and to new functional materials, increasing added value.

The NTN Group will work hard to promote a stronger management base, improve efficiency of business and increase profits through the implementation of the above measures, in order to contribute to international society through the creation of new technologies and the development of new products, based on compliance with laws and regulations, fairness and honesty.

4. Consolidated Financial Statements

(1) Balance Sheets

(In million yen)

	As of March 31, 2012	As of March 31, 2013
Assets		
Current assets		
Cash and bank deposits	39,360	52,792
Notes and accounts receivable-trade	119,494	118,611
Securities	10,000	34,000
Finished goods & purchased goods	85,083	92,770
Work in process	42,682	41,996
Raw materials & supplies	27,341	28,520
Deferred tax assets	4,355	7,377
Short-term loans receivable	6,331	309
Other	28,300	25,880
Allowance for doubtful accounts	-632	-937
Total current assets	362,318	401,321
Fixed assets		
Property, plant and equipment		
Buildings and structures	155,812	173,323
Accumulated depreciation	-87,432	-95,413
Buildings and structures, net	² 68,380	² 77,909
Machinery, equipment and vehicles	577,145	637,667
Accumulated depreciation	-447,629	-484,170
Machinery, equipment and vehicles, net	² 129,516	² 153,496
Land	² 31,224	² 32,156
Construction in progress	31,024	27,960
Other	54,265	59,194
Accumulated depreciation	-48,729	-52,566
Other, net	² 5,536	² 6,628
Total property, plant and equipment	265,682	298,152
Intangible fixed assets		
Goodwill	278	272
Other	4,262	4,578
Total intangible fixed assets	4,541	4,850
Investments and other assets		
Investment securities	^{*1} 37,036	^{*1} 41,290
Deferred tax assets	21,865	20,903
Other	1,971	2,116
Allowance for doubtful accounts	-156	-174
Total investments and other assets	60,716	64,136
Total fixed assets	330,939	367,140
Total assets	693,257	768,461

(In million yen)

	As of March 31, 2012	As of March 31, 2013
Liabilities		
Current liabilities		
Notes and accounts payable-trade	114,216	88,458
Short-term loan	116,131	160,420
Current portion of bonds	—	10,000
Accrued income taxes	2,677	1,484
Accrued bonuses for directors and statutory auditors	93	19
Reserve for loss related to antimonopoly law	—	7,231
Reserve for early retirement expenses	—	5,923
Other	49,175	41,823
Total current liabilities	282,293	315,361
Long-term liabilities		
Bonds	10,000	—
Long-term loans	145,846	190,380
Accrued retirement benefits for employees	33,018	37,880
Reserve for product defect compensation	778	1,164
Other	9,192	11,931
Total long-term liabilities	198,837	241,357
Total liabilities	481,131	556,719
Net assets		
Shareholders' equity		
Common stock	54,346	54,346
Additional paid-in capital	67,369	67,369
Retained earnings	113,595	96,739
Treasury stock	-514	-516
Total shareholders' equity	234,797	217,939
Accumulated other comprehensive income		
Net unrealized holding gain on other securities	3,396	5,210
Translation adjustments	-37,262	-18,127
Accrued retirement benefits adjustments	-4,026	-5,119
Total accumulated other comprehensive income	-37,892	-18,035
Minority interests	15,222	11,838
Total net assets	212,126	211,742
Total liabilities and net assets	693,257	768,461

(2) Consolidated Statement of Operation and Consolidated Statement of Comprehensive Income
(Consolidated Statement of Operation)

(In million yen)

