

NSK

FACT BOOK

November 2, 2007

NSK Ltd.

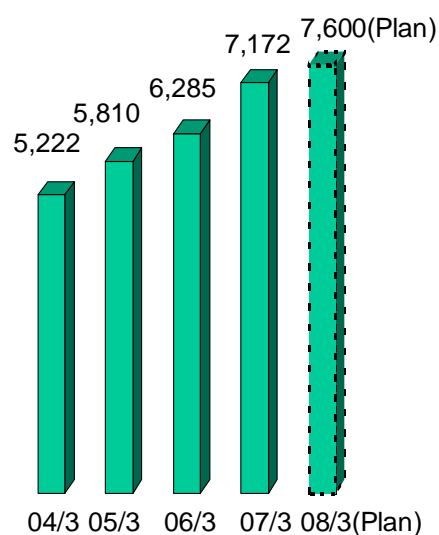
Summary 1

< Consolidated > **NSK**

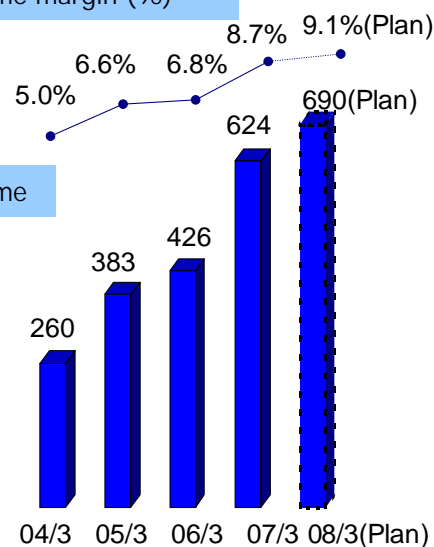
| | FY'03 | | FY'04 | | FY'05 | | FY'06 | | FY'07 | |
|----------------------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| (¥ Million) | 1st half | Full year | 1st half | Full year | 1st half | Full year | 1st half | Full year | 1st half | Full year (Forecast) |
| Sales | 253,813 | 522,217 | 287,287 | 580,989 | 302,903 | 628,474 | 349,266 | 717,225 | 369,326 | 760,000 |
| Operating income (%) | 9,462 3.7% | 25,972 5.0% | 19,456 6.8% | 38,283 6.6% | 18,414 6.1% | 42,552 6.8% | 30,015 8.6% | 62,383 8.7% | 31,576 8.5% | 69,000 9.1% |
| Net income | 3,842 1.5% | 14,293 2.7% | 11,816 4.1% | 22,349 3.8% | 9,953 3.3% | 25,586 4.1% | 17,281 4.9% | 34,853 4.9% | 17,701 4.8% | 41,000 5.4% |
| Net income per share (yen) | 7.12 | 26.12 | 21.91 | 41.35 | 18.46 | 47.28 | 32.01 | 64.53 | 32.75 | 75.85 |
| Dividends per share (yen) | 2.50 | 6.50 | 5.50 | 11.00 | 5.50 | 12.00 | 7.00 | 16.00 | 9.00 | 18.00 |
| Exchange rate : US\$ | 119.14 | 116.26 | 108.27 | 108.20 | 106.27 | 110.37 | 115.29 | 116.93 | 119.42 | 117.21 |
| EURO | 131.71 | 131.32 | 132.63 | 134.08 | 137.10 | 137.39 | 146.16 | 150.35 | 162.33 | 161.17 |

(¥ 100 Million)

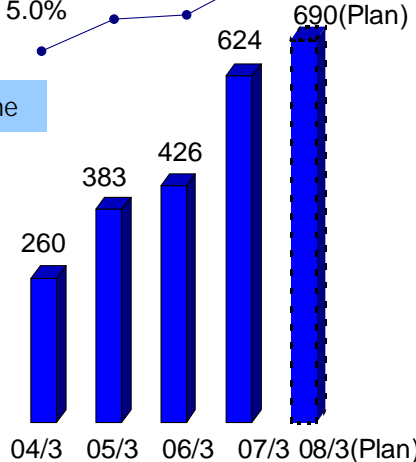
Sales



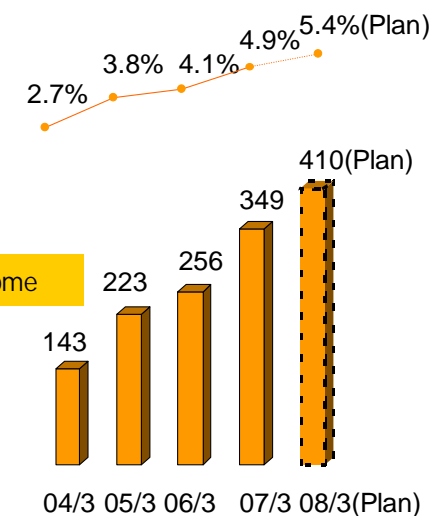
Operating income margin (%)



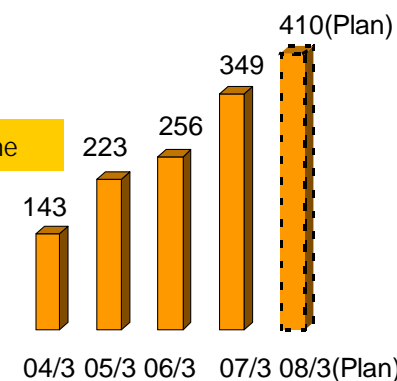
Operating income



Net income margin (%)



