

# Supplementary material for the Results of the First quarter of Fiscal 2009

August 5, 2009

NTN Corporation

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## ★ Highlights of Consolidated Financial Results

1. Consolidated Statements of operations
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4. Net sales and Operating Income (Margin)
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7. Capital Expenditures and Depreciations
8. Cash Flows

## Results of the First Quarter of FY 2009

- ◇ **Net sales** for the period **increased 12 % from the 4<sup>th</sup> quarter of FY 2008**, but decreased 38 % from a year earlier.
  - In **automotive applications**, net sales **increased 27 %** from the 4<sup>th</sup> quarter of FY 2008, helped by economic-stimulus packages implemented in many countries.
  - In **general industrial machinery and aftermarket applications**, net sales **decreased 6 %** from the 4<sup>th</sup> quarter of FY 2008, impacted by delayed economic recovery.
  - Geographically, **China is the area that showed most remarkable recovery both** in the automotive sector and in the general industrial machinery sector.
  - Net sales by **SNR increased 30 %** from the 4<sup>th</sup> quarter of FY 2008, benefited by the brisk sales of compact cars and solid performances in rolling stock as well as
- ◇ Efforts to **cut personnel cost and other expenses** contributed to **reduction of operating loss** to 2.5 billion yen (operating margin : negative 25 %), which was a marked improvement **over the 4<sup>th</sup> quarter of FY 2008**, while there were drastic decrease in sales volume and unfavorable foreign exchanges.
- ◇ **Inventory** as of June 30, 2009 was lessened **quantitatively by approximately 4 billion yen** from March 31, 2009,

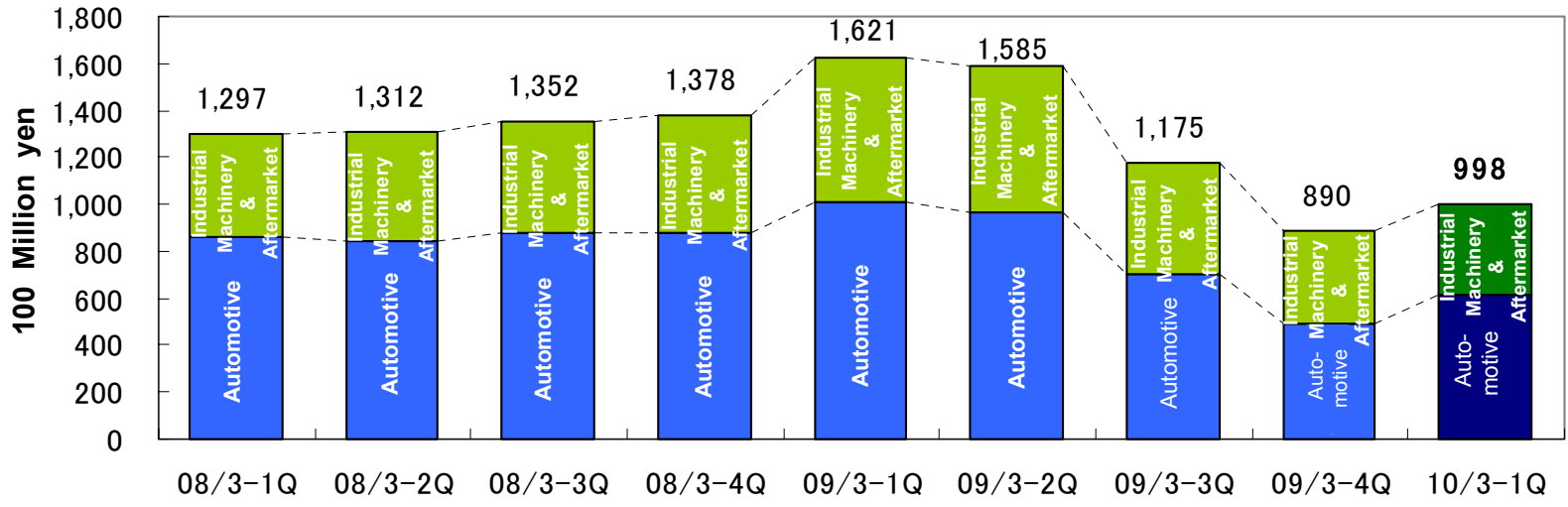
## Forecast for the Second Quarter of FY 2009

- ◇ In automotive applications, **underlying trend to increase production by automakers** is expected following the 1<sup>st</sup> quarter.
- ◇ In general industry machinery and aftermarket applications, **a delay of demand recovery** is forecasted to **continue** in a part of the sector.
- ◇ Earning forecast for the first half and full year of FY 2009, reported in May 2009, has no changes.