	Year ended March 31, 2012 (April 1, 2011 – March 31, 2012)	Year ended March 31, 2013 (April 1, 2012 – March 31, 2013)
Net sales	543,468	539,594
Cost of sales	^{*2} 452,975	^{*2} 462,105
Gross profit	90,492	77,489
Selling, general and administrative expenses	^{*1, *2} 69,768	^{*1, *2} 70,211
Operating income	20,723	7,278
Non-operating income		
Interest income	275	419
Dividend income	605	400
Equity in earnings of unconsolidated subsidiaries	1,009	553
Royalty	885	750
Other	1,963	2,504
Total non-operating income	4,739	4,628
Non-operating expenses		
Interest expenses	3,369	4,069
Products compensation	539	1,041
Other	2,862	4,284
Total non-operating expenses	6,771	9,394
Ordinary income	18,691	2,512
Extraordinary gains		
Gains on negative goodwill	—	1,929
Gains on sale of investment securities	—	1,593
Gains on sale of fixed assets	^{*7} 1,201	—
Total extraordinary gains	1,201	3,522
Extraordinary losses		
Reserve for loss related to anti-monopolies law	—	^{*3} 7,231
Structural reform expenses	—	^{*4} 6,364
Restructuring expenses	^{*5} 580	^{*5} 3,026
Impairment loss	—	^{*6} 2,692
Loss on devaluation of investment securities	2,105	491
Loss related to natural disasters	—	125
Earthquake-related expenses	^{*8} 743	—
Loss on sale of fixed assets	107	—
Total extraordinary losses	3,535	19,932
Income or loss(-) before income taxes and minority interests	16,357	-13,897
Income and other taxes	5,526	2,935
Income taxes adjustment	3,806	-3,115
Total income and other taxes	9,333	-180
Income or loss(-) before minority interests	7,023	-13,717
Minority interests in subsidiaries	1,030	478
Current net income or loss(-)	5,993	-14,195

(Consolidated Statement of Comprehensive Income)

(In million yen)

	Year ended March 31, 2012 (April 1, 2011 – March 31, 2012)	Year ended March 31, 2013 (April 1, 2012 – March 31, 2013)
Income or loss(-) before minority interests	7,023	-13,717
Other comprehensive income		
Valuation and translation adjustment	1,259	1,814
Translation adjustments	-3,075	19,501
Accrued retirement benefits adjustments	-1,454	-1,092
Equity in equity-method affiliates	-778	1,581
Total other comprehensive income	* -4,048	* 21,804
Comprehensive income	2,975	8,087
(Breakdown)		
Comprehensive income attributable to owners of parent company	2,215	5,661
Comprehensive income attributable to minority interests	759	2,426

(3) Statement of Changes in Shareholders' Equity

(In million yen)

	Year ended March 31, 2012 (April 1, 2011 – March 31, 2012)	Year ended March 31, 2013 (April 1, 2012 – March 31, 2013)
Shareholders' equity		
Common stock		
Balance at April 1, 2012	54,346	54,346
Changes during the period		
Total changes during the period	—	—
Balance at March 31, 2013	54,346	54,346
Additional paid-in capital		
Balance at April 1, 2012	67,417	67,369
Changes during the period		
Sale of treasury stock	-165	—
Transfers due to loss on disposal of treasury stock	117	—
Total changes during the period	-47	—
Balance at March 31, 2013	67,369	67,369
Retained earnings		
Balance at April 1, 2012	113,030	113,595
Changes during the period		
Distribution of retained earnings	-5,316	-2,659
Current net income or loss (-)	5,993	-14,195
Increase/decrease due to changes in scope of consolidation	5	—
Transfers due to loss on disposal of treasury stock	-117	—
Total changes during the period	564	-16,855
Balance at March 31, 2013	113,595	96,739
Treasury stock		
Balance at April 1, 2012	-757	-514
Changes during the period		
Purchase of treasury stock	-8	-4
Sale of treasury stock	252	1
Total changes during the period	243	-2
Balance at March 31, 2013	-514	-516
Total shareholders' equity		
Balance at April 1, 2012	234,036	234,797
Changes during the period		
Distribution of retained earnings	-5,316	-2,659
Current net income or loss (-)	5,993	-14,195
Increase/decrease due to changes in scope of consolidation	5	—
Purchase of treasury stock	-8	-4
Sale of treasury stock	87	1
Total changes during the period	760	-16,857
Balance at March 31, 2013	234,797	217,939

(In million yen)

