

Supplementary material for the Results of the Third quarter of Fiscal 2009

February 3, 2010
NTN Corporation

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Highlights of Consolidated Financial Results

Results of the 9 months ended December 31, 2009

- ◇ **Net Sales** : decreased 114.1 billion yen, 26 % from a year earlier to 323.9 billion yen
- ◇ **Operating Income** : ended in 4.2 billion yen loss for the period, but 1.4 billion yen profit was made for October ~ December period, which was **a return to the black** after 3 consecutive quarters' loss.
- ◇ **Inventories** : **decreased** 11.6 billion yen from March 31, 2009.
- ◇ **Free Cash Flow** : **moved back in the black**, 10.8 billion yen.

Forecast for full year ending March 31, 2010

- ◇ **Net Sales** : revised downward from 472 billion yen to **453 billion yen**
- ◇ **Operating Income** : revised downward from 7 billion yen to **1 billion yen**

Efforts in the fiscal year ending March 2011 to achieve management plan, “NTN 2010 for The Next Step”

1-1. Consolidated Statements of operations

For New Technology Network



FY2009 1-3Q (Actual)

In 100 million yen

	FY2008			FY2009			Year On Year	
	1H	3Q ①	1-3Q ②	1H	3Q ③	1-3Q ④	3Q ③-①	1-3Q ④-②
Net Sales	3,206	1,174	4,380	2,067	1,172	3,239	△ 1	△ 1,141
Operating Income (Operating Maargin)	197 (6.1%)	6 (0.5%)	203 (4.6%)	△ 56 (△ 2.7%)	14 (1.2%)	△ 42 (△ 1.3%)	8 (0.7%)	△ 246 (△ 5.9%)
Ordinary Income	196	0	196	△ 76	10	△ 66	10	△ 262
Extraordinary Income/Loss	△ 47	△ 115	△ 162	7	△ 14	△ 7	102	156
Net Income	85	△ 120	△ 35	△ 51	△ 8	△ 59	113	△ 24
Exchange US \$	106.1	96.4	102.9	95.5	89.7	93.6	△ 6.7	△ 9.3
Rate EURO	162.8	127.0	151.1	133.2	132.7	133.0	5.7	△ 18.1

1-2. Consolidated Statements of operations

FY2009 Full Year (Forecast)

In 100 million Yen

	FY2008			FY2009			Year On Year	
	1H	2H	Full Year	1H	2H	Full Year	2H	Full Year
		①	②		③	④	③-①	④-②
Net Sales	3,206	2,065	5,271	2,067	2,463	4,530	398	△ 741
Operating Income (Operating Margin)	197 (6.1%)	△ 102 △ (4.9%)	95 (1.8%)	△ 56 (△ 2.7%)	66 (2.7%)	10 (0.2%)	168 (7.6%)	△ 85 (△ 1.6%)
Ordinary Income	196	△ 109	87	△ 76	51	△ 25	160	△ 112
Extraordinary Income/Loss	△ 47	△ 141	△ 188	7	△ 18	△ 11	123	178
Net Income	85	△ 175	△ 90	△ 51	16	△ 35	191	55
Exchange US \$	106.1	95.1	100.7	95.5	89.9	92.7	△ 5.2	△ 8.0
Rate EURO	162.8	124.6	144.1	133.2	131.3	132.3	6.8	△ 11.8

2-1. Net Sales by Regions and Business Segments

FY2009 1-3Q (Actual)

In 100 million Yen

		FY2008			FY2009			Year On Year			
		1H	3Q	1-3Q	1H	3Q	1-3Q	3Q ③-①		1-3Q ④-②	
								Volume	Exchange	Volume	Exchange
		①	②	③	④						
Japan	Bearings	736	324	1,061	439	261	700	△64	-	△361	-
	CVJs	282	123	405	174	112	286	△11	-	△120	-
	Precision Equipments	118	51	169	78	47	125	△4	-	△44	-
	Total	1,136	498	1,635	691	420	1,111	△79	-	△524	-
Americas	Bearings	407	153	560	243	127	370	△20	△6	△152	△38
	CVJs	260	87	347	152	100	252	19	△7	△71	△25
	Precision Equipments	5	2	8	5	2	7	0	0	0	△1
	Total	673	242	915	399	229	628	0	△13	△224	△64
Europe	Bearings	755	209	964	482	248	731	29	10	△132	△101
	CVJs	159	33	192	110	63	174	28	2	8	△26
	Precision Equipments	16	5	21	11	6	17	1	0	△1	△2
	Total	930	247	1,176	604	317	921	58	12	△126	△129
Asia & Others	Bearings	378	155	533	301	161	462	10	△3	△22	△49
	CVJs	79	28	107	65	42	106	16	△2	10	△10
	Precision Equipments	10	4	14	8	4	11	0	0	△2	△1
	Total	468	187	654	373	207	579	25	△5	△14	△61
Total	Bearings	2,277	841	3,118	1,465	797	2,262	△45	1	△668	△188
	CVJs	780	272	1,052	500	317	817	52	△7	△174	△61
	Precision Equipments	149	62	211	101	59	160	△3	0	△46	△4
	Total	3,206	1,174	4,380	2,067	1,173	3,239	5	△6	△888	△253

2-2. Net Sales by Regions and Business Segments

FY2009 Full Year (Forecast)