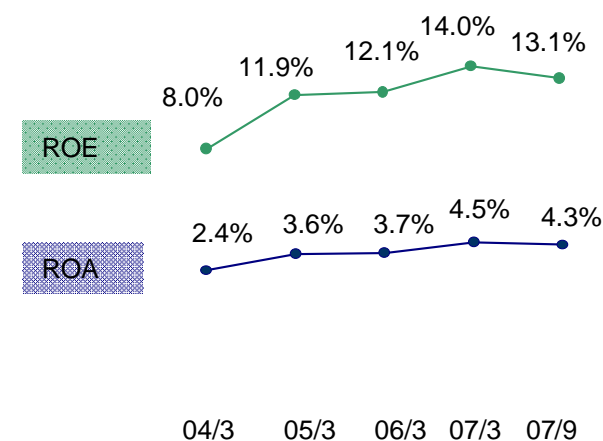
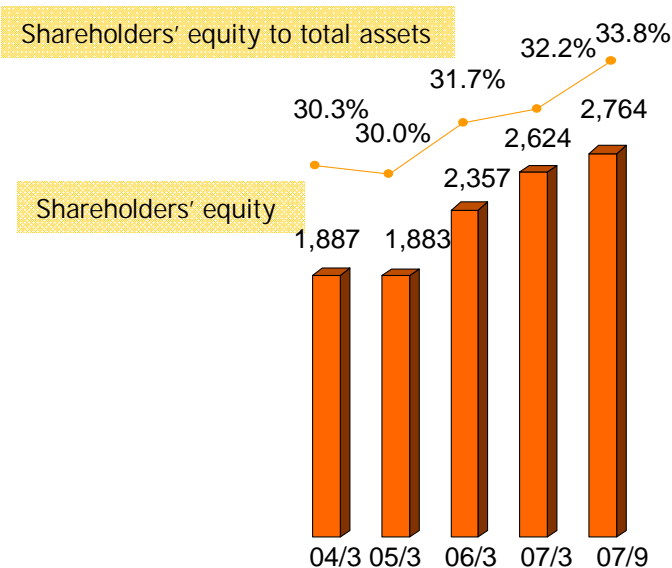
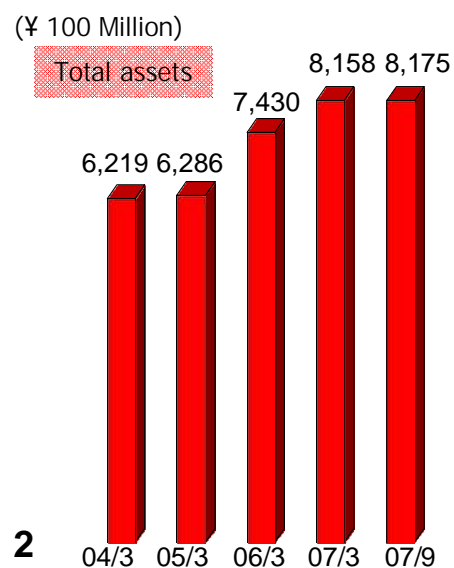
Net income



Summary 2

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| | FY'03 | | FY'04 | | FY'05 | | FY'06 | | FY'07 |
|------------------------|---------|----------|---------|----------|---------|----------|---------|----------|---------|
| (¥ Million) | Interim | Year-end | Interim | Year-end | Interim | Year-end | Interim | Year-end | Interim |
| Total assets | 615,962 | 621,877 | 622,206 | 628,583 | 659,259 | 743,032 | 746,197 | 815,788 | 817,540 |
| Shareholders' equity | 183,230 | 188,662 | 179,529 | 188,265 | 208,376 | 235,716 | 245,602 | 262,425 | 276,366 |
| Equity ratio | 29.7% | 30.3% | 28.9% | 30.0% | 31.6% | 31.7% | 32.9% | 32.2% | 33.8% |
| Net assets per share | 339.76 | 349.83 | 332.92 | 349.07 | 386.38 | 436.48 | 454.74 | 485.62 | 511.31 |
| Interest-bearing debts | 262,857 | 246,548 | 227,398 | 207,184 | 207,085 | 222,918 | 222,455 | 255,557 | 246,896 |
| Net D/E Ratio | 1.15 | 0.99 | 1.01 | 0.89 | 0.79 | 0.73 | 0.71 | 0.69 | 0.61 |
| Exchange rate :US\$ | 119.80 | 107.13 | 108.43 | 104.21 | 110.62 | 118.07 | 117.90 | 118.05 | 115.43 |
| :EURO | 136.92 | 133.74 | 131.06 | 141.61 | 133.63 | 139.83 | 149.77 | 157.33 | 163.38 |
| Ratios | | | | | | | | | |
| ROA | 1.2 % | 2.4 % | 3.8 % | 3.6 % | 3.1 % | 3.7 % | 4.6% | 4.5% | 4.3% |
| ROE | 4.3 % | 8.0 % | 12.8% | 11.9 % | 10.0 % | 12.1 % | 14.4 % | 14.0% | 13.1% |