	Year ended March 31, 2012 (April 1, 2011 – March 31, 2012)	Year ended March 31, 2013 (April 1, 2012 – March 31, 2013)
Accumulated other comprehensive income		
Valuation and translation adjustment		
Balance at April 1, 2012	2,136	3,396
Changes during the period		
Net changes in items other than shareholders' capital during the period	1,259	1,814
Total changes during the period	1,259	1,814
Balance at March 31, 2013	3,396	5,210
Translation adjustments		
Balance at April 1, 2012	-33,679	-37,262
Changes during the period		
Net changes in items other than shareholders' capital during the period	-3,583	19,135
Total changes during the period	-3,583	19,135
Balance at March 31, 2013	-37,262	-18,127
Accrued retirement benefits adjustments		
Balance at April 1, 2012	-2,572	-4,026
Changes during the period		
Net changes in items other than shareholders' capital during the period	-1,454	-1,092
Total changes during the period	-1,454	-1,092
Balance at March 31, 2013	-4,026	-5,119
Total accumulated other comprehensive income		
Balance at April 1, 2012	-34,115	-37,892
Changes during the period		
Net changes in items other than shareholders' capital during the period	-3,777	19,857
Total changes during the period	-3,777	19,857
Balance at March 31, 2013	-37,892	-18,035
Minority interests		
Balance at April 1, 2012	10,430	15,222
Changes during the period		
Net changes in items other than shareholders' capital during the period	4,791	-3,383
Total changes during the period	4,791	-3,383
Balance at March 31, 2013	15,222	11,838
Total net assets		
Balance at April 1, 2012	210,352	212,126
Changes during the period		
Distribution of retained earnings	-5,316	-2,659
Current net income or loss (-)	5,993	-14,195
Increase/decrease due to changes in scope of consolidation	5	—
Purchase of treasury stock	-8	-4
Sale of treasury stock	87	1
Net changes in items other than shareholders' capital during the period	1,013	16,473
Total changes during the period	1,774	-384
Balance at March 31, 2013	212,126	211,742

(4) Statements of Cash Flows

(In million yen)

	Year ended March 31, 2012 (April 1, 2011 - March 31, 2012)	Year ended March 31, 2013 (April 1, 2012 - March 31, 2013)
Net cash provided by operating activities		
Income or loss(-) before income taxes	16,357	-13,897
Depreciation and amortization	34,175	34,841
Impairment loss	—	2,837
Depreciation of goodwill	—	127
Gains on negative goodwill	—	-1,929
Increase/decrease in reserve for loss related to antimonopoly law	—	7,231
Increase/decrease related to reserve for early retirement expenses	—	5,910
Increase/decrease in allowance for doubtful accounts	46	126
Increase/decrease in accrued retirement benefits for directors and statutory auditors	-91	-74
Increase/decrease in accrued retirement benefits for employees	894	2,278
Increase/decrease in reserve for product defect compensation	-88	352
Increase/decrease in accrued liabilities related to business restructuring expenses	—	2,600
Increase/decrease in accrued payments due to the change in retirement benefit plan	-1,394	-1,205
Interest and dividend income	-880	-820
Interest expenses	3,369	4,069
Foreign currency translation adjustments / Foreign exchange losses/gains	543	632
Equity in earnings/losses of non-consolidated subsidiaries	-1,009	-553
Gains or loss on sale of fixed assets	-1,094	24
Gains or loss on sales of investment securities	—	-1,589
Gains or loss on revaluation of investment securities	2,105	491
Decrease/increase in trade receivables	-11,754	11,952
Decrease/increase in inventories	-20,216	4,456
Increase/decrease in trade payables	4,890	-27,967
Other	1,110	-3,945
Subtotal	26,961	25,948
Interest and dividend income received	1,850	1,452
Interest paid	-3,355	-3,972
Income taxes paid	-8,404	-2,923
Net cash provided by operating activities	17,052	20,505
Net cash used in investing activities		
Increase in time deposits	-4,152	-1,779
Decrease in time deposits	3,730	2,929
Purchase of property, plant and equipment	-49,102	-55,244
Proceeds from sale of property, plant and equipment	1,558	934
Purchase of intangible fixed assets	-1,093	-1,535
Purchase of investment securities	-0	-893
Proceeds from sale of investment securities	28	1,701
Payment for purchase of subsidiaries' stock	-495	-3,927
Proceeds from liquidation of subsidiaries	112	—
Payment for acquisition of shares in equity-method affiliates	-2,300	—
Decrease/increase in short-term loans receivable, net	-811	1,026
Other	-316	183
Net cash used in investing activities	-52,842	-56,604