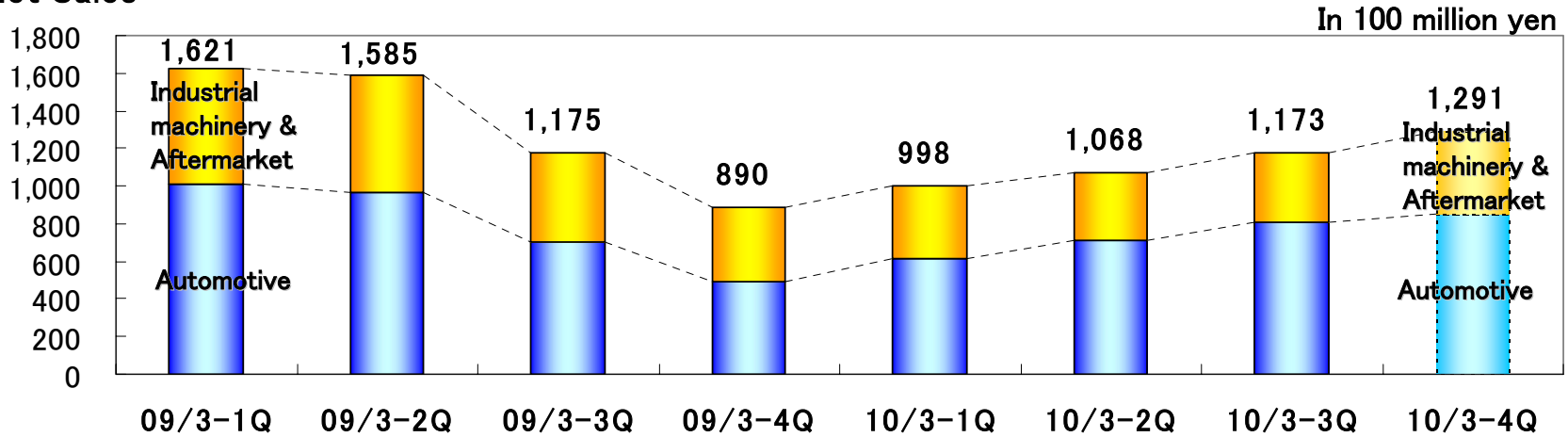
In 100 million Yen

		FY2008			FY2009			Year On Year			
		1H	2H	Full Year	1H	2H	Full Year	2H ③-①		Full Year ④-②	
								①	②	③	④
Japan	Bearings	736	519	1,256	439	555	994	36	-	△261	-
	CVJs	282	199	481	174	228	402	29	-	△80	-
	Precision Equipments	118	94	211	78	92	170	△2	-	△42	-
	Total	1,136	812	1,948	691	875	1,566	63	-	△383	-
Americas	Bearings	407	275	682	243	282	524	17	△10	△114	△44
	CVJs	260	141	402	152	211	362	80	△11	△9	△31
	Precision Equipments	5	4	9	5	4	9	1	0	1	△1
	Total	673	420	1,093	399	496	895	98	△22	△123	△75
Europe	Bearings	755	406	1,161	482	540	1,022	107	27	△46	△93
	CVJs	159	72	231	110	132	242	54	6	36	△24
	Precision Equipments	16	10	26	11	12	24	2	1	0	△2
	Total	930	487	1,417	604	684	1,288	163	34	△10	△119
Asia & Others	Bearings	378	287	665	301	323	623	39	△4	9	△51
	CVJs	79	52	131	65	78	143	30	△3	24	△12
	Precision Equipments	10	7	17	8	7	15	1	0	△1	△1
	Total	468	345	813	373	408	781	70	△7	32	△64
Total	Bearings	2,277	1,487	3,764	1,465	1,699	3,164	199	13	△413	△187
	CVJs	780	464	1,244	500	649	1,149	193	△8	△29	△67
	Precision Equipments	149	114	263	101	116	217	2	1	△41	△4
	Total	3,206	2,065	5,271	2,067	2,463	4,530	393	6	△483	△258

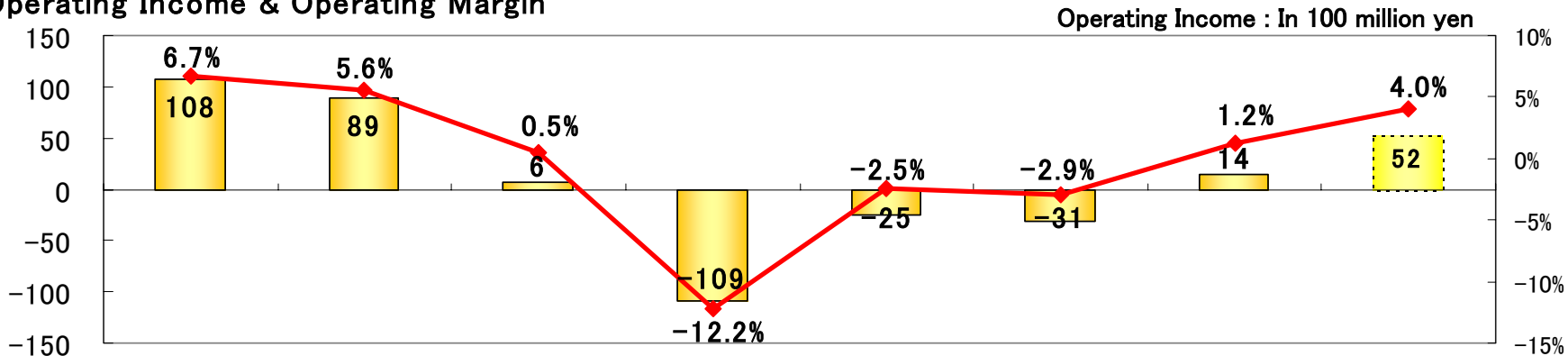
3. Net Sales and Operating Income by Quarter

“The 4th quarter of FY ended March 2009 was the bottom for the net sales and operating profit.”

