



Business Results

FY2005 ending March 2006

May 18, 2006
NTN corporation

FACT BOOK(consolidated)

1. Net sales and Income

(Millions of yen)

	FY2001	FY2002	FY2003	FY2004	FY2005
Sales	324,339 100.0%	342,745 100.0%	357,394 100.0%	388,348 100.0%	434,836 100.0%
Operating income	8,140 2.5%	20,785 6.1%	24,709 6.9%	33,200 8.5%	37,645 8.7%
Ordinary income	2,689 0.8%	16,169 4.7%	20,776 5.8%	28,385 7.3%	32,816 7.5%
Extraordinary income(loss)	-3,391 -1.0%	-9,972 -2.9%	-2,595 -0.7%	-1,800 -0.5%	-2,446 -0.6%
Net income	-132 0.0%	2,657 0.8%	11,031 3.1%	16,739 4.3%	19,550 4.5%

2. Sales by Business Segment

(Millions of yen)

	FY2001	FY2002	FY2003	FY2004	FY2005
Bearing	215,558 66.5%	220,685 64.4%	228,615 64.0%	248,810 64.0%	276,694 63.6%
CVJs	86,785 26.7%	98,875 28.8%	102,959 28.8%	111,307 28.7%	131,327 30.2%
Precision Equipment	21,996 6.8%	23,185 6.8%	25,820 7.2%	28,230 7.3%	26,815 6.2%
Total	324,339 100.0%	342,745 100.0%	357,394 100.0%	388,348 100.0%	434,836 100.0%

3. Sales by Region

(Millions of yen)

	FY2001	FY2002	FY2003	FY2004	FY2005
Japan	169,080 52.1%	170,010 49.6%	176,203 49.3%	189,990 48.9%	197,697 45.4%
North America	87,774 27.1%	92,696 27.0%	86,084 24.1%	92,046 23.7%	112,001 25.8%
Europe	38,748 11.9%	47,871 14.0%	58,243 16.3%	62,592 16.1%	66,892 15.4%
Asia & Other	28,737 8.9%	32,168 9.4%	36,864 10.3%	43,719 11.3%	58,245 13.4%
Total	324,339 100.0%	342,745 100.0%	357,394 100.0%	388,348 100.0%	434,836 100.0%

4. Sales by Region & Business Segment

(Millions of yen)

		FY2001	FY2002	FY2003	FY2004	FY2005
Japan	Bearing	104,698	104,649	109,064	119,880	127,644
	CVJs	45,768	45,496	45,087	45,699	46,931
	Precision Equipment	18,615	19,865	22,052	24,410	23,124
	Total	169,080	170,010	176,203	189,990	197,697
North America	Bearing	60,673	60,882	56,308	57,817	64,539
	CVJs	26,959	30,982	29,133	33,236	46,703
	Precision Equipment	142	832	643	994	758
	Total	87,774	92,696	86,084	92,046	112,001
Europe	Bearing	25,354	27,408	31,215	34,244	36,872
	CVJs	10,747	18,397	24,660	26,514	28,257
	Precision Equipment	2,647	2,066	2,368	1,835	1,763
	Total	38,748	47,871	58,243	62,592	66,892
Asia & Other	Bearing	24,833	27,746	32,027	36,870	47,639
	CVJs	3,311	4,000	4,079	5,858	9,436
	Precision Equipment	592	422	757	992	1,170
	Total	28,737	32,168	36,864	43,719	58,245
Total	Bearing	215,558	220,685	228,615	248,810	276,694
	CVJs	86,785	98,875	102,959	111,307	131,327
	Precision Equipment	21,996	23,185	25,820	28,230	26,815
	Total	324,339	342,745	357,394	388,348	434,836

5. Geographic Segment Information

(Millions of yen)