	(In million yen)	
	Year ended March 31, 2012 (April 1, 2011 - March 31, 2012)	Year ended March 31, 2013 (April 1, 2012 - March 31, 2013)
Net cash provided by financing activities		
Increase/decrease in short-term loans, net	7,083	-3,012
Proceeds from long-term loans	68,043	89,247
Repayment of long-term loans	-25,523	-13,470
Proceeds from issuing common stock assigned to minority shareholders	3,537	230
Dividend payment	-5,316	-2,659
Repayment of lease payable	-191	-249
Other	-383	-498
Net cash provided by financing activities	47,248	69,586
Effect of exchange rate changes on cash and cash equivalents	958	-207
Increase/decrease in cash and cash equivalents	12,416	33,280
Cash and cash equivalents, at beginning of the year	40,081	52,605
Increase in cash and cash equivalents from newly consolidated subsidiaries	107	214
Cash and cash equivalents, at end of the year	52,605	* 86,100

(5) Notes to Consolidated Financial Statements

(Going Concern Assumption)

None

(Changes in Accounting Policies)

(Change in the depreciation method)

For the tangible fixed assets acquired on and after April 1, 2012, the Company and its domestic consolidated subsidiaries changed to the method of depreciation that complies with the revised corporate-tax law in and after the current consolidated accounting period.

Under the new method, operating income and ordinary income increased 506 million yen and loss before income taxes for the current consolidated accounting period decreased 506 million yen.

(Changes in Presentation Methods for Consolidated Financial Statements)

(Consolidated Statement of Operation)

"Product compensation", which was included under "Other" of "Non-operating expenses" in previous consolidated accounting periods, has been given an independent heading from the current consolidated accounting period because the amount has risen above 10% of total non-operating expenses. To reflect these changes in the methods of presentation, the Company has carried out recycling of consolidated financial statements for the previous consolidated accounting period.

As a result, 3,402 million yen presented as "Other" under non-operating expenses in the consolidated statement of comprehensive income in the previous consolidated accounting period was recycled in the form of 539 million yen recorded as "Product compensation" and 2,862 million yen recorded as "Other".

(Consolidated Balance Sheet)

*1 Notes on non-consolidated subsidiaries and affiliates are as follows.

(In million yen)

	Year ended March 31, 2012	Year ended March 31, 2013
Investment securities (stock)	12,516	13,690

*2 Reductions of value due to government subsidies received are as follows. These reductions of value are reflected on the Consolidated Balance Sheet.

(In million yen)

	Year ended March 31, 2012	Year ended March 31, 2013
Buildings and structures	511	467
Machinery, equipment and vehicles	598	496
Land	798	798
Other	6	7
Total	1,913	1,768

Contingent liabilities

(Launch of arbitration proceedings related to compensation for damages)

In November 2012, arbitration proceedings demanding payment of 57,774 thousand US dollars (equivalent to 5,433 million yen using the exchange rate for the end of the current consolidated accounting period) were launched by an automotive applications customer of NTN-SNR ROULEMENTS (hereafter, NTN-SNR), a consolidated subsidiary of the Group, for alleged damages suffered as a result of nonconforming bearings supplied by NTN-SNR.

There is a possibility of the Group incurring future losses as a result of the above arbitration proceedings. However, it is difficult to reasonably estimate any impact at this moment and we cannot tell how or to what extent such potential losses will affect the business performance and financial conditions of the Group.

(Consolidated Statement of Operation)

*1 Major items and amounts under "Selling, general and administrative expenses" were as follows.

	(In million yen)	
	Year ended March 31, 2012 (April 1, 2011 - March 31, 2012)	Year ended March 31, 2013 (April 1, 2012 - March 31, 2013)
Salaries and benefit	24,720	24,604
Freight	13,014	12,642
Research and development	8,835	8,534
Rent expenses	2,361	2,534
Depreciation and amortization	2,173	1,972

*2 Total research and development expense included in general and administrative expense and current manufacturing costs

	(In million yen)	
	Year ended March 31, 2012 (April 1, 2011 - March 31, 2012)	Year ended March 31, 2013 (April 1, 2012 - March 31, 2013)
	17,156	16,174

*3 The Company has received a surcharge payment order from the Japan Fair Trade Commission and consequently it has recorded an extraordinary loss for the expected amount.