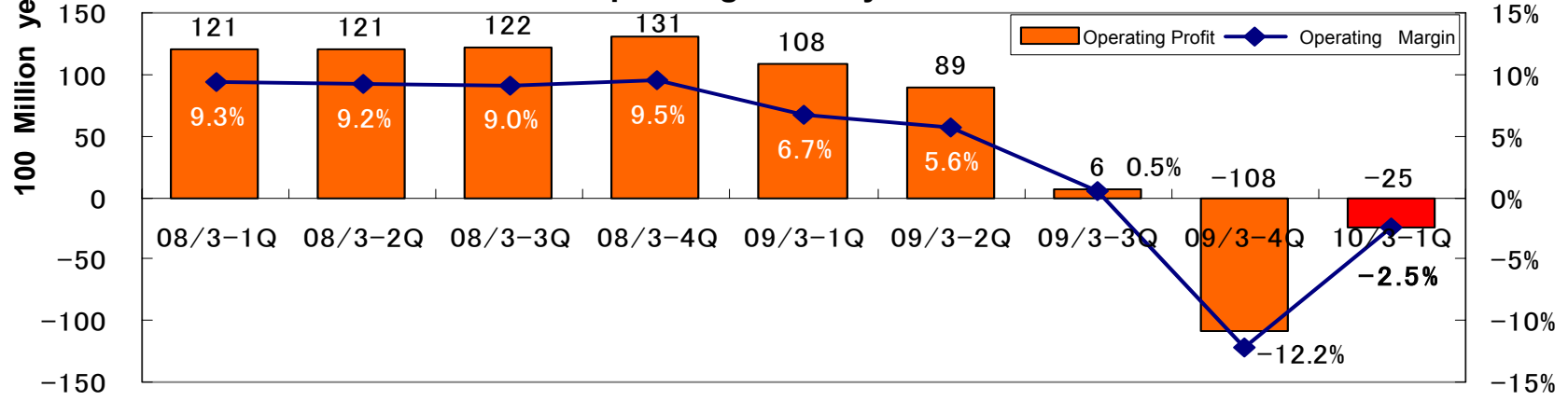
# Highlights of Consolidated Financial Results

Net sales and operating profit improved from the 4<sup>th</sup> quarter of FY 2008, but worsened drastically from a year earlier