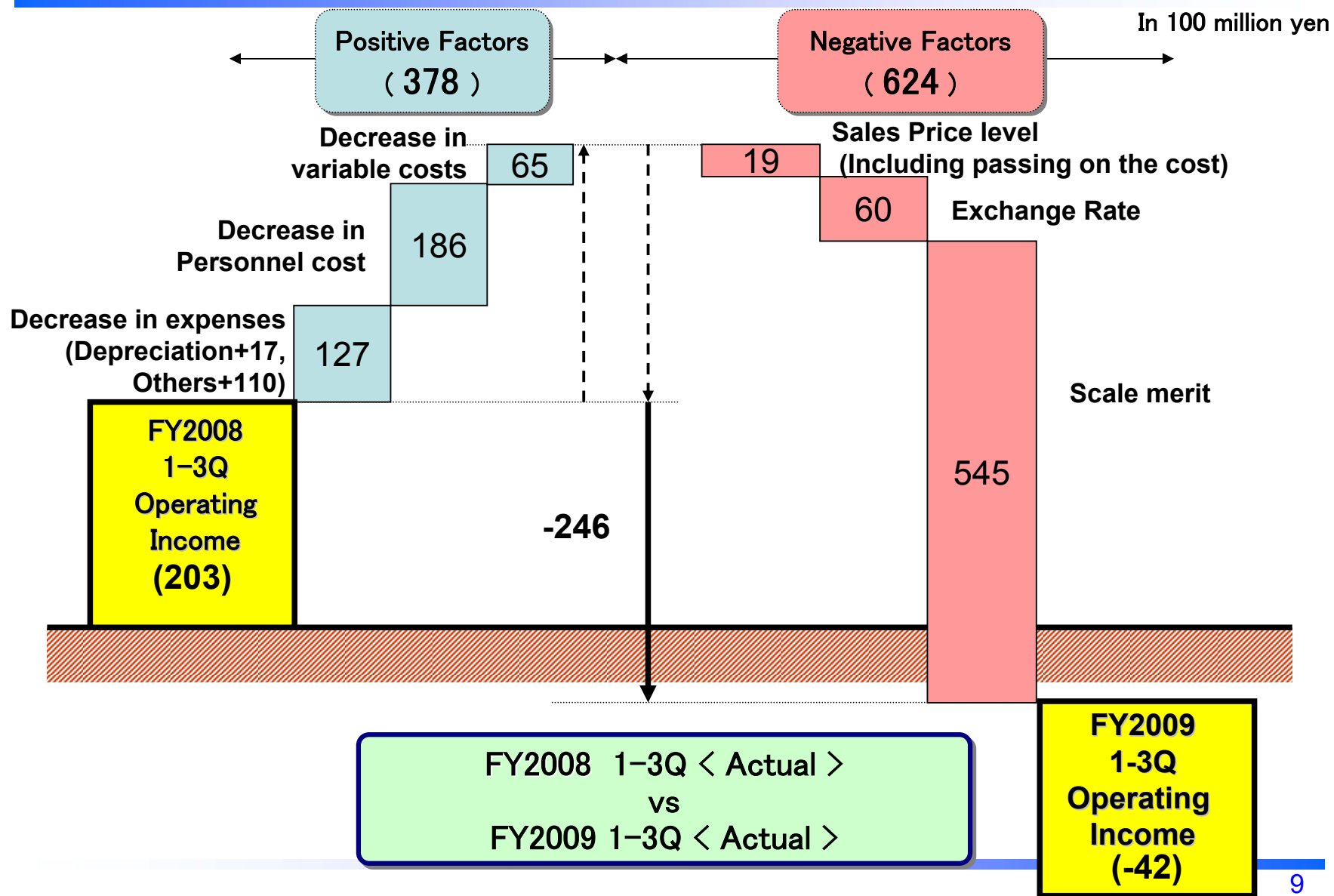
Net Sales



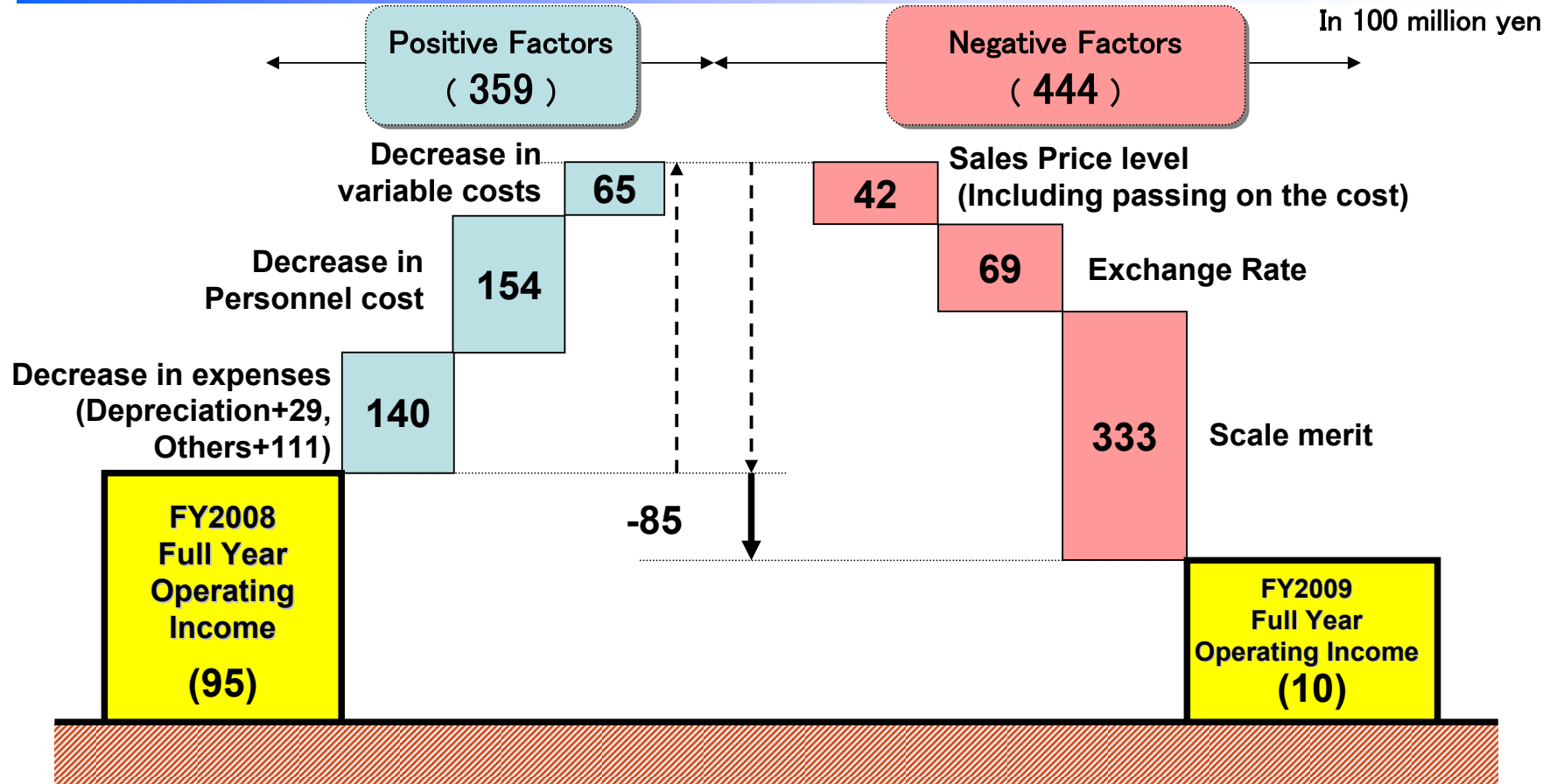
Operating Income & Operating Margin



4-1. Analysis of Operating Income (FY2009 1-3Q)



4-2. Analysis of Operating Income (Full Year)



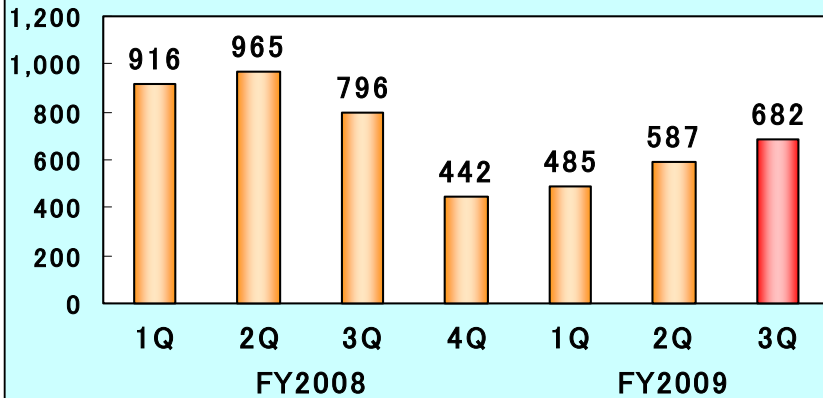
FY2008 Full Year < Actual >
 vs
 FY2009 Full Year < Forecast >