*4 Structural reform expenses of 6,364 million yen were recorded as an extraordinary loss in the current consolidated accounting period. These expenses break down into 5,910 million yen in expenses arising in relation to the implementation of an early retirement system, 355 million yen in evaluation losses on assets in relation to the withdrawal from a part of business in the precision equipment, and 98 million yen in other costs.

*5 Business restructuring expenses of 3,026 million yen were recorded as an extraordinary loss in the current consolidated accounting period. These expenses break down into 2,600 million yen in expenses related to land improvement in the former site of Takarazuka Plant and 426 million yen in other expenses (including impairment loss of 145 million yen).

In the previous consolidated accounting period, 580 million yen was recorded in expenses for additional work necessitated by the closure of the Takarazuka Plant. The plan is to sell the site of the former Takarazuka Plant after land improvements have been carried out.

*6 The NTN Group carries out grouping of assets. With regard to manufacturing assets, any plants etc. coming under managerial accounting business classifications are deemed to be the smallest unit creating cash flow. With regard to Head Office and business-use assets, assets are deemed to be shared assets.

In the case of the below assets, the book value, including the recoverable amount, has been impaired because there is no prospect for future use or because no possibility of recovery was deemed to exist in the future cash flow estimate period. The impairment amount of 2,692 million yen has been recorded as an impairment loss under extraordinary loss. The recoverable amount has been estimated using the net possible sale value and the use value. Assets where sale or alternative use is deemed to be difficult have been given a value of 0.

Location	Use	Type of asset	Impairment loss (million yen)
Japan	Manufacturing facilities	Buildings and structures	192
		Machinery and equipment	268
		Construction in progress	334
		Other	20
	Welfare facilities	Buildings and structures	201
		Land	121
Other		1	
Americas	Manufacturing facilities	Machinery and equipment	7
		Construction in progress	183
Europe	Manufacturing facilities and other	Machinery and equipment	234
		Construction in progress	220
		Other	214
Asia and other areas	Manufacturing facilities	Machinery and equipment	648
		Construction in progress	39
		Other	4
Total			2,692

*7 In the previous consolidated fiscal year, 1,201 million yen was recorded under Gains on sale of fixed assets in Extraordinary gains. This consists of 1,097 million yen in income from the sale of dormitories and company housing related to the closure of the former Takarazuka Plant and 103 million yen in other income.

*8 In the previous consolidated accounting period, 743 million yen in earthquake-related expenses was recorded under extraordinary loss. This consists of 726 million yen of fixed costs attributable to the period during which production level is less than normal and 17 million yen of other expenses.

(Matters Related to Consolidated Statement of Comprehensive Income)

* Reclassification adjustment and tax effect on other comprehensive income

(In million yen)

	Year ended March 31, 2012 (April 1, 2011 - March 31, 2012)	Year ended March 31, 2013 (April 1, 2012 - March 31, 2013)
Net unrealized holding gain on other securities:		
Amount arising in current fiscal year	-214	2,303
Reclassification adjustment	1,877	488
Before tax effect adjustment	1,663	2,791
Tax effect	-403	-977
Net unrealized holding gain on other securities	1,259	1,814
Translation adjustments:		
Amount arising in current fiscal year	-3,075	19,483
Reclassification adjustment	—	17
Before tax effect adjustment	-3,075	19,501
Tax effect	—	—
Translation adjustments	-3,075	19,501
Accrued retirement benefits adjustments:		
Amount arising in current fiscal year	-2,912	-2,017
Reclassification adjustment	367	603
Before tax effect adjustment	-2,545	-1,414
Tax effect	1,090	322
Accrued retirement benefits adjustments	-1,454	-1,092
Equity in equity-method affiliates:		
Amount arising in current fiscal year	-778	1,581
Total other comprehensive income	-4,048	21,804