Business Segment Data



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| Segments (¥ Million) | FY'03 | | FY'04 | | FY'05 | | FY'06 | | FY'07 |
|-------------------------------|----------|-----------|----------|-----------|----------|-----------|----------|-----------|----------|
| | 1st half | Full year | 1st half | Full year | 1st half | Full year | 1st half | Full year | 1st half |
| Net sales | 253,813 | 522,217 | 287,287 | 580,989 | 302,903 | 628,474 | 349,266 | 717,225 | 369,326 |
| Operating income | 9,462 | 25,972 | 19,456 | 38,283 | 18,414 | 42,552 | 30,015 | 62,383 | 31,576 |
| (%) | 3.7% | 5.0% | 6.8% | 6.6% | 6.1% | 6.8% | 8.6% | 8.7% | 8.5% |
| Industrial machinery bearings | 87,157 | 176,299 | 91,880 | 185,473 | 94,839 | 195,556 | 105,548 | 216,338 | 114,776 |
| Operating income | 4,873 | 12,157 | 9,363 | 19,949 | 10,092 | 22,060 | 13,568 | 29,551 | 15,525 |
| (%) | 5.6% | 6.9% | 10.2% | 10.8% | 10.6% | 11.3% | 12.9% | 13.7% | 13.5% |
| Automotive products | 139,955 | 285,830 | 155,523 | 316,169 | 168,796 | 353,124 | 192,231 | 397,863 | 209,060 |
| Operating income | 7,010 | 15,713 | 8,971 | 15,748 | 7,471 | 17,388 | 10,828 | 22,687 | 13,940 |
| (%) | 5.0% | 5.5% | 5.8% | 5.0% | 4.4% | 4.9% | 5.6% | 5.7% | 6.7% |
| Precision machinery & parts | 19,681 | 47,072 | 32,411 | 64,186 | 32,242 | 65,831 | 38,909 | 77,719 | 31,846 |
| Operating income | (1,479) | (39) | 2,605 | 4,765 | 1,877 | 5,567 | 5,993 | 11,540 | 3,835 |
| (%) | (7.5%) | (0.1%) | 8.0% | 7.4% | 5.8% | 8.5% | 15.4% | 14.8% | 12.0% |
| Other | 10,224 | 19,479 | 10,808 | 23,239 | 11,740 | 23,525 | 22,581 | 45,116 | 24,518 |
| Operating income | 627 | 1,178 | 558 | 1,844 | 826 | 1,304 | 1,303 | 2,398 | 1,007 |
| (%) | 6.1% | 6.0% | 5.2% | 7.9% | 7.0% | 5.5% | 5.8% | 5.3% | 4.1% |
| Eliminations (Sales) | (3,204) | (6,463) | (3,335) | (8,078) | (4,714) | (9,562) | (10,006) | (19,812) | (10,876) |
| Eliminations/corporate | (1,569) | (3,037) | (2,041) | (4,023) | (1,852) | (3,767) | (1,679) | (3,795) | (2,731) |

Sales by Customer Location



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| (¥ Million) | FY'03 | | FY'04 | | FY'05 | | FY'06 | | FY'07 |
|--------------|----------|-----------|----------|-----------|----------|-----------|----------|-----------|----------|
| | 1st half | Full year | 1st half | Full year | 1st half | Full year | 1st half | Full year | 1st half |
| Net sales | 253,813 | 522,217 | 287,287 | 580,989 | 302,903 | 628,474 | 349,266 | 717,225 | 369,326 |
| Japan | 132,428 | 278,645 | 150,680 | 310,246 | 156,347 | 330,061 | 176,393 | 364,395 | 185,752 |
| Non-Japan() | 121,385 | 243,572 | 136,607 | 270,743 | 146,556 | 298,413 | 172,873 | 352,830 | 183,574 |
| Americas | 38,567 | 74,885 | 41,107 | 82,279 | 44,560 | 92,367 | 51,386 | 105,111 | 55,294 |
| Europe | 44,058 | 85,391 | 48,590 | 93,625 | 49,682 | 98,165 | 58,913 | 121,698 | 63,001 |
| Asia | 38,759 | 83,295 | 46,910 | 94,838 | 52,312 | 107,880 | 62,573 | 126,021 | 65,278 |