Net Sales by Quarter



Operating Profit by Quarter



# 1. Consolidated Statement of operations

In 100 million yen

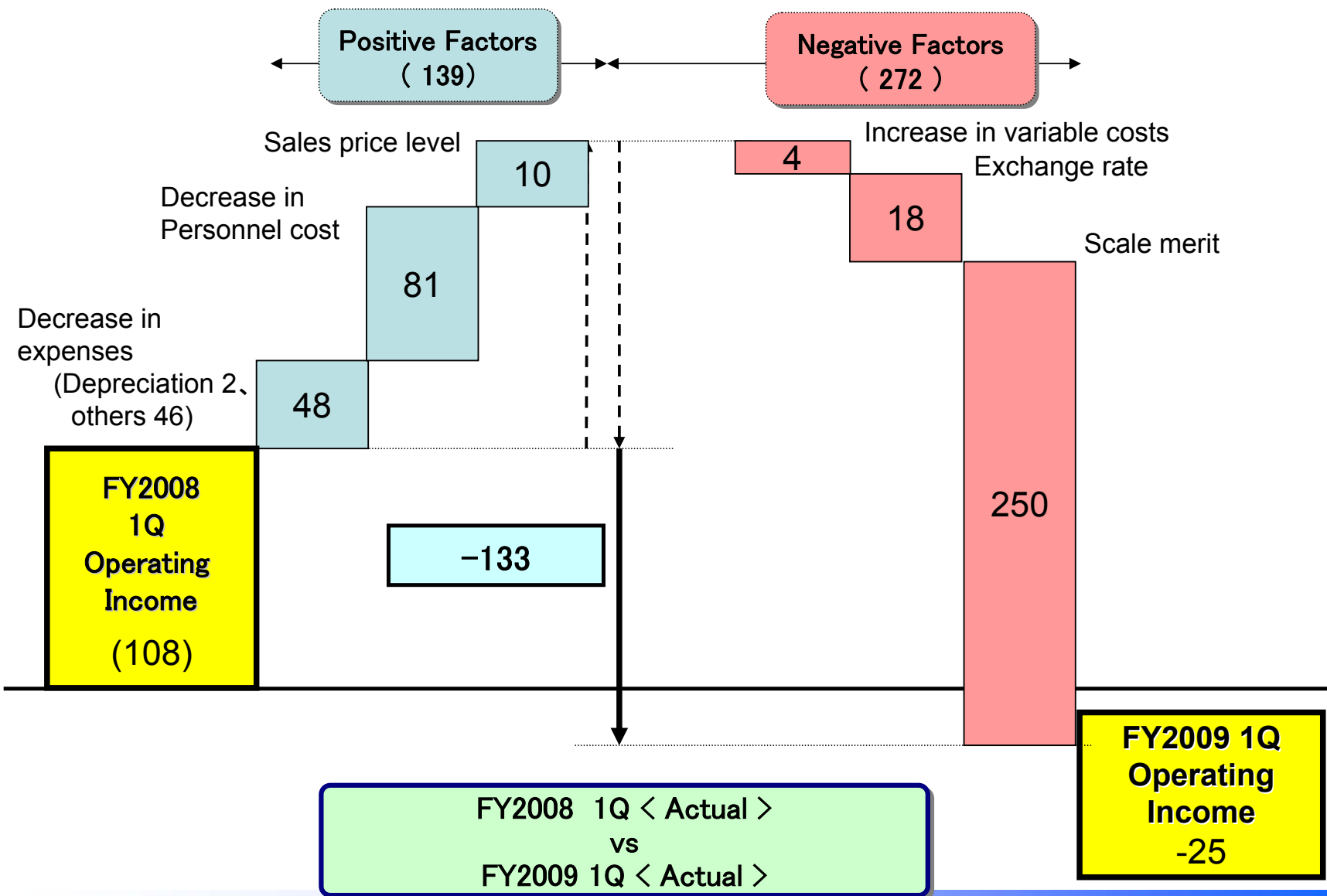
	FY2008					FY2009	
	1Q	2Q	3Q	4Q	Full Year	1Q	Year On Year
Net Sales	1,621	1,585	1,174	891	5,271	998	△ 623
Operating Income (Operating margin)	108 (6.7%)	89 (5.6%)	6 (0.5%)	△ 108 (△12.2%)	95 (1.8%)	△ 25 (△2.5%)	△ 133 (△9.2%)
Ordinary Income	99	97	0	△ 109	87	△ 34	△ 133
Extraordinary Income/Loss	△ 1	△ 46	△ 115	△ 26	△ 188	0	1
Net Income	63	22	△ 120	△ 55	△ 90	△ 18	△ 81
Exchange Rate							
US \$	104.6	107.7	96.4	93.8	100.7	97.4	△ 7.2
EURO	163.4	161.9	127.0	122.0	144.1	132.7	△ 30.7

## 2. Net Sales by Regions and Business Segments

In 100 million yen

		FY2008					FY2009		
		1Q	2Q	3Q	4Q	Full year	1Q	Year On Year	
								volume	Exchange
Japan	Bearings	360	376	324	195	1,256	200	△ 160	-
	CVJs	138	144	123	76	481	78	△ 60	-
	Precision Equipments	55	63	51	43	211	35	△ 20	-
	<b>Total</b>	<b>553</b>	<b>583</b>	<b>498</b>	<b>314</b>	<b>1,948</b>	<b>313</b>	<b>△ 240</b>	<b>-</b>
Americas	Bearings	196	211	153	122	682	118	△ 66	△ 12
	CVJs	134	126	87	54	402	67	△ 62	△ 5
	Precision Equipments	3	3	2	2	9	2	△ 0	△ 0
	<b>Total</b>	<b>333</b>	<b>340</b>	<b>242</b>	<b>178</b>	<b>1,093</b>	<b>188</b>	<b>△ 128</b>	<b>△ 17</b>
Europe	Bearings	406	350	209	197	1,161	246	△ 102	△ 58
	CVJs	90	69	33	39	231	57	△ 18	△ 14
	Precision Equipments	8	8	5	5	26	7	0	△ 2
	<b>Total</b>	<b>503</b>	<b>427</b>	<b>247</b>	<b>240</b>	<b>1,417</b>	<b>309</b>	<b>△ 120</b>	<b>△ 73</b>
Asia & Others	Bearings	187	191	155	132	665	156	△ 12	△ 19
	CVJs	39	40	28	24	131	28	△ 8	△ 3
	Precision Equipments	5	5	4	3	17	4	△ 1	△ 1
	<b>Total</b>	<b>232</b>	<b>235</b>	<b>187</b>	<b>159</b>	<b>813</b>	<b>188</b>	<b>△ 22</b>	<b>△ 23</b>
Total	Bearings	1,149	1,128	841	646	3,764	720	△ 341	△ 89
	CVJs	401	379	272	193	1,244	231	△ 148	△ 22
	Precision Equipments	71	78	62	52	263	47	△ 21	△ 2
	<b>Total</b>	<b>1,621</b>	<b>1,585</b>	<b>1,174</b>	<b>891</b>	<b>5,271</b>	<b>998</b>	<b>△ 510</b>	<b>△ 113</b>