(Consolidated Statements of Changes in Shareholders' Equity)
Year ended March 31, 2012 (April 1, 2011 - March 31, 2012)

1. Type and total number of shares issued and outstanding and Treasury stock

	Number of shares as of April 1, 2011 (thousand shares)	Increase (thousand shares)	Decrease (thousand shares)	Number of shares as of March 31, 2012 (thousand shares)
Shares issued and outstanding				
Common shares	532,463	—	—	532,463
Total	532,463	—	—	532,463
Treasury stock				
Common shares	824	23	280	566
Total	824	23	280	566

(Note) The 23,000 share increase in common stock under "treasury stock" consists of purchases of shares constituting less than one unit, and the 280,000 share decrease consists of an allocation of 274,000 treasury stock carried out as part of a share transfer under the additional acquisition of shares in NIPPON KAGAKU YAKIN CO., LTD., and 6,000 shares resulting from demands for the sale of shares less than one unit.

2. Equity warrant and subscription right to treasury stock

N.A.

3. Dividends

(1) Dividend paid

(Date of approval)	Type of share	Total dividend paid (million yen)	Dividend per share (yen)	Record date	Payable date
Annual general meeting of share holders on June 24, 2011	Common stock	2,658	5	March 31, 2011	June 27, 2011
Board meeting held on November 4, 2011	Common stock	2,658	5	September 30, 2011	December 5, 2011

(2) Among the dividends for which the record date falls within the period under review, the portion of the dividend for which the effective date falls in the next fiscal year

(Date of approval)	Type of share	Total dividend paid (million yen)	Dividend source	Dividend per share (yen)	Record date	Payable date
Annual general meeting of share holders on June 26, 2012	Common stock	2,659	Retained earnings	5	March 31, 2012	June 27, 2012

Year ended March 31, 2013 (April 1, 2012 - March 31, 2013)

1. Type and total number of shares issued and outstanding and Treasury stock

	Number of shares as of April 1, 2012 (thousand shares)	Increase (thousand shares)	Decrease (thousand shares)	Number of shares as of March 31, 2013 (thousand shares)
Shares issued and outstanding				
Common stock	532,463	—	—	532,463
Total	532,463	—	—	532,463
Treasury stock				
Common shares*	566	19	9	576
Total	566	19	9	576

*Note: The 19,000 share increase in common stock under "treasury stock" represents purchases of shares constituting less than one unit, and the 9,000 share decrease consists of shares resulting from demands for the sale of shares less than one unit.

2. Equity warrant and subscription right to treasury stock

N.A.

3. Dividends

(1) Dividend paid

(Date of approval)	Type of share	Total dividend paid (million yen)	Dividend per share (yen)	Record date	Payable date
Annual general meeting of shareholders on June 26, 2012	Common stock	2,659	5	March 31, 2012	June 27, 2012

(Cash flows)

* Reconciliation of the amounts of cash and cash equivalents at end of the year stated in Consolidated Statements of Cash Flows to the amounts of accounts stated in Consolidated Balance Sheets

(In million yen)

	Year ended March 31, 2012 (April 1, 2011 - March 31, 2012)	Year ended March 31, 2013 (April 1, 2012 - March 31, 2013)
Cash and bank deposits	39,360	52,792
Securities	10,000	34,000
Short-term loans receivable	6,331	309
Time deposits with original maturities of more than three months	-1,754	-692
Short-term loans receivable, excluding repurchase agreements	-1,331	-309
Cash and cash equivalents	52,605	86,100

(Segment Information, etc.)

[Segment information]

1. Description of reporting segments

It is possible to acquire financial information for the separate components making up the Company, and the Company's highest decision-making body (the Board of Directors) carries out regular investigations into the Company's reporting segments in order to decide the allocation of management resources and to assess results.

The Group's main business is the manufacturing and sale of bearings, constant-velocity joints and precision equipment for automotive applications, industrial machinery applications and the aftermarket. Business activities in Japan are controlled by the Company (Head Office) and overseas the activities of each region are controlled by the general managers' department allocated to each region. Overseas subsidiaries in each region formulate independent business strategies and business plans and develop business activities while analyzing profitability and investment efficiency.