Not including minor adjustments to match the total

Geographical Segment Data



< Consolidated >

| (¥ Million) | FY'03 | | FY'04 | | FY'05 | | FY'06 | | FY'07 |
|------------------------|----------|-----------|----------|-----------|----------|-----------|----------|-----------|----------|
| | 1st half | Full year | 1st half | Full year | 1st half | Full year | 1st half | Full year | 1st half |
| Net sales | 253,813 | 522,217 | 287,287 | 580,989 | 302,903 | 628,474 | 349,266 | 717,225 | 369,326 |
| Operating income | 9,462 | 25,972 | 19,456 | 38,283 | 18,414 | 42,552 | 30,015 | 62,383 | 31,576 |
| (%) | 3.7% | 5.0% | 6.8% | 6.6% | 6.1% | 6.8% | 8.6% | 8.7% | 8.5% |
| Japan | 186,826 | 391,820 | 213,314 | 439,460 | 227,369 | 476,166 | 253,824 | 522,338 | 262,940 |
| Operating income | 8,641 | 22,937 | 15,567 | 31,417 | 15,580 | 35,556 | 22,215 | 47,394 | 21,405 |
| (%) | 4.6% | 5.9% | 7.3% | 7.1% | 6.9% | 7.5% | 8.8% | 9.1% | 8.1% |
| Americas | 37,947 | 73,753 | 40,282 | 80,515 | 43,451 | 90,363 | 50,212 | 102,921 | 54,524 |
| Operating income | 837 | 584 | 1,205 | 2,542 | 1,344 | 2,408 | 2,013 | 3,806 | 2,506 |
| (%) | 2.2% | 0.8% | 3.0% | 3.2% | 3.1% | 2.7% | 4.0% | 3.7% | 4.6% |
| Europe | 45,987 | 89,845 | 51,454 | 100,168 | 53,383 | 104,936 | 61,761 | 127,581 | 66,177 |
| Operating income | 262 | 2,618 | 2,730 | 4,790 | 1,616 | 4,236 | 3,187 | 6,653 | 4,085 |
| (%) | 0.6% | 2.9% | 5.3% | 4.8% | 3.0% | 4.0% | 5.2% | 5.2% | 6.2% |
| Asia | 27,993 | 57,611 | 31,096 | 64,205 | 35,046 | 75,780 | 49,542 | 98,694 | 55,435 |
| Operating income | 2,183 | 3,778 | 1,693 | 3,262 | 2,233 | 5,145 | 4,551 | 9,453 | 6,286 |
| (%) | 7.8% | 6.6% | 5.4% | 5.1% | 6.4% | 6.8% | 9.2% | 9.6% | 11.3% |
| Eliminations (sales) | (44,942) | (90,813) | (48,861) | (103,361) | (56,348) | (118,772) | (66,075) | (134,309) | (69,752) |
| Eliminations/corporate | (2,462) | (3,945) | (1,741) | (3,730) | (2,361) | (4,794) | (1,952) | (4,924) | (2,707) |

Not including minor adjustments to match the total

Capital Expenditures, Depreciation and R&D Expenses



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| (¥ Million) | FY'03 | | FY'04 | | FY'05 | | FY'06 | | FY'07 | |
|--|----------|-----------|----------|-----------|----------|-----------|----------|-----------|----------|------------------|
| | 1st half | Full year | 1st half | Full year | 1st half | Full year | 1st half | Full year | 1st half | Full year (Plan) |
| Capital expenditure (Excluding intangible assets) | 10,808 | 25,502 | 15,143 | 36,912 | 24,371 | 47,293 | 15,554 | 36,216 | 19,336 | 46,500 |
| Japan | 5,467 | 14,799 | 11,430 | 25,553 | 15,222 | 30,893 | 9,528 | 23,444 | 11,341 | 32,100 |
| Americas | 1,740 | 2,847 | 737 | 1,564 | 1,943 | 4,130 | 2,202 | 3,644 | 1,828 | 2,700 |
| Europe | 1,482 | 2,758 | 791 | 3,668 | 1,761 | 3,606 | 1,376 | 3,158 | 2,388 | 4,100 |
| Asia | 2,119 | 5,098 | 2,185 | 6,127 | 5,445 | 8,664 | 2,448 | 5,970 | 3,779 | 7,600 |
| Depreciation (Excluding intangible assets) | 13,336 | 26,598 | 12,961 | 27,010 | 13,403 | 29,438 | 16,488 | 34,504 | 17,777 | 37,800 |
| R&D expenses | 4,174 | 8,722 | 4,736 | 9,806 | 4,841 | 9,728 | 4,781 | 10,100 | 4,994 | 10,500 |

Including minor adjustments to match the total

Inventories

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| (¥ Million) | FY'03 | | FY'04 | | FY'05 | | FY'06 | | FY'07 |
|-------------------------------|---------|----------|---------|----------|---------|----------|---------|----------|---------|
| | Interim | Year-end | Interim | Year-end | Interim | Year-end | Interim | Year-end | Interim |
| Inventories | 82,637 | 75,905 | 76,736 | 81,730 | 90,231 | 101,337 | 105,266 | 105,043 | 107,005 |
| Japan | 36,171 | 33,770 | 36,471 | 37,829 | 42,157 | 47,023 | 49,826 | 46,285 | 49,435 |
| Americas | 16,639 | 14,122 | 13,167 | 14,028 | 16,298 | 17,870 | 19,671 | 19,319 | 17,576 |
| Europe | 18,999 | 18,430 | 16,922 | 18,601 | 17,943 | 20,604 | 19,680 | 21,100 | 21,772 |
| Asia | 10,828 | 9,583 | 10,176 | 11,272 | 13,833 | 15,840 | 16,089 | 18,339 | 18,222 |
| Inventory turnover (times) | 6.2 | 6.9 | 7.5 | 7.4 | 7.0 | 6.9 | 6.8 | 7.0 | 7.0 |

Including minor adjustments to match the total

Interest-bearing Debts

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| (¥ Million) | FY'03 | | FY'04 | | FY'05 | | FY'06 | | FY'07 |
|------------------------|---------|----------|---------|----------|---------|----------|---------|----------|---------|
| | Interim | Year-end | Interim | Year-end | Interim | Year-end | Interim | Year-end | Interim |
| Interest-bearing debts | 262,857 | 246,548 | 227,398 | 207,184 | 207,085 | 222,918 | 222,455 | 255,557 | 246,896 |
| Short-term loans | 87,492 | 77,418 | 71,096 | 75,655 | 86,690 | 80,184 | 80,046 | 84,869 | 85,224 |
| Long-term loans | 58,376 | 62,141 | 59,313 | 51,529 | 40,395 | 42,733 | 52,409 | 45,687 | 46,672 |
| Commercial paper | | | | | | 5,000 | 5,000 | | |
| Corporate bonds | 116,989 | 106,989 | 96,989 | 80,000 | 80,000 | 95,000 | 85,000 | 125,000 | 115,000 |
| Net D/E ratio | 1.15 | 0.99 | 1.01 | 0.89 | 0.79 | 0.73 | 0.71 | 0.69 | 0.61 |