	FY2001	FY2002	FY2003	FY2004	FY2005
Japan Sales	238,802	249,679	264,513	294,950	320,322
Operating income	4,588 1.9%	12,802 5.1%	16,725 6.3%	22,835 7.7%	25,077 7.8%
North America sales	89,024	92,965	86,758	92,374	114,528
Operating income	1,402 1.6%	4,098 4.4%	2,431 2.8%	3,537 3.8%	4,460 3.9%
Europe Sales	38,088	48,028	58,707	63,305	67,423
Operating income	384 1.0%	1,347 2.8%	2,956 5.0%	3,150 5.0%	3,195 4.7%
Asia & Other Sales	16,018	19,448	24,890	32,308	44,654
Operating income	1,087 6.8%	1,885 9.7%	1,479 5.9%	2,767 8.6%	3,919 8.8%
Sales	-57,594	-67,376	-77,475	-94,590	-112,093
Operating income	676	651	1,116	908	992
Sales Total	324,339	342,745	357,394	388,348	434,836
Operating income total	8,140 2.5%	20,785 6.1%	24,709 6.9%	33,200 8.5%	37,645 8.7%

6. Capital expenditure, Depreciation and Cash flow

(Millions of yen)

	FY2001	FY2002	FY2003	FY2004	FY2005
Capital expenditure	21,088	25,264	38,092	49,670	49,284
Depreciation					
Japan	15,896	14,848	14,758	15,515	16,978
Overseas	8,503	8,990	9,221	9,355	11,608
Depreciation Total	24,399	23,838	23,979	24,870	28,586
Cash flow	24,399	26,495	35,010	41,609	48,136

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

7. R&D expenditures

(Millions of yen)

	FY2001	FY2002	FY2003	FY2004	FY2005
R&D expenditures	11,706	12,255	13,542	14,952	14,771
Ratio against sales	3.6%	3.6%	3.8%	3.9%	3.4%

8. Inventories

(Millions of yen)

	FY2001	FY2002	FY2003	FY2004	FY2005
Inventories	98,513	92,728	83,565	93,167	107,047
Inventory turnover ratio	x3.3	x3.7	x4.3	x4.2	x4.1

9. Interest Bearing Debt

(Millions of yen)

	FY2001	FY2002	FY2003	FY2004	FY2005
Loan	102,587	91,445	84,090	96,185	103,198
Bonds	70,000	70,000	80,000	80,000	80,000
Total	172,587	161,445	164,090	176,185	183,198

10. Main Management Index

	FY2001	FY2002	FY2003	FY2004	FY2005
Ordinary Income/ Total Assets	0.6%	3.5%	4.5%	5.8%	6.1%
ROA	-	0.6%	2.4%	3.4%	3.6%
ROE	-	1.9%	8.0%	11.1%	11.5%
Shareholder's Equity Ratio	29.9%	28.9%	31.0%	30.6%	32.6%
Shareholder's Equity per Share	Yen299.27	Yen291.82	Yen308.27	Yen341.93	Yen396.73
Net income per Share	Yen0.29	Yen5.70	Yen23.54	Yen35.83	Yen41.94

11. Number of employees

	FY2001	FY2002	FY2003	FY2004	FY2005
Japan	7,777	7,498	6,561	6,635	6,693
Overseas	4,212	4,312	5,324	6,153	7,938
Total	11,989	11,810	11,885	12,788	14,631

12. Exchange rate

(Unit:Yen)

		FY2001	FY2002	FY2003	FY2004	FY2005
A V	US\$	124.98	121.98	113.19	107.55	113.32
	EURO	110.44	120.88	132.65	135.17	137.83
	S\$	68.98	68.94	65.39	64.17	68.18
E n d	US\$	133.25	120.20	105.69	107.39	117.47
	EURO	116.14	129.83	128.88	138.87	142.81
	S\$	72.36	68.01	62.91	65.19	72.57

FACT BOOK(unconsolidated)

1. Net sales and Income

(Millions of yen)

	FY2001	FY2002	FY2003	FY2004	FY2005
Sales	235,845 100.0%	246,332 100.0%	261,710 100.0%	291,975 100.0%	317,343 100.0%
Operating income	3,363 1.4%	10,016 4.1%	12,988 5.0%	18,161 6.2%	20,283 6.4%
Ordinary income	2,055 0.9%	9,411 3.8%	12,131 4.6%	18,120 6.2%	22,666 7.1%
Extraordinary income(loss)	-1,365 -0.6%	-8,592 -3.5%	-	-1,800 -0.6%	-2,446 -0.8%
Net income	810 0.3%	323 0.1%	8,093 3.1%	10,839 3.7%	14,557 4.5%