Accordingly, the NTN Group consists of the Head Office and business segments in different regions based on general managers' departments. Its four reporting segments are "Japan", "Americas", "Europe" and "Asia and other areas". Each segment carries out the manufacture and sale of bearings, constant-velocity joints and precision equipment.

2. Methods used to calculate and report sales, income or losses, assets, liabilities and other items for each reporting segment

The business segment accounting methods for each reporting segment are the same methods as those used in the consolidated financial statements. "Inter-segment sales or transfers" is calculated based on prevailing market prices.

3. Information related to sales, income or losses, assets, liabilities and other items for individual reporting segments

Year ended March 31, 2012 (April 1, 2011 - March 31, 2012)

(In million yen)

	Reporting segment					Adjustments (Note) 1	Balance sheet amount
	Japan	Americas	Europe	Asia and other areas	Total		
Net sales							
Sales to external customers	209,970	118,009	139,993	75,494	543,468	—	543,468
Inter-segment sales or transfers	124,512	3,124	3,752	6,921	138,311	(138,311)	—
Total	334,483	121,133	143,745	82,416	681,779	(138,311)	543,468
Segment income (operating income)	8,146	588	4,551	5,158	18,445	2,278	20,723
Segment assets	480,570	119,716	125,735	106,353	832,375	(139,117)	693,257
Segment liabilities	328,209	83,022	72,581	41,798	525,612	(44,481)	481,131
Other items							
Depreciation and amortization	20,292	5,951	4,941	2,989	34,175	—	34,175
Increase in tangible and intangible fixed assets	18,378	10,518	7,892	18,864	55,653	(119)	55,534

Notes: *1. "Adjustments" refers to elimination of all inter-segment transactions with the exception of segment assets.

Adjustments under "segment assets" is made up of inter-segment eliminations of -178,672 million yen and company-wide assets not allocated to specific segments of 39,555 million yen (major items include operating capital (deposits and marketable securities), and long-term investment capital (marketable investment securities) etc.).

2. Major countries or regions in each segment:

Americas: U.S.A., Canada, South and Central America

Europe: Germany, France, United Kingdom, and others

Asia and other areas: China, Thailand, India, and others

Year ended March 31, 2013 (April 1, 2012 - March 31, 2013)

(In million yen)

	Reporting segment					Adjustments (Note) 1	Balance sheet amount
	Japan	Americas	Europe	Asia and other areas	Total		
Net sales							
Sales to external customers	193,490	135,384	132,177	78,542	539,594	—	539,594
Inter-segment sales or transfers	122,441	3,093	4,367	7,219	137,122	(137,122)	—
Total	315,932	138,477	136,544	85,762	676,716	(137,122)	539,594
Segment income (operating income or operating loss)	9,837	-3,218	-214	713	7,118	159	7,278
Segment assets	472,373	151,710	133,041	131,393	888,519	(120,058)	768,461
Segment liabilities	359,873	116,159	78,326	51,840	606,199	(49,480)	556,719
Other items							
Depreciation and amortization	18,788	7,094	5,325	3,633	34,841	—	34,841
Increase in tangible and intangible fixed assets	13,689	14,665	7,245	15,018	50,617	(102)	50,515

Notes: 1. "Adjustments" refers to elimination of all inter-segment transactions with the exception of segment assets.

Adjustments under "segment assets" is made up of inter-segment eliminations of -193,691 million yen and company-wide assets not allocated to specific segments of 73,633 million yen (major items include operating capital (deposits and marketable securities), and long-term investment capital (marketable investment securities) etc.).

2. Major countries or regions in each segment:

Americas: U.S.A., Canada, South and Central America

Europe: Germany, France, United Kingdom, and others

Asia and other areas: China, Thailand, India, and others

[Related information]

Year ended March 31, 2012 (April 1, 2011 - March 31, 2012)

1. Information related to products and services

(In million yen)

	Automotive applications	Industrial machinery applications	Aftermarket	Total
Sales to external customers	342,888	106,619	93,960	543,468

(Note) "Sales to external customers" refers to sales in each product category based on similarity with sales markets.