# 3. Analysis of Operating Income

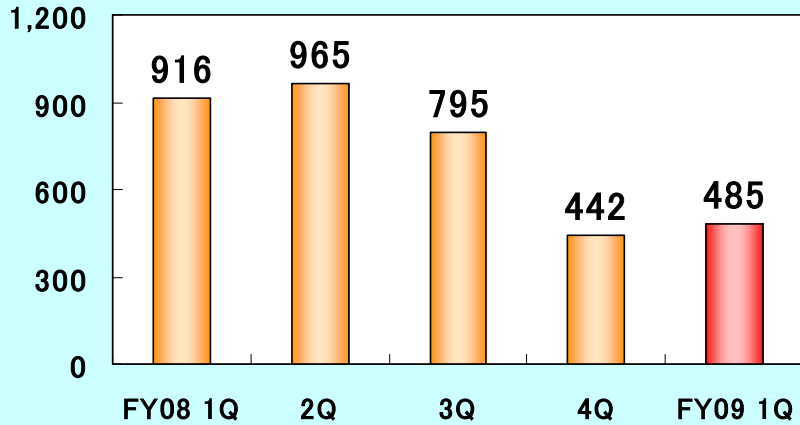


# 4. Net sales and Operating Income (Margin)

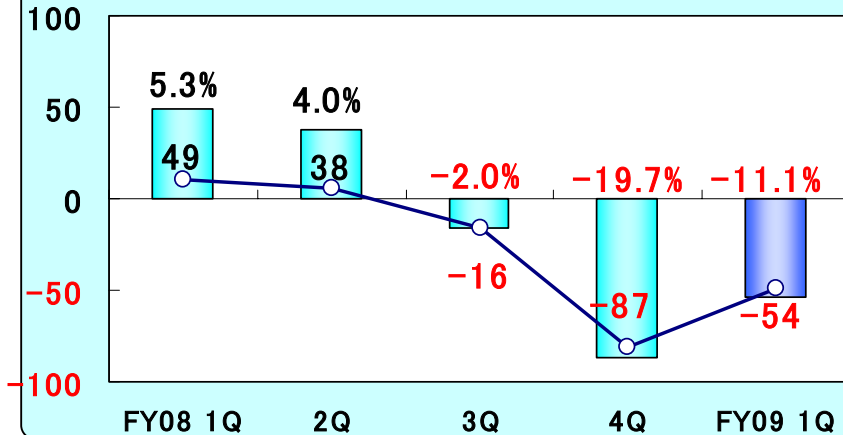
## 《 Japan 》

### Net Sales

In 100 million yen



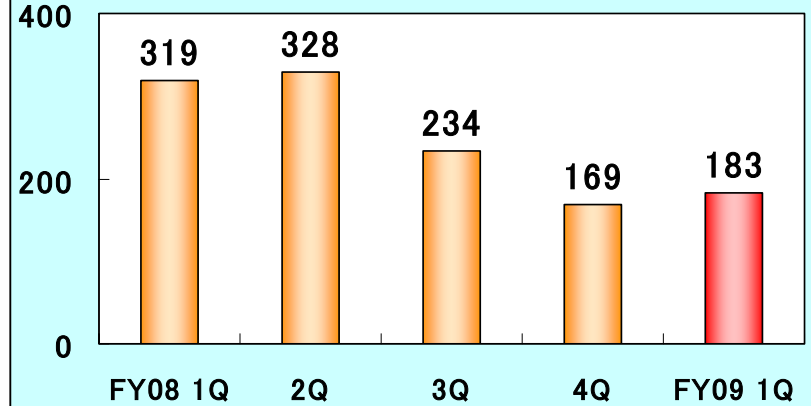
### Operating Income



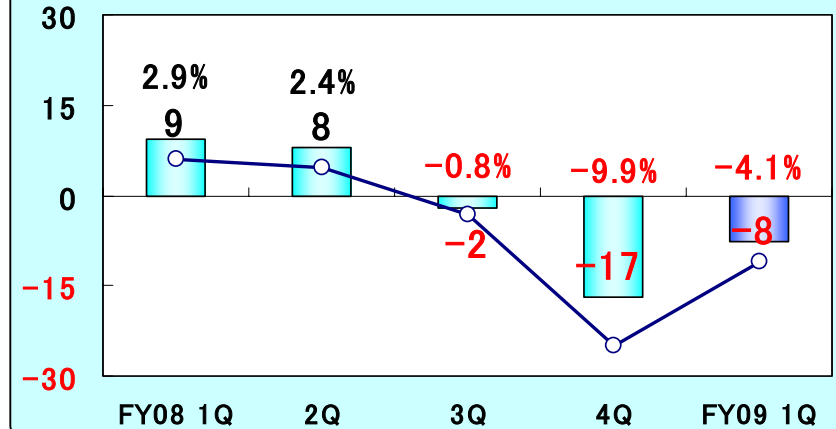