Consolidated Balance Sheets



| (¥ Million) | FY03 Interim | FY03 Year-end | FY04 Interim | FY04 Year-end | FY05 Interim | FY05 Year-end | FY06 Interim | FY06 Year-end | FY07 Interim |
|--|-----------------|------------------|-----------------|------------------|-----------------|------------------|-----------------|------------------|-----------------|
| Total assets | 615,962 | 621,877 | 622,206 | 628,583 | 659,259 | 743,032 | 746,197 | 815,788 | 817,540 |
| Current assets | 282,879 | 295,491 | 284,438 | 278,678 | 286,501 | 313,569 | 325,030 | 389,067 | 381,169 |
| Cash and deposits | 29,326 | 43,533 | 33,736 | 25,935 | 31,861 | 47,332 | 44,163 | 68,354 | 73,648 |
| Notes and accounts receivable | 114,448 | 121,208 | 127,557 | 111,821 | 115,840 | 115,232 | 125,611 | 131,417 | 130,813 |
| Marketable securities | 15,743 | 9,385 | 9,425 | 8,596 | 8,498 | 11,261 | 11,667 | 40,339 | 27,875 |
| Inventories | 82,637 | 75,905 | 76,736 | 81,730 | 90,231 | 101,337 | 105,266 | 105,043 | 107,005 |
| Other current assets | 40,725 | 45,460 | 36,984 | 50,596 | 40,071 | 38,407 | 38,323 | 43,914 | 41,828 |
| Non-current assets | 333,082 | 326,386 | 337,767 | 349,905 | 372,758 | 429,462 | 421,166 | 426,721 | 436,370 |
| Property, plant and equipment | 205,321 | 196,810 | 198,662 | 204,604 | 216,561 | 250,230 | 251,525 | 256,872 | 262,225 |
| Intangible fixed assets | 8,542 | 8,368 | 8,395 | 8,385 | 8,793 | 9,988 | 9,626 | 9,438 | 10,543 |
| Investments and other assets | 119,219 | 121,208 | 130,710 | 136,916 | 147,404 | 169,244 | 160,015 | 160,411 | 163,602 |
| Total liabilities | 420,309 | 421,137 | 430,051 | 428,721 | 438,621 | 495,208 | 487,668 | 539,061 | 525,553 |
| Current liabilities | 225,953 | 245,588 | 237,307 | 234,300 | 261,695 | 266,834 | 269,272 | 297,489 | 292,478 |
| Notes and accounts payable | 75,996 | 83,713 | 92,169 | 97,623 | 102,832 | 111,992 | 118,131 | 122,115 | 125,109 |
| Short-term loans, CP, current portion of corporate bonds | 107,492 | 114,407 | 98,085 | 85,655 | 106,690 | 95,184 | 95,046 | 107,869 | 108,224 |
| Other current liabilities | 42,465 | 47,468 | 47,053 | 51,022 | 52,173 | 59,658 | 56,095 | 67,505 | 59,145 |
| Long-term liabilities | 194,356 | 175,548 | 192,744 | 194,420 | 176,925 | 228,373 | 218,395 | 241,571 | 233,074 |
| Corporate bonds | 96,989 | 70,000 | 70,000 | 70,000 | 60,000 | 85,000 | 75,000 | 102,000 | 92,000 |
| Long-term loans | 58,376 | 62,141 | 59,313 | 51,529 | 40,395 | 42,733 | 52,409 | 45,687 | 46,672 |
| Other long-term liabilities | 38,991 | 43,407 | 63,431 | 72,891 | 76,530 | 100,640 | 90,986 | 93,884 | 94,402 |
| Net assets | 195,651 | 200,739 | 192,154 | 199,861 | 220,637 | 247,823 | 258,529 | 276,727 | 291,987 |
| Shareholders' equity | 191,587 | 199,596 | 191,349 | 196,468 | 203,507 | 212,290 | 249,891 | 262,736 | 276,665 |
| Common stock | 67,176 | 67,176 | 67,176 | 67,176 | 67,176 | 67,176 | 67,176 | 67,176 | 67,176 |
| Additional paid-in capital | 77,924 | 77,923 | 77,924 | 77,925 | 77,948 | 78,097 | 78,149 | 78,238 | 78,278 |
| Retained earnings | 50,858 | 58,856 | 50,631 | 55,783 | 62,767 | 71,241 | 108,736 | 121,441 | 135,345 |
| Treasury stock, etc. | (4,371) | (4,359) | (4,382) | (4,416) | (4,384) | (4,224) | (4,170) | (4,119) | (4,134) |
| Valuation, translation adjustments and other | (8,357) | (10,934) | (11,820) | (8,203) | 4,869 | 23,426 | (4,289) | (311) | (298) |
| Unrealized holding gains on securities | 14,696 | 19,127 | 17,502 | 21,244 | 29,329 | 42,297 | 36,058 | 36,548 | 33,877 |
| Translation adjustments | (23,053) | (30,061) | (29,322) | (29,447) | (24,460) | (18,871) | (17,256) | (11,963) | (9,280) |
| Unfunded retirement benefits obligation of overseas subsidiaries | - | - | - | - | - | - | (23,091) | (24,895) | (24,895) |
| Share subscription rights | - | - | - | - | - | - | 16 | 56 | 108 |
| Minority interests | 12,421 | 12,077 | 12,625 | 11,596 | 12,261 | 12,107 | 12,910 | 14,245 | 15,511 |
| Total liabilities and net assets | 615,962 | 621,877 | 622,206 | 628,583 | 659,259 | 743,032 | 746,197 | 815,788 | 817,540 |