2. Geographic information

(1) Sales

(In million yen)

Japan	Americas	Europe	Asia and other areas	Total
193,447	124,643	132,968	92,408	543,468

Notes: 1. Sales are classified according to country or region based on the location of customers.

2. Major countries or regions in each reporting segment:

Americas: U.S.A., Canada, South and Central America

Europe: Germany, France, United Kingdom, and others

Asia and other areas: China, Thailand, India, and others

3. Of the sales classified as sales to the Americas, sales to the United States accounted for 106,898 million yen.

(2) Property, plant and equipment

(In million yen)

Japan	Americas	Europe	Asia and other areas	Total
130,656	56,849	40,189	37,986	265,682

- Notes: 1. Of the property, plant and equipment classified under Americas, property, plant and equipment held in the United States accounted for 50,753 million yen.
2. Of the property, plant and equipment classified under Europe, property, plant and equipment held in France accounted for 30,863 million yen.
3. Of the property, plant and equipment classified under Asia and other areas, property, plant and equipment held in China accounted for 28,482 million yen.

Year ended March 31, 2013 (April 1, 2012 - March 31, 2013)

1. Information related to products and services

(In million yen)

	Automotive applications	Industrial machinery applications	Aftermarket	Total
Sales to external customers	356,626	93,746	89,222	539,594

(Note) "Sales to external customers" refers to sales in each product category based on similarity with sales markets.

2. Geographic information

(1) Sales

(In million yen)

Japan	Americas	Europe	Asia and other areas	Total
177,472	141,570	124,751	95,800	539,594

- Notes: 1. Sales are classified according to country or region based on the location of customers.
2. Major countries or regions in each reporting segment:
Americas: U.S.A., Canada, South and Central America
Europe: Germany, France, United Kingdom, and others
Asia and other areas: China, Thailand, India, and others
3. Of the sales classified as sales to the Americas, sales to the United States accounted for 122,434 million yen.

(2) Property, plant and equipment

(In million yen)

Japan	Americas	Europe	Asia and other areas	Total
124,887	73,254	45,348	54,662	298,152

- Notes: 1. Of the property, plant and equipment classified under Americas, property, plant and equipment held in the United States accounted for 66,841 million yen.
2. Of the property, plant and equipment classified under Europe, property, plant and equipment held in France accounted for 35,364 million yen.
3. Of the property, plant and equipment classified under Asia and other areas, property, plant and equipment held in China accounted for 40,718 million yen.

[Information related to impairment loss on fixed assets by reporting segment]

Current consolidated accounting period (April 1, 2012 – March 31, 2013)

(unit: million yen)

	Japan	Americas	Europe	Asia and other areas	Adjustment	Total
Impairment loss	1,285	191	669	692	—	2,837

[Information on gains arising from negative goodwill for each reporting segment]

Year ended March 31, 2013 (April 1, 2012 to March 31, 2013)

On March 27, 2013, the Company made an additional acquisition of 17.7% of the shares in consolidated subsidiary S.N.R.ROULEMENTS with the intention of expanding the business in Europe, taking the Company's total equity in S.N.R.ROULEMENTS to 100%. As a result, negative goodwill has arisen in the "Japan" segment. The gains on negative goodwill recorded in the current consolidated fiscal year as a result of this event were 1,929 million yen.

(Per share data)

	Year ended March 31, 2012 (April 1, 2011 - March 31, 2012)	Year ended March 31, 2013 (April 1, 2012 - March 31, 2013)
Net assets per share (yen)	370.19	375.84
Net income per share or net loss per share (yen)	11.27	-26.69

(Notes) 1. Diluted net income per share in the current consolidated accounting period is not reported because there was a net loss per share and because no residual securities existed. Diluted net income per share in the previous consolidated accounting period was not reported because no residual securities existed.

2. The basic methods for calculating net income per share or net loss per share was as follows.

	Year ended March 31, 2012 (April 1, 2011 - March 31, 2012)	Year ended March 31, 2013 (April 1, 2012 - March 31, 2013)
Net income or loss in consolidated balance sheets (million yen)	5,993	-14,195
Net income available for common shares (million yen)	—	—
Net income or loss per share of common stock (million yen)	5,993	-14,195
Average number of shares during the period (thousand shares)	531,694	531,892