## 《 The Americas 》

### Net Sales

In 100 million yen



### Operating Income



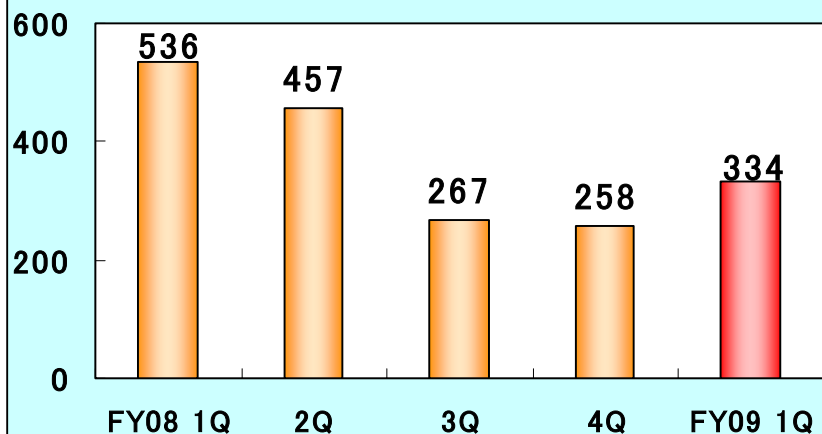


# 4. Net sales and Operating Income (Margin)

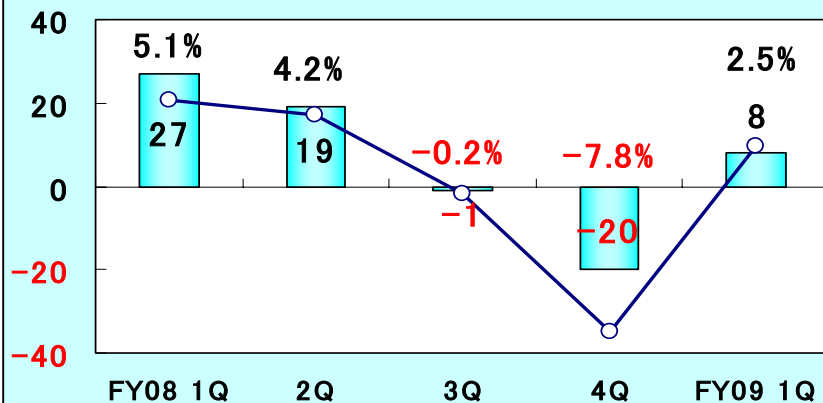
## 《 Europe 》

### Net Sales

In 100 million yen



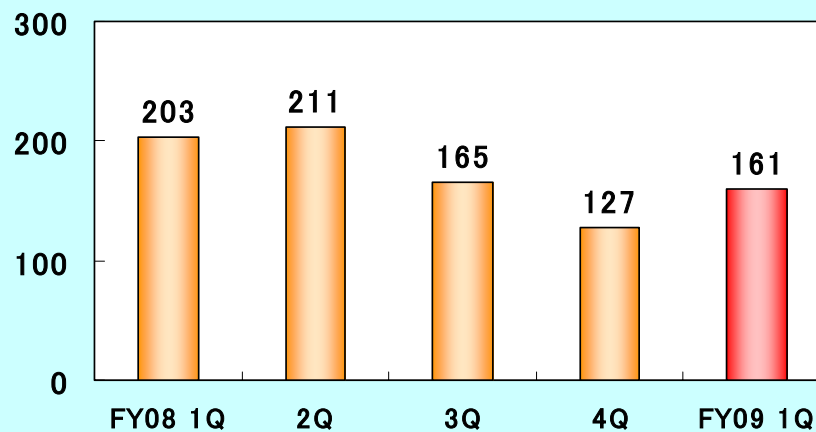