5. Net Sales and Operating Income (Margin)

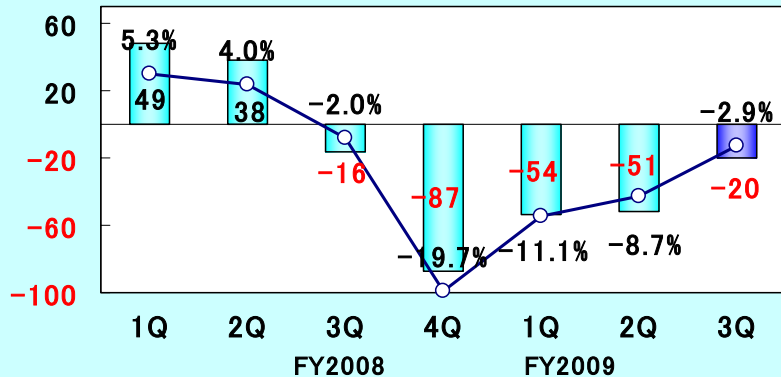
《 Japan 》

Net Sales

In 100 million yen



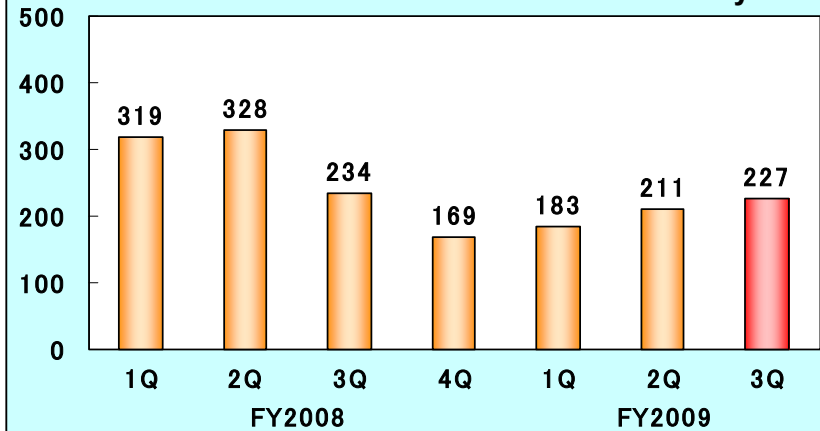
Operating Income



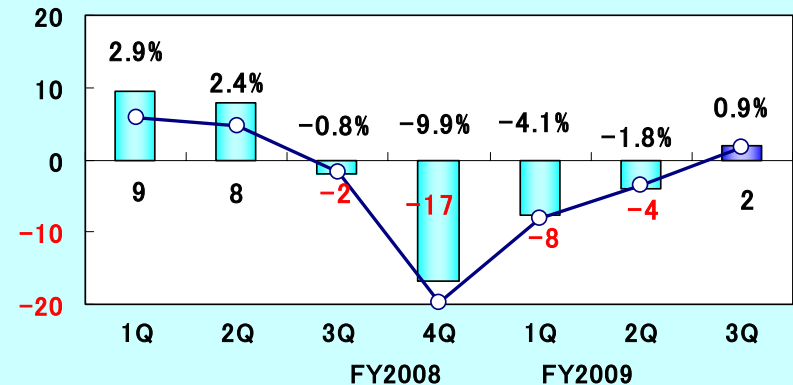
《 Americas 》

Net Sales

In 100 million yen



Operating Income

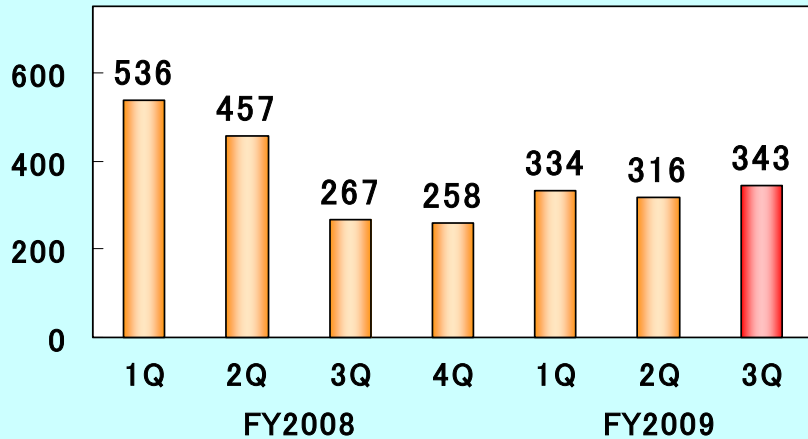


5. Net Sales and Operating Income (Margin)

