

# **Business Results**

for the First Half of Fiscal Year ending March, 2006

# **FACT BOOK**

November 10, 2005 NTN corporation

# FACT BOOK(consolidated)

## 1. Net sales and Income

					(Millions of yen)
	FY2003, 1st half	FY2003, Full year	FY2004, 1st half	FY2004, Full year	FY2005, 1st half
Sales	175,488	357,394	190,070	388,348	207,089
Sales	100.0%	100.0%	100.0%	100.0%	100.0%
Operating income	11,271	24,709	15,828	33,200	16,015
Operating income	6.4%	6.9%	8.3%	8.5%	7.7%
Ordinary income	9,947	20,776	14,345	28,385	14,129
Ordinary income	5.7%	5.8%	7.5%	7.3%	6.8%
Extraordinary income(loss)		-2,595		-1,800	-224
Extraordinary income (ioss)		-0.7%		-0.5%	
Net income	6,356	11,031	8,657	16,739	8,929
Net income	3.6%	3.1%	4.6%	4.3%	4.3%

## 2. Sales by Business Segment

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					(IVIIIIIOTIO OI YOTI)
	FY2003, 1st half	FY2003, Full year	FY2004, 1st half	FY2004, Full year	FY2005, 1st half
Bearing	112,148	228,615	121,723	248,810	132,794
	63.9%	64.0%	64.0%	64.0%	64.1%
CVJs	50,552	102,959	54,330	111,307	61,321
	28.8%	28.8%	28.6%	28.7%	29.6%
Precision Equipment	12,788	25,820	14,016	28,230	12,973
	7.3%	7.2%	7.4%	7.3%	6.3%
Total	175,488	357,394	190,070	388,348	207,089
Total	100.0%	100.0%	100.0%	100.0%	100.0%

# 3. Sales by Region

(Millions of yen)

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	FY2003, 1st half	FY2003, Full year	FY2004, 1st half	FY2004, Full year	FY2005, 1st half
lanan	85,531	176,203	93,255	189,990	96,431
Japan	48.7%	49.3%	49.1%	48.9%	46.6%
North America	43,871	86,084	45,014	92,046	52,937
North America	25.0%	24.1%	23.7%	23.7%	25.6%
Europe	28,285	58,243	30,648	62,592	32,124
Lutope	16.1%	16.3%	16.1%	16.1%	
Asia & Others	17,800	36,864	21,152	43,719	25,597
Asia & Others	10.1%	10.3%	11.1%	11.3%	12.3%
Total	175,488	357,394	190,070	388,348	207,089
i Otal	100.0%	100.0%	100.0%	100.0%	100.0%

## 4. Sales by Region & Business Segment

(Millions of yen)

						(Willions of yell)
		FY2003, 1st half	FY2003, Full year	FY2004, 1st half	FY2004, Full year	FY2005, 1st half
	Bearing	52,292	109,064	58,574	119,880	62,642
Japan	CVJs	22,439	45,087	22,463	45,699	22,610
	Precision Equipment	10,800		12,218		11,178
	Total	85,531	176,203			
	Bearing	29,046	56,308	28,999	57,817	31,576
North	CVJs	14,486	29,133	15,506	33,236	20,963
America	Precision Equipment	341	643	510		399
	Total	43,871	86,084	45,014	92,046	52,937
	Bearing	15,422	31,215	16,408	34,244	17,587
Europe	CVJs	11,671	24,660	13,366	26,514	13,689
	Precision Equipment	1,191	2,368	873	1,835	847
	Total	28,285		30,648	62,592	32,124
	Bearing	15,388	32,027	17,742	36,870	
Asia &	CVJs	1,956	4,079	2,995	5,858	4,059
Others	Precision Equipment	456	757	415	992	550
	Total	17,800	36,864	21,152	43,719	25,597
	Bearing	112,148	228,615	121,723	248,810	132,794
Total	CVJs	50,552	102,959	54,330	111,307	61,321
	Precision Equipment	12,788	25,820	14,016	28,230	12,973
	Total	175,488	357,394	190,070	388,348	207,089