### Operating Income



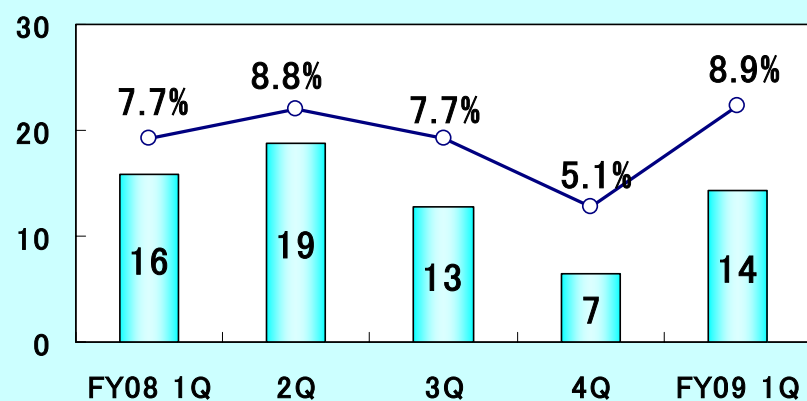
## 《Asia & Others》

### Net Sales

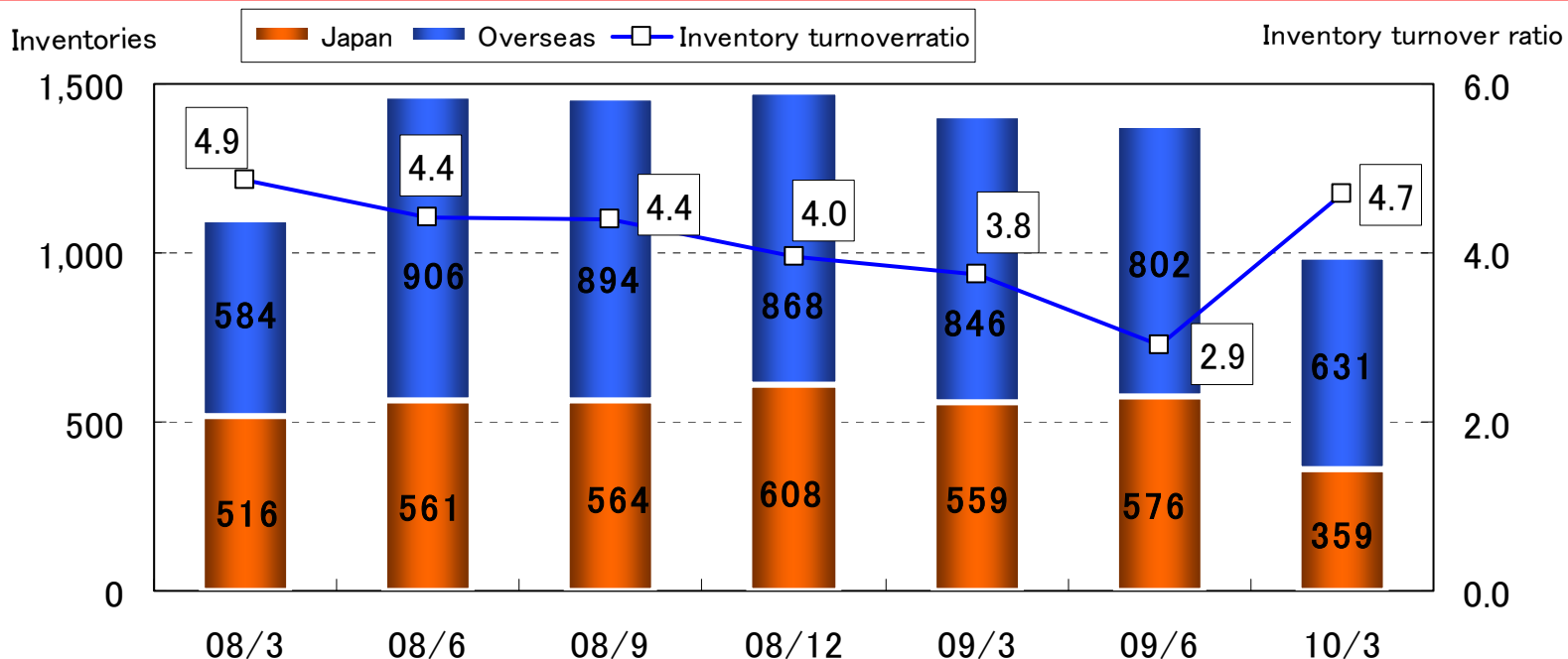
In 100 million yen



### Operating Income



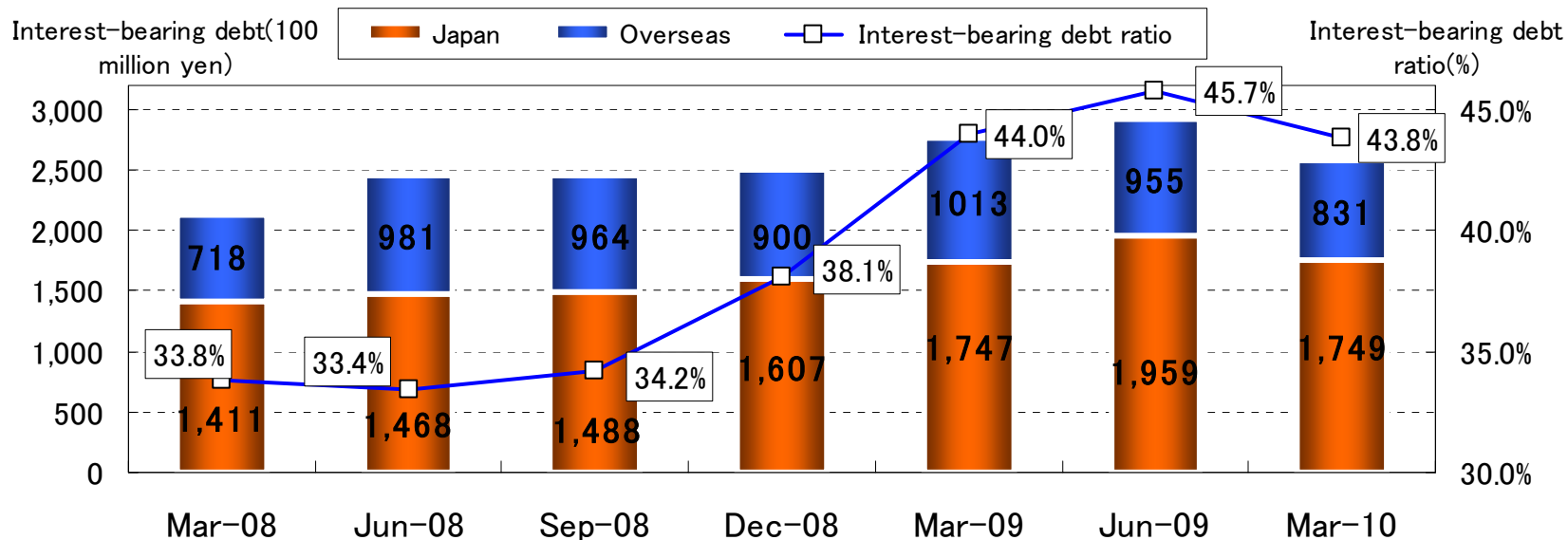
# 5. Inventories



(In 100 million yen)

	Mar-08	Jun-08	Sep-08	Dec-08	Mar-09	Jun-09	Mar-10
	Actual	Actual	Actual	Actual	Actual	Actual	Forecast
<b>Inventories</b>	1,100	1,467	1,459	1,476	1,405	1,379	990
( Overseas )	(584)	(906)	(894)	(868)	(846)	(802)	(631)
( Japan )	(516)	(561)	(564)	(608)	(559)	(576)	(359)
<b>Inventory turnover ratio</b>	4.9times	4.4times	4.4times	4.0times	3.8times	2.9times	4.7times