Consolidated Statements of Operations **NSK**

| (¥ Million) | FY03 1st half | FY03 Full year | FY04 1st half | FY04 Full year | FY05 1st half | FY05 Full year | FY06 1st half | FY06 Full year | FY07 1st half |
|---|------------------|-------------------|------------------|-------------------|------------------|-------------------|------------------|-------------------|------------------|
| Net sales | 253,813 | 522,217 | 287,287 | 580,989 | 302,903 | 628,474 | 349,266 | 717,225 | 369,326 |
| Japan | 132,428 | 278,645 | 150,680 | 310,246 | 156,348 | 330,061 | 176,393 | 364,395 | 185,752 |
| Non-Japan | 121,385 | 243,572 | 136,607 | 270,743 | 146,555 | 298,413 | 172,873 | 352,830 | 183,574 |
| Cost of sales | 200,666 | 409,900 | 222,979 | 450,305 | 235,641 | 487,717 | 269,058 | 551,069 | 284,555 |
| (%) | 79.1% | 78.5% | 77.6% | 77.5% | 77.8% | 77.6% | 77.0% | 76.8% | 77.0% |
| Selling, general and administrative expenses | 43,684 | 86,345 | 44,851 | 92,400 | 48,846 | 98,204 | 50,191 | 103,772 | 53,194 |
| Operating income | 9,462 | 25,972 | 19,456 | 38,283 | 18,414 | 42,552 | 30,015 | 62,383 | 31,576 |
| (%) | 3.7% | 5.0% | 6.8% | 6.6% | 6.1% | 6.8% | 8.6% | 8.7% | 8.5% |
| Non-operating income | 3,526 | 7,673 | 3,788 | 7,046 | 3,890 | 8,816 | 4,601 | 9,783 | 5,194 |
| Interest and dividend income | 717 | 1,424 | 916 | 1,406 | 930 | 1,795 | 1,255 | 2,425 | 1,629 |
| Equity in earnings of affiliates | 1,209 | 2,943 | 1,283 | 3,078 | 1,635 | 3,727 | 1,535 | 3,925 | 1,919 |
| Others | 1,600 | 3,306 | 1,589 | 2,562 | 1,325 | 3,294 | 1,810 | 3,431 | 1,646 |
| Non-operating expenses | 6,906 | 14,526 | 5,489 | 12,229 | 5,405 | 12,452 | 6,860 | 14,571 | 7,402 |
| Interest expense | 3,169 | 6,058 | 2,520 | 5,005 | 2,241 | 4,566 | 2,578 | 5,473 | 3,140 |
| Others | 3,737 | 8,468 | 2,969 | 7,224 | 3,164 | 7,886 | 4,282 | 9,098 | 4,262 |
| Ordinary income | 6,083 | 19,119 | 17,755 | 33,100 | 16,899 | 38,916 | 27,756 | 57,595 | 29,368 |
| (%) | 2.4% | 3.7% | 6.2% | 5.7% | 5.6% | 6.2% | 7.9% | 8.0% | 8.0% |
| Extraordinary income | 2,721 | 8,504 | 1,840 | 2,363 | 3,960 | 7,561 | 229 | 1,883 | 159 |
| Extraordinary losses | 769 | 1,172 | 90 | 432 | 1,811 | 3,409 | - | 2,441 | 164 |
| Net income before income taxes and minority interests | 8,034 | 26,451 | 19,505 | 35,031 | 19,048 | 43,068 | 27,985 | 57,037 | 29,363 |
| Income taxes: Current | 6,176 | 9,461 | 4,612 | 8,890 | 3,371 | 11,925 | 8,135 | 17,371 | 6,462 |
| Income taxes: Tax refunds | - | 194 | - | - | - | - | - | - | - |
| Income taxes: Deferred | (2,195) | 2,206 | 2,472 | 2,711 | 5,102 | 4,486 | 1,794 | 2,827 | 4,207 |
| Minority interests, other | 211 | 684 | 604 | 1,080 | 621 | 1,069 | 773 | 1,985 | 991 |
| Net income | 3,842 | 14,293 | 11,816 | 22,349 | 9,953 | 25,586 | 17,281 | 34,853 | 17,701 |
| (%) | 1.5% | 2.7% | 4.1% | 3.8% | 3.3% | 4.1% | 4.9% | 4.9% | 4.8% |
| (Ref) Non-consolidated net income | 3,072 | 3,167 | 3,243 | 6,933 | 7,318 | 12,376 | 8,174 | 15,247 | 8,991 |
| Ratio of consolidated to non-consolidated net income | - | 4.51 | 3.64 | 3.22 | 1.36 | 2.07 | 2.11 | 2.29 | 1.97 |
| Consolidated ROE | - | 8.0% | 13.2% | 11.9% | 10.0% | 12.1% | 14.4% | 14.0% | 13.1% |
| Net income per share (Yen) | ¥7.12 | ¥26.12 | ¥21.91 | ¥41.35 | ¥18.46 | ¥47.28 | ¥32.01 | ¥64.53 | ¥32.75 |