#### 5. Geographic Segment Information

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	FY2003, 1st half	FY2003, Full year	FY2004, 1st half	FY2004, Full year	FY2005, 1st half
Japan Sales	129,166		141,687	294,950	152,436
Operating income	7,737	16,725	10,795	22,835	
. ,	6.0%	6.3%	7.6%	7.7%	6.8%
North America Sales	44,116	86,758	45,178	92,374	53,608
Operating income	1,249	2,431	1,849	3,537	1,942
	2.8%	2.8%	4.1%	3.8%	3.6%
Europe Sales	28,429	58,707	31,014	63,305	32,318
Operating income	1,344	2,956	1,473	3,150	1,336
	4.7%	5.0%	4.7%	5.0%	4.1%
Asia & Others Sales	11,555	24,890	15,589	32,308	20,250
Operating income	543	1,479	1,144	2,767	1,723
	4.7%	5.9%	7.3%	8.6%	8.5%
Sales	-37,779	-77,475	-43,399	-94,590	-51,523
Operating income	396	1,116	565	908	629
Sales total	175,488	357,394	190,070	388,348	207,089
Operating income total	11,271	24,709	15,828	33,200	16,015
	6.4%	6.9%	8.3%	8.5%	7.7%

#### 6. Capital expenditure, Depreciation and Cash flow

					(Millions of yen)
	FY2003, 1st half	FY2003, Full year	FY2004, 1st half	FY2004, Full year	FY2005, 1st half
Capital expenditure	17,947	38,092	25,765	49,670	23,663
Depreciation Japan	6,941	14,758	7,106	15,515	7,839
Oversea	4,680	9,221	4,527	9,355	5,458
Depreciation total	11,621	23,979	11,633	24,870	13,297
Cash flow	17,977	35,010	20,290	41,609	22,226

[Cash flow] = [Net income] + [Depreciation]

# 7. R&D expenditures

#### 8. Inventories

					(Millions of yen)
	FY2003, 1st half	FY2003, Full year	FY2004, 1st half	FY2004, Full year	FY2005, 1st half
Inventories	90,760	83,565	87,352	93,167	101,810
Inventory turnover ratio	x3.9	x4.3	x4.4	x4.2	x4.1

#### 9. Interest Bearing Debt

					(Millions of yen)
	FY2003, 1st half	FY2003, Full year	FY2004, 1st half	FY2004, Full year	FY2005, 1st half
Loan	79,810	84,090	89,770	96,185	109,766
Bonds	100,000	80,000	80,000	80,000	80,000
Total	179,810	164,090	169,770	176,185	189,766

#### 10. Main Management Index

	FY2003, 1st half	FY2003, Full year	FY2004, 1st half	FY2004, Full year	FY2005, 1st half
Ordinary Income/ Total Assets	4.3%	4.5%	6.1%	5.8%	5.3%
ROA	2.7%	2.4%	3.7%	3.4%	3.4%
ROE	9.3%	8.0%	11.8%	11.1%	10.9%
Shareholder's Equity Ratio	30.0%	31.0%	31.0%	30.6%	31.1%
Shareholder's Equity per Share	Yen302.48	Yen308.27	Yen327.39	Yen341.93	Yen365.84
Net income per Share	Yen13.75	Yen23.54	Yen18.73	Yen35.83	Yen19.33

# 11. Number of employees

	FY2003, 1st half	FY2003, Full year	FY2004, 1st half	FY2004, Full year	FY2005, 1st half
Japan	6,682	6,561	6,676	6,635	6,732
Oversea	5,045	5,324	5,656	6,153	6,901
Total	11.727	11.885	12.332	12,788	13,633

## 12. Exchange rate

						(Unit:Yen)
		FY2003, 1st half	FY2003, Full year	FY2004, 1st half	FY2004, Full year	FY2005, 1st half
۸	US\$	118.08	113.19	109.80	107.55	109.52
A	EURO	133.51	132.65	133.28	135.17	135.61
V	S \$	67.47	65.39	64.40	64.17	65.69
E	US\$	111.25	105.69	111.05	107.39	113.19
n	EURO	129.19	128.88	137.04	138.87	136.13
d	S \$	64.37	62.91	65.69	65.19	66.96

# FACT BOOK (unconsolidated)

## 1. Net sales and Income

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					(IVIIIIIOIIIO OI YOTI)
	FY2003, 1st half	FY2003, Full year	FY2004, 1st half	FY2004, Full year	FY2005, 1st half
Sales	127,733	261,710	140,344	291,975	150,840
Sales	100.0%	100.0%	100.0%	100.0%	100.0%
Operating income	6,172	12,988	8,417	18,161	8,091
Operating income	4.8%	5.0%	6.0%	6.2%	5.4%
Ordinary income	6,983	12,131	8,857	18,120	9,765
Ordinary income	5.5%	4.6%	6.3%	6.2%	6.5%
Extraordinary income(loss)	-	-	-	-1,800	-224
Extraordinary income (ioss)				-0.6%	-0.2%
Net income	5,192	8,093	5,521	10,839	7,034
Net income	4.1%	3.1%	3.9%	3.7%	4.7%