# 6. Interest-Bearing Debt

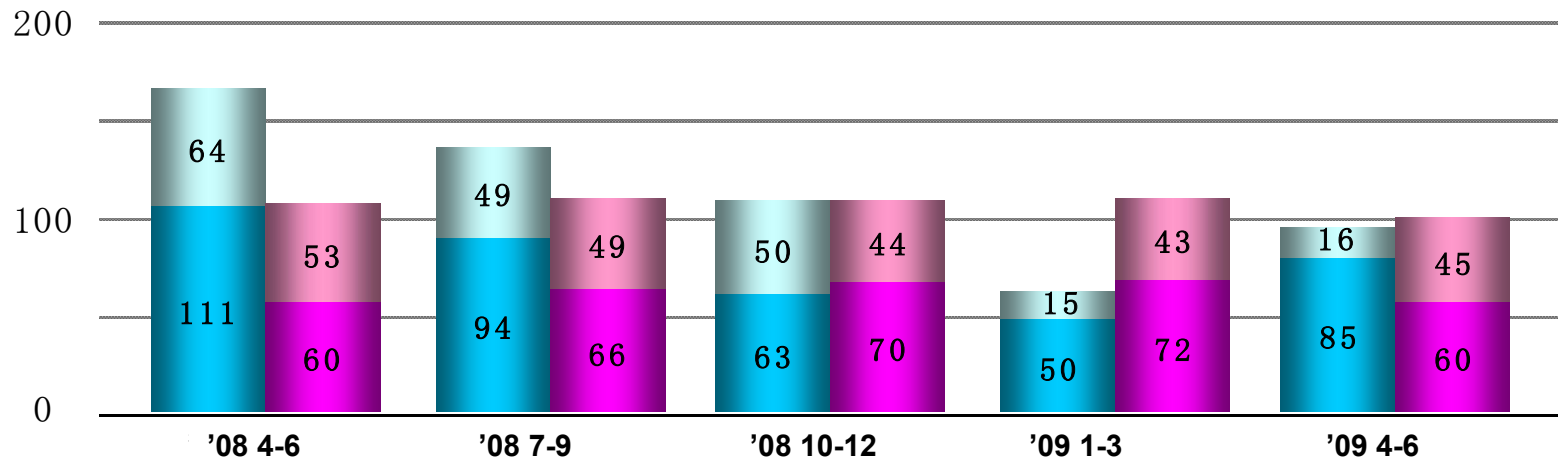
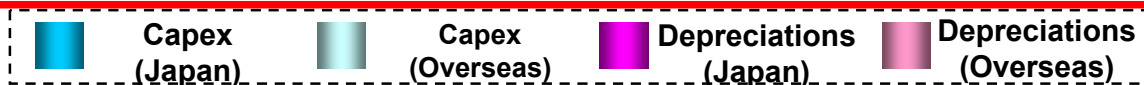


(In 100 million yen)

	Mar-08	Jun-08	Sep-08	Dec-08	Mar-09	Jun-09	Mar-10
	Actual	Actual	Actual	Actual	Actual	Actual	Forecast
Interest-bearing debt	2,129	2,449	2,452	2,507	2,760	2,914	2,580
( Overseas )	(718)	(981)	(964)	(900)	(1,013)	(955)	(831)
( Japan )	(1,411)	(1,468)	(1,488)	(1,607)	(1,747)	(1,959)	(1,749)
Interest-bearing debt ratio	33.8%	33.4%	34.2%	38.1%	43.9%	45.7%	44.5%

# 7. Capital Expenditures and Depreciations

(100 million yen)



	Mar-09 ①4-6	Mar-09 7-9	Mar-09 10-12	Mar-09 1-3	Mar-10 ②4-6	②-①	Mar-10 Forecast
<b>Capital Expenditures (Overseas)</b>	175	144	50	65	101	△74	180
<b>( Japan )</b>	(111)	(94)	(50)	(50)	(85)	(△26)	(120)

	Mar-09 ①4-6	Mar-09 7-9	Mar-09 10-12	Mar-09 1-3	Mar-10 ②4-6	②-①	Mar-10 Forecast
<b>Depreciation (Overseas)</b>	113	115	114	115	104	△9	408
<b>( Japan )</b>	(60)	(66)	(70)	(72)	(60)	(△0)	(240)

# 8. Cash Flow

(100 million yen)

	FY2009				FY2010		FY2010 Full Year
	①4-6	7-9	10-12	1-3	②4-6	②-①	
<b>I. Cash Flow from Operating Activity</b>	192	96	△10	△63	8	△184	440
<b>II. Cash Flow from Investing Activity</b>	△220	△164	△112	△133	△87	133	△250
<b>III. Cash Flow from Finance Activity</b>	34	56	150	205	130	96	△80
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>	△8	17	△12	△44	8	16	△20
<b>V. Increase in cash and cash equivalents</b>	△2	4	16	△35	60	61	90