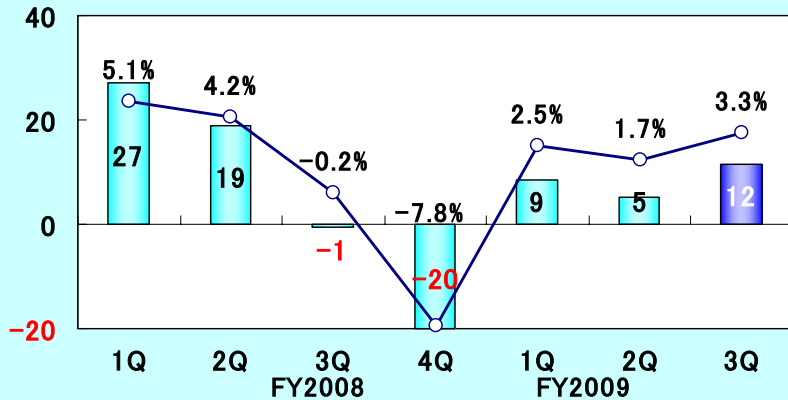
《 Europe 》

Net Sales

In 100 million yen



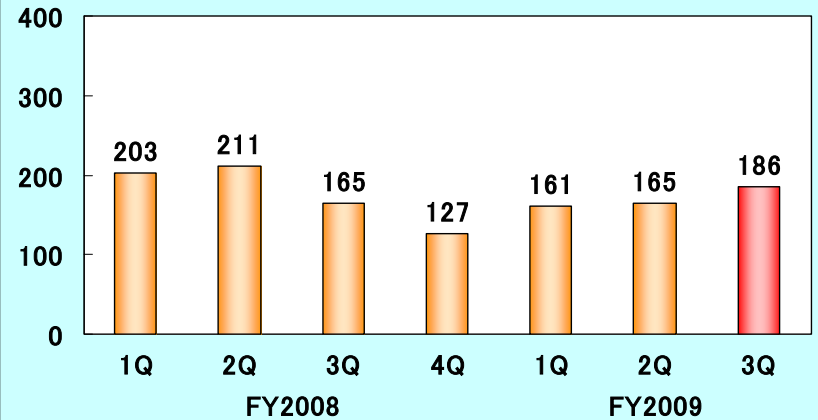
Operating Income



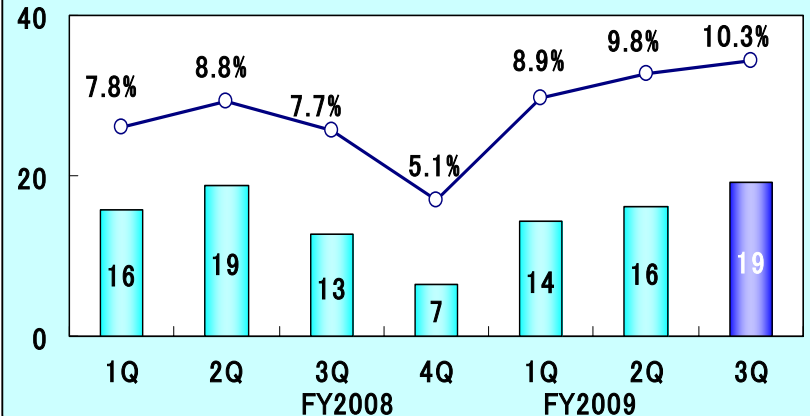
《 Asia & Others 》

Net Sales

In 100 million yen

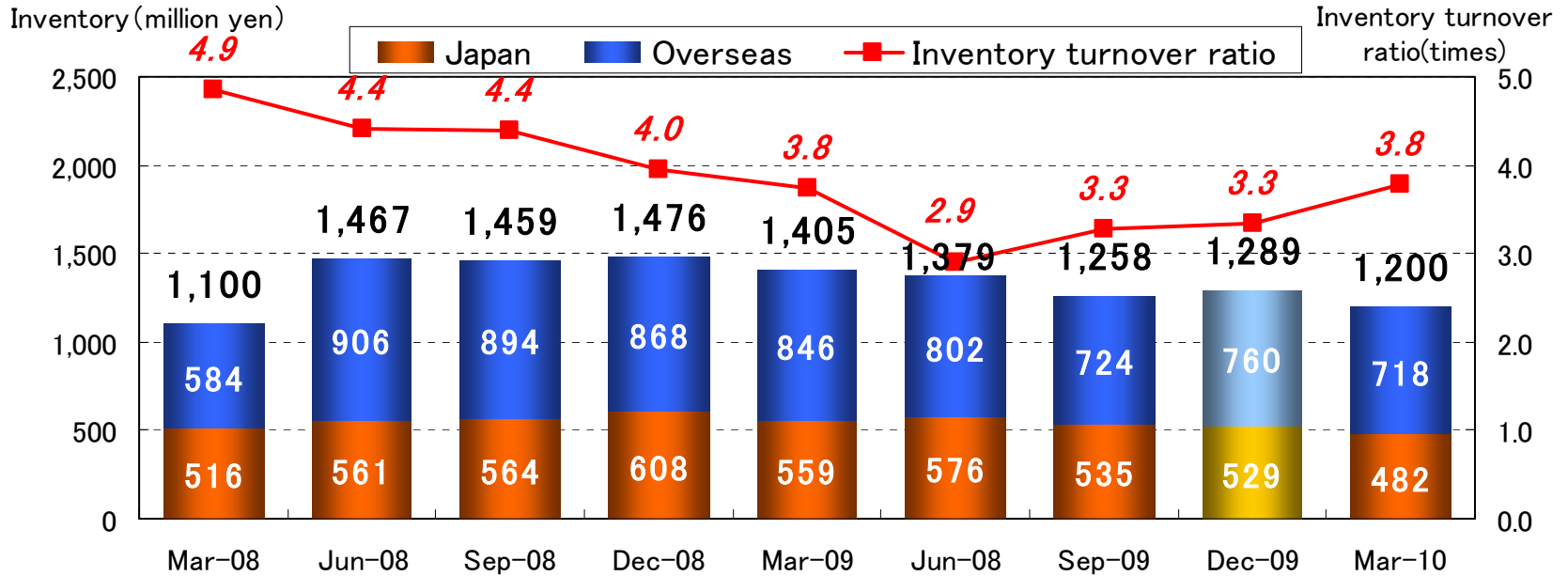


Operating Income



6. Inventories

“Inventory is on the track of reduction, 20.5 billion yen annually at March 31, 2010.”