# 2. Sales by Business Segment

(Millions of yen)

	FY2003, 1st half	FY2003, Full year	FY2004, 1st half	FY2004, Full year	FY2005, 1st half
Bearing	81,281	164,610	86,889	181,092	94,553
Bearing	63.6%	62.9%	61.9%	62.0%	62.7%
CVJs	32,111	64,876	34,703	71,031	37,679
CVJS	25.1%	24.8%	24.7%	24.3%	25.0%
Precision Equipment	14,341	32,224	18,752	39,852	18,608
Frecision Equipment	11.2%	12.3%	13.4%	13.6%	12.3%
Total	127,733	261,710	140,344	291,975	150,840
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## 3. Sales in Japan and export

(Millions of ven)

					(Willions of yell)
	FY2003, 1st half	FY2003, Full year	FY2004, 1st half	FY2004, Full year	FY2005, 1st half
Sales in Japan	84,097	173,399	91,912	187,015	94,834
Sales III Japan	65.8%	66.3%	65.5%	64.1%	62.9%
Export sales	43,636	88,311	48,432	104,960	56,006
Export sales	34.2%	33.7%	34.5%	35.9%	37.1%
( North America )	(14,458)	(30,608)	(18,343)	(40,097)	(23,083)
( North America )	(11.3%)	(11.7%)	(13.1%)	(13.7%)	(15.3%)
( Europe )	(14,052)	(27,729)	(13,723)	(30,408)	(15,619)
	(11.0%)	(10.6%)	(9.8%)	(10.4%)	(10.4%)
( Asia & Others )	(15,126)	(29,974)	(16,366)	(34,455)	(17,304)
( Asia & Others )	(11.8%)	(11.5%)	(11.7%)	(11.8%)	(11.5%)
Total	127,733	261,710	140,344	291,975	150,840
i Olai	100.0%	100.0%	100.0%	100.0%	100.0%

# 4. Capital expenditure, Depreciation and Cash flow

(Millions of ven)

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		FY2003, 1st half	FY2003, Full year	FY2004, 1st half	FY2004, Full year	FY2005, 1st half
ı	Capital expenditure	8,549	15,946	8,322	17,014	10,405
	Depreciation	6,001	12,774	6,058	12,969	6,289
ı	Cash flow	11,193	20,867	11,579	23,808	13,323

[Cash flow] = [Net income] + [Depreciation]

## 5. R&D expenditures

(Millions of yen)

	FY2003, 1st half	FY2003, Full year	FY2004, 1st half	FY2004, Full year	FY2005, 1st half
R&D expenditures	6,173	12,858	6,870	14,070	6,936
Ratio against sales	4.8%	4.9%	4.9%	4.8%	4.6%

## 6. Inventories

(Millions of yen)

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	FY2003, 1st half	FY2003, Full year	FY2004, 1st half	FY2004, Full year	FY2005, 1st half
Inventories	41,836	38,817	40,367	41,743	45,022
Inventory turnover ratio	x6.1	x6.7	x7.0	x7.0	x6.7

# 7. Interest Bearing Debt

(Millions of yen)

	FY2003, 1st half	FY2003, Full year	FY2004, 1st half	FY2004, Full year	FY2005, 1st half
Loan	18,900	23,300	23,300	23,300	23,200
Bonds	100,000	80,000	80,000	80,000	80,000
Total	118,900	103,300	103,300	103,300	103,200

# 8. Main Management Index

	FY2003, 1st half	FY2003, Full year	FY2004, 1st half	FY2004, Full year	FY2005, 1st half
Ordinary Income/ Total Assets	3.8%	3.3%	4.7%	4.6%	4.9%
ROA	2.8%	2.2%	3.0%	2.8%	3.5%
ROE	8.0%	6.1%	8.0%	7.7%	9.5%
Shareholder's Equity Ratio	36.1%	37.6%	37.5%	36.9%	38.0%
Shareholder's Equity per Share	Yen289.40	Yen296.46	Yen303.25	Yen313.54	Yen329.33
Net Income per Share	Yen11.23	Yen17.25	Yen11.95	Yen23.15	Yen15.23

# 9. Number of employees

FY2003, 1st half	FY2003, Full year	FY2004, 1st half	FY2004, Full year	FY2005, 1st half
5,684	5,576	5,548	5,465	5,524