Consolidated Statements of Cash Flows



| (¥ Million) | FY'03 1st half | FY'03 Full year | FY'04 1st half | FY'04 Full year | FY'05 1st half | FY'05 Full year | FY'06 1st half | FY'06 Full year | FY'07 1st half |
|---|-------------------|--------------------|-------------------|--------------------|-------------------|--------------------|-------------------|--------------------|-------------------|
| Operating activities | 12,273 | 37,889 | 20,952 | 57,987 | 20,295 | 66,332 | 22,877 | 64,153 | 32,407 |
| Income before income taxes and minority intersets | 8,034 | 26,451 | 19,505 | 35,031 | 19,048 | 43,068 | 27,985 | 57,037 | 29,363 |
| Depreciation and amortization | 13,335 | 26,909 | 13,147 | 27,435 | 13,695 | 30,099 | 16,892 | 35,316 | 18,249 |
| Amortization of excess of cost over net assets acquired | 142 | 427 | 285 | 570 | 205 | 490 | - | - | - |
| Amortization of goodwill | - | - | - | - | - | - | 350 | 730 | 353 |
| (Decrease) increase in allowance for doubtful accounts | 659 | 208 | (84) | (442) | 335 | 309 | (136) | (44) | (727) |
| (Decrease) increase in provision for retirement benefits and prepaid pension cost | 1,045 | 1,375 | (17,117) | (16,849) | 1,978 | 2,344 | (7,728) | (11,010) | (3,788) |
| Interest and dividend income | (717) | (1,424) | (916) | (1,406) | (930) | (1,795) | (1,255) | (2,425) | (1,629) |
| Interest expenses | 3,169 | 6,058 | 2,520 | 5,005 | 2,241 | 4,566 | 2,578 | 5,473 | 3,140 |
| Equity in earnings of affiliates | (1,209) | (2,943) | (1,283) | (3,078) | (1,635) | (3,727) | (1,535) | (3,925) | (1,919) |
| Gain on sales of property, plant and equipment | - | - | - | - | (1,434) | (1,681) | (229) | (1,342) | - |
| Loss on disposal of property, plant and equipment | 769 | 1,147 | - | 193 | - | - | - | - | - |
| Gain on sales of investment securities | (2,207) | (7,663) | (781) | (1,304) | (2,526) | (5,879) | - | - | (159) |
| Loss on divaluation of investment securities | - | - | 90 | 81 | - | - | - | - | - |
| Gain on sales of stocks of affiliates | (513) | (840) | - | - | - | - | - | (594) | - |
| Loss on sales of stocks of affiliates | - | 24 | - | 157 | - | - | - | - | 164 |
| Business restructuring expenses | - | - | - | - | - | - | - | 1,903 | - |
| Decrease (increase) in notes and accounts receivable | (2,750) | (12,863) | (6,411) | 10,280 | (3,308) | 3,491 | (3,613) | (7,884) | 2,678 |
| (Increase) Decrease in inventories | 2,522 | 5,658 | (976) | (5,171) | (7,584) | (10,665) | (1,953) | 477 | (490) |
| Increase (decrease) in notes and accounts payable | (7,039) | 1,216 | 8,430 | 13,776 | 5,166 | 10,069 | 4,700 | 8,223 | 2,349 |
| Other | 2,170 | 3,993 | 10,882 | 5,181 | 568 | 6,404 | (4,545) | (2,575) | (1,549) |
| Subtotal | 17,412 | 47,735 | 27,290 | 69,461 | 25,821 | 77,095 | 31,509 | 79,357 | 46,035 |
| Interest and dividends received | 1,501 | 2,912 | 2,851 | 4,231 | 1,856 | 3,757 | 3,588 | 7,339 | 2,354 |
| Interest paid | (3,242) | (6,185) | (2,653) | (5,147) | (2,272) | (4,414) | (2,797) | (5,660) | (3,183) |
| Income taxes paid | (3,398) | (6,573) | (6,536) | (10,557) | (5,110) | (10,105) | (9,423) | (16,883) | (12,799) |
| Investing activities | (13,959) | (16,958) | (13,492) | (31,638) | (15,283) | (62,386) | (18,943) | (64,600) | (11,883) |
| Net decrease (increase) in time deposit | - | - | - | - | - | - | - | (10,220) | 115 |
| Payments for acquisition of marketable securities | - | - | - | - | - | - | - | (17,973) | (9,977) |
| Proceeds from sales of marketable securities | - | - | - | - | - | - | 1,500 | 2,524 | 19,372 |
| Additions to property, plant and equipment | (9,577) | (21,646) | (15,096) | (33,741) | (21,758) | (47,157) | (19,503) | (39,062) | (20,139) |
| Proceeds from sales of property, plant and equipment | 2,490 | 3,376 | 1,367 | 1,854 | 2,182 | 3,148 | 490 | 2,020 | 523 |
| Acquisition of investment securities | (23) | (34) | (111) | (133) | (28) | (42) | (921) | (1,245) | (3,813) |
| Proceeds from sales of investment securities | 3,652 | 12,415 | 1,278 | 2,206 | 5,033 | 9,655 | 20 | 45 | 1,132 |
| Payments for acquisition of subsidiaries' stock resulting in changes in scope of consolidation | (9,339) | (9,339) | - | - | - | (27,539) | - | - | - |
| Proceeds from acquisition of subsidiaries' stock resulting in changes in scope of consolidation | - | - | - | - | - | - | - | - | 73 |
| Payments for sales of subsidiaries' stock resulting in changes in scope of consolidation | (218) | (355) | - | (871) | (130) | (130) | - | - | - |
| Proceeds from sales of subsidiaries' stock resulting in changes in scope of consolidation | - | - | - | - | - | - | - | 1,861 | - |
| Payments for acquisition of stocks in companies accounted for by equity method | (95) | (589) | - | - | (618) | - | - | - | - |
| Proceeds from sales of stocks in companies accounted for by equity method | - | 133 | - | - | 782 | 782 | - | - | - |
| Payments for advances | (362) | (459) | (95) | (226) | (17) | (73) | (15) | (285) | (410) |
| Proceeds from collection of advances | 86 | 204 | 85 | 220 | 100 | 158 | 39 | 124 | 74 |
| Other | (572) | (663) | (919) | (946) | (828) | (1,187) | (552) | (2,391) | 1,165 |
| Financing activities | (5,612) | (20,730) | (20,937) | (46,129) | (2,375) | 7,600 | (6,811) | 20,929 | (17,857) |
| Net (decrease) increase in short-term loans | (4,638) | (8,878) | (8,127) | (12,306) | 4,439 | 336 | 7,914 | 4,704 | (2,108) |
| Net (decrease) increase in commercial paper issued | - | - | - | - | - | 5,000 | - | (5,000) | - |
| Increase in Long-term loans | 2,475 | 8,745 | 674 | 962 | 0 | 7,772 | 10,116 | 13,238 | 1 |
| Long-term debt-repayments | (1,990) | (7,749) | (1,124) | (2,223) | (3,733) | (13,978) | (10,935) | (14,515) | (582) |
| Proceeds from the issue of corporate bonds | - | - | - | 10,000 | - | 25,000 | - | 40,000 | - |
| Payments for redemption of corporate bonds | - | (10,000) | (10,000) | (36,989) | - | (10,000) | (10,000) | (10,000) | (10,000) |
| Payments for acquisition of treasury stock | (6) | (17) | (21) | (58) | (20) | (59) | (43) | (121) | (85) |
| Dividends paid | (1,349) | (2,698) | (2,158) | (5,126) | (2,966) | (5,935) | (3,781) | (7,291) | (4,866) |
| Dividends paid to minority stockholders | (37) | (126) | (112) | (231) | (86) | (131) | (196) | (435) | (253) |
| Other | (65) | (6) | (68) | (157) | (8) | (402) | 114 | 350 | 37 |
| Effect of exchange rate changes on cash and cash equivalents | 706 | (145) | (316) | 175 | 388 | 878 | 160 | 969 | 447 |
| Net increase (decrease) in cash and cash equivalents | (6,591) | 54 | (13,794) | (19,605) | 3,024 | 12,424 | (2,716) | 21,452 | 3,114 |
| Cash and cash equivalents at beginning of the period | 58,938 | 58,938 | 58,993 | 58,993 | 39,387 | 39,387 | 51,812 | 51,812 | 73,319 |
| Increase in cash and cash equivalents resulting in changes in fiscal year ends of consolidated subsidiaries | - | - | - | - | - | - | 54 | 54 | 726 |
| Cash and cash equivalents at end of the period | 52,346 | 58,993 | 45,198 | 39,387 | 42,412 | 51,812 | 49,150 | 73,319 | 77,159 |