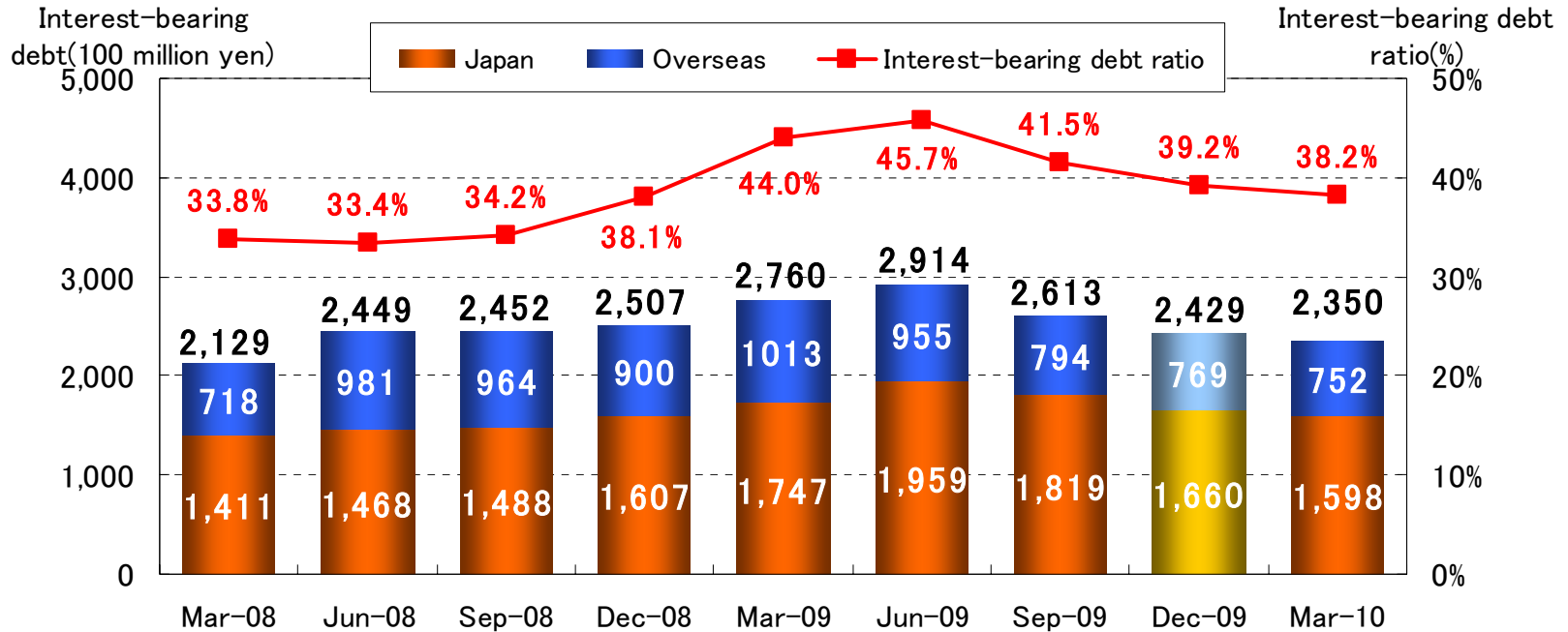


In 100 million yen

	Mar-08	Jun-08	Sep-08	Dec-08	Mar-09	Jun-08	Sep-09	Dec-09	Mar-10
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast
Inventories	1,100	1,467	1,459	1,476	1,405	1,379	1,258	1,289	1,200
(Overseas)	(584)	(906)	(894)	(868)	(846)	(802)	(724)	(760)	(718)
(Japan)	(516)	(561)	(564)	(608)	(559)	(576)	(535)	(529)	(482)
Inventory turnover ratio	4.9times	4.4times	4.4times	4.0times	3.8times	2.9times	3.3times	3.3times	3.8times

7. Interest-Bearing Debt

“Interest-bearing debt balance as of December 31, 2009 ended in the amount almost as planned.”