2. Sales by Business Segment

(Millions of yen)

	FY2001	FY2002	FY2003	FY2004	FY2005
Bearing	153,251 65.0%	158,253 64.2%	164,610 62.9%	181,092 62.0%	200,290 63.1%
CVJs	59,052 25.0%	63,038 25.6%	64,876 24.8%	71,031 24.3%	79,990 25.2%
Precision Equipment	23,542 10.0%	25,041 10.2%	32,224 12.3%	39,852 13.6%	37,063 11.7%
Total	235,845 100.0%	246,332 100.0%	261,710 100.0%	291,975 100.0%	317,343 100.0%

3. Sales in Japan and export

(Millions of yen)

	FY2001	FY2002	FY2003	FY2004	FY2005
Sales in Japan	166,122 70.4%	166,663 67.7%	173,399 66.3%	187,015 64.1%	194,717 61.4%
Export sales	69,723 29.6%	79,669 32.3%	88,311 33.7%	104,960 35.9%	122,626 38.6%
(North America)	(27,315) (11.6%)	(28,472) (11.6%)	(30,608) (11.7%)	(40,097) (13.7%)	(47,810) (15.1%)
(Europe)	(20,423) (8.7%)	(24,978) (10.1%)	(27,729) (10.6%)	(30,408) (10.4%)	(33,346) (10.5%)
(Asia & Other)	(21,985) (9.3%)	(26,219) (10.6%)	(29,974) (11.5%)	(34,455) (11.8%)	(41,470) (13.1%)
Total	235,845 100.0%	246,332 100.0%	261,710 100.0%	291,975 100.0%	317,343 100.0%

4. Capital expenditure, Depreciation and Cash flow

(Millions of yen)

	FY2001	FY2002	FY2003	FY2004	FY2005
Capital expenditure	10,554	11,808	15,946	17,014	18,954
Depreciation	13,418	12,757	12,774	12,969	13,461
Cash flow	14,228	13,080	20,867	23,808	28,018

$$[\text{Cash flow}] = [\text{Net income}] + [\text{Depreciation}]$$

5. R&D expenditures

(Millions of yen)

	FY2001	FY2002	FY2003	FY2004	FY2005
R&D expenditures	11,223	11,642	12,858	14,070	13,709
Ratio against sales	4.8%	4.7%	4.9%	4.8%	4.3%

6. Inventories

(Millions of yen)

	FY2001	FY2002	FY2003	FY2004	FY2005
Inventories	44,982	43,633	38,817	41,743	44,603
Inventory turnover ratio	x5.2	x5.6	x6.7	x7.0	x71.

7. Interest Bearing Debt

(Millions of yen)

	FY2001	FY2002	FY2003	FY2004	FY2005
Loan	28,900	28,900	23,300	23,300	15,620
Bonds	70,000	70,000	80,000	80,000	80,000
Total	98,900	98,900	103,300	103,300	95,620

8. Main Management Index

	FY2001	FY2002	FY2003	FY2004	FY2005
Ordinary Income/ Total Assets	0.6%	2.6%	3.3%	4.8%	5.7%
ROA	0.2%	0.1%	2.2%	2.9%	3.6%
ROE	0.6%	0.3%	6.1%	7.7%	9.5%
Shareholder's Equity Ratio	36.7%	34.7%	37.6%	36.9%	39.4%
Shareholder's Equity per Share	Yen280.96	Yen275.24	Yen296.46	Yen313.54	Yen346.62
Net Income per Share	Yen1.75	Yen0.70	Yen17.25	Yen17.25	Yen31.21

9. Number of employees

	FY2001	FY2002	FY2003	FY2004	FY2005
	6,576	6,429	5,576	5,465	5,442