Number of Employees



< Consolidated >

| (Persons) | FY'03 | | FY'04 | | FY'05 | | FY'06 | | FY'07 |
|--------------------------------------|---------|----------|---------|----------|---------|----------|---------|----------|---------|
| | Interim | Year-end | Interim | Year-end | Interim | Year-end | Interim | Year-end | Interim |
| Consolidated | 20,052 | 19,772 | 20,310 | 20,737 | 21,601 | 22,639 | 23,259 | 23,413 | 24,211 |
| Japan | 8,975 | 8,819 | 8,850 | 8,843 | 9,083 | 9,742 | 10,129 | 10,128 | 10,533 |
| Parent company (Non-consolidated) | 3,697 | 3,680 | 3,661 | 3,664 | 4,247 | 4,272 | 4,490 | 4,519 | 4,786 |
| Americas | 3,039 | 3,058 | 3,036 | 3,122 | 3,149 | 3,102 | 3,120 | 3,115 | 3,003 |
| Europe | 4,559 | 4,254 | 4,448 | 4,321 | 4,176 | 4,234 | 4,188 | 4,120 | 4,120 |
| Asia | 3,479 | 3,641 | 3,976 | 4,451 | 5,193 | 5,561 | 5,822 | 6,050 | 6,555 |

"Parent company (Non-consolidated)" does not include the number of employees assigned to consolidated subsidiaries, etc.