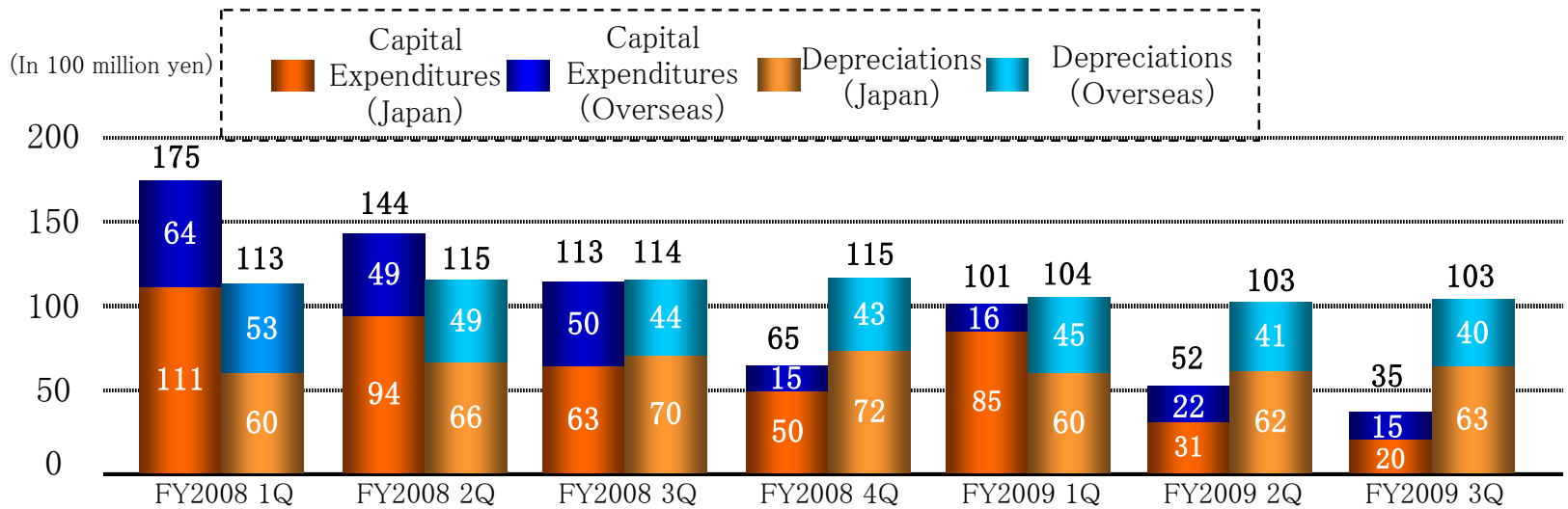


In 100 million yen

	Mar-08	Jun-08	Sep-08	Dec-08	Mar-09	Jun-09	Sep-09	Dec-09	Mar-10
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast
Interest-bearing debt	2,129	2,449	2,452	2,507	2,760	2,914	2,613	2,429	2,350
(Overseas)	(718)	(981)	(964)	(900)	(1,013)	(955)	(794)	(769)	(752)
(Japan)	(1,411)	(1,468)	(1,488)	(1,607)	(1,747)	(1,959)	(1,819)	(1,660)	(1,598)
Interest-bearing debt ratio	33.8%	33.4%	34.2%	38.1%	44.0%	45.7%	41.5%	39.2%	38.2%

8. Capital Expenditures and Depreciations

“Capital expenditure for the period was kept below a half of the amount from a year earlier.”



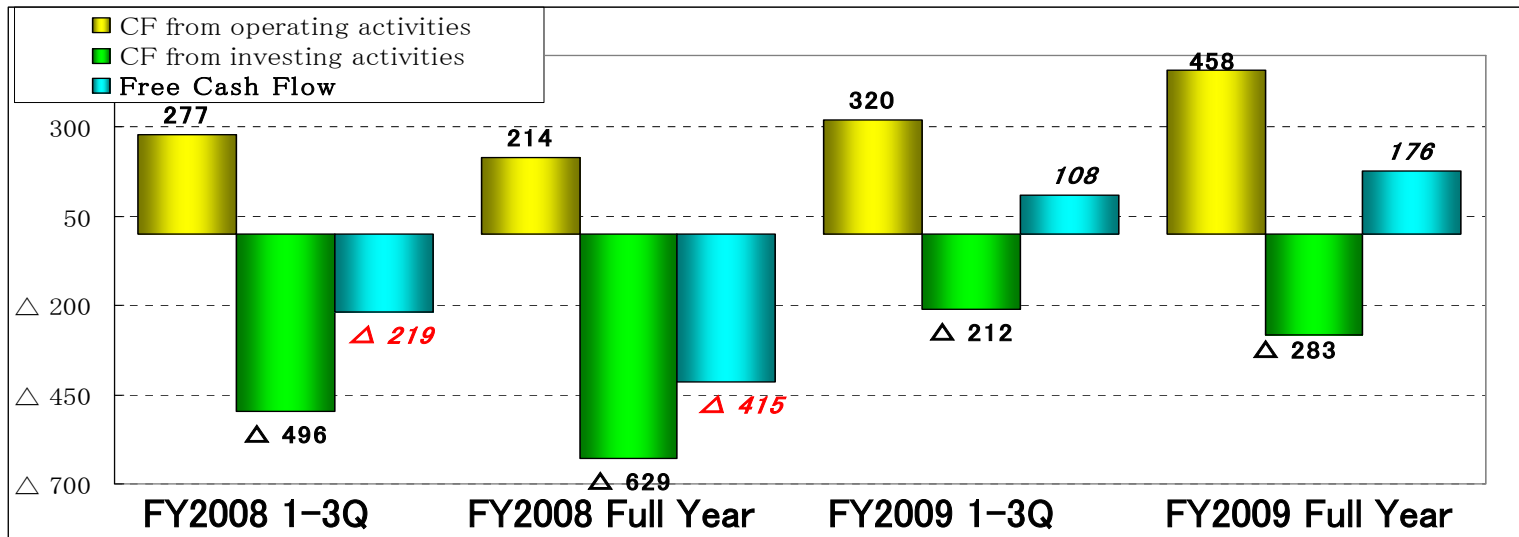
In 100 million yen

	FY2008 ①1-3Q	FY2008 ②Full Year	FY2009 ③1-3Q	③-①	FY2009 ④Full Year	④-②
Capital Expenditures	431	496	188	△243	210	△286
(Overseas)	(163)	(178)	(53)	(△111)	(62)	(△116)
(Japan)	(268)	(318)	(136)	(△132)	(148)	(△170)
Depreciations	342	458	310	△32	410	△48
(Overseas)	(147)	(190)	(126)	(△22)	(166)	(△24)
(Japan)	(195)	(268)	(185)	(△11)	(244)	(△23)

9. Cash Flow

“Free cash flow returned to the black.”

(In 100 million yen)	FY2008		FY2009		FY2009	
	①1-3Q	②Full Year	③1-3Q	③-①	④Full Year	④-②
I. Cash Flow from operating activities	277	214	320	43	458	245
II. Cash Flow from investing activities	△496	△629	△212	284	△283	347
III. Cash Flow from Financial activities	241	446	△82	△322	△143	△588
IV. Effect of exchange rate changes on each and cash equivalents	△3	△47	15	19	12	59
V. Increase in cash and cash equivalents	18	△17	42	23	45	62



We make
Bearings.



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