



NSK

CONSOLIDATED BUSINESS RESULTS

FOR THE THIRD QUARTER
ENDED DECEMBER 31, 2008

February 4, 2009

NSK Ltd.

Cautionary Statements with Respect to Forward-Looking Statements

Statements made in this report with respect to plans, strategies and future performance that are not historical fact are forward-looking statements.

NSK cautions that a number of factors could cause actual results to differ materially from those discussed in the forward-looking statements.

Note : This document is an English translation of material written initially in Japanese. The Japanese original should be considered the primary version.

Summary of Consolidated Business Results for FY 2008:Q3



Business results

Although sales were robust in some business fields, such as the wind turbine sector, overall demand from machine tool, construction machinery and industrial machinery manufacturers decreased rapidly.

Global demand for automobiles slowed significantly. Decline in production by automakers deepened and negatively affected our business results.

Demand from the liquid crystal display and semiconductor production sectors was stagnant.

Reduced plant operation, labor and other expenses, and capital expenditure in order to deal with rapid demand reduction in 3Q.

Operating income for 3Q decreased by 74.9% YOY due to volume reduction, the appreciation of the Japanese yen, an increase in steel price and increases in other expenses, which more than offset an increase in sales price, reduction in external procurement costs, and other measures aiming to improve profitability.

Expected business performance for FY 2008

Demand expected to remain stagnant during 4Q. We will continue with profitability enhancement countermeasures, such as further reductions in plant operation, labor and other expenses.

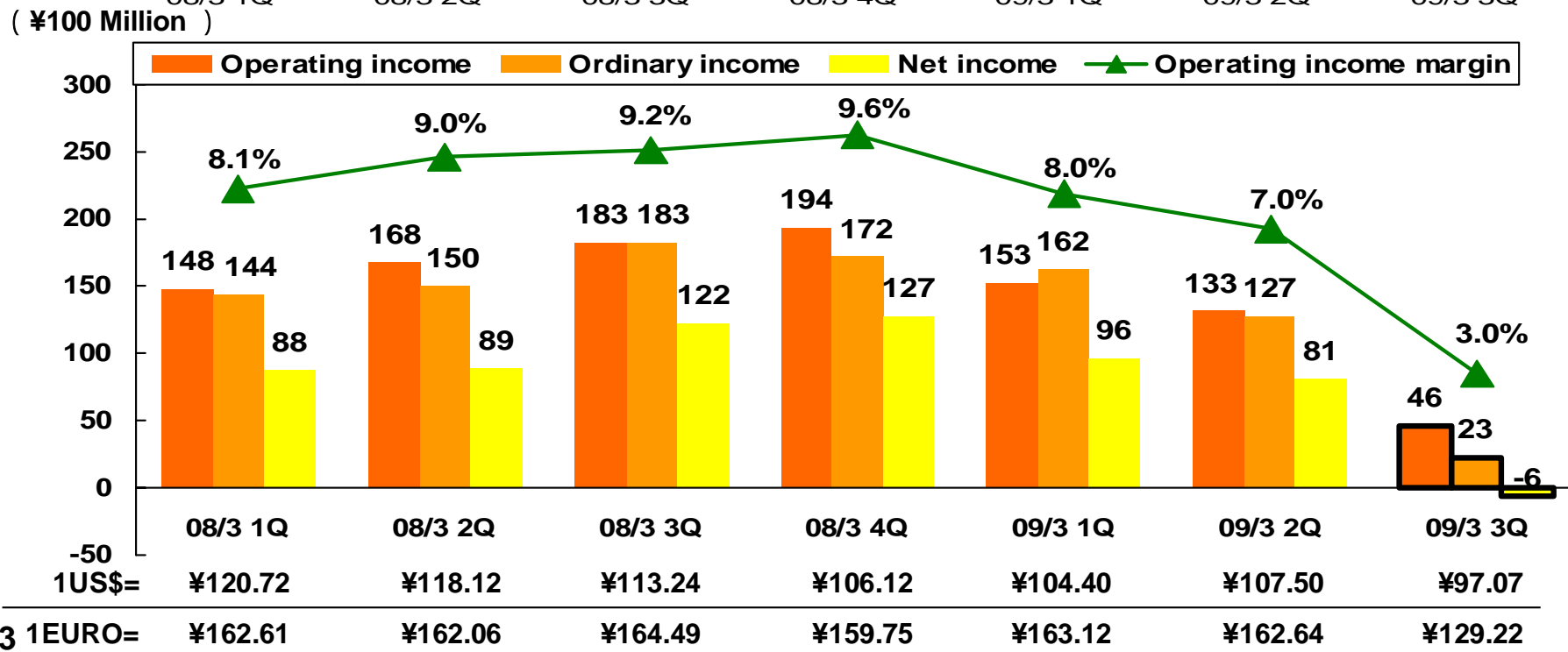
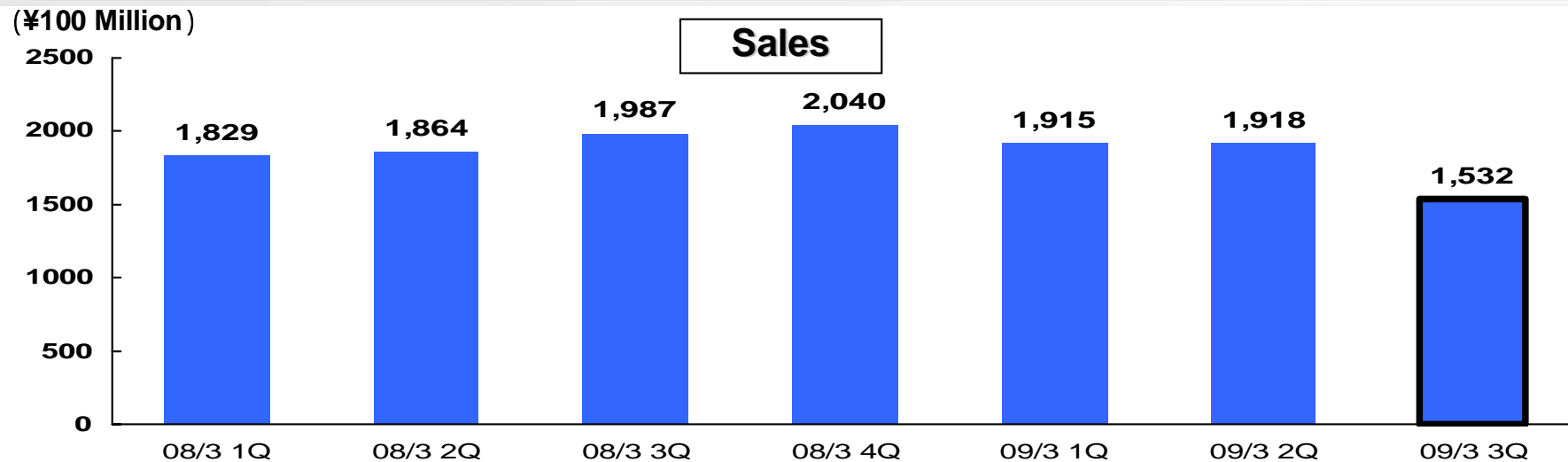
No revision was made to the full year forecast for FY2008 announced on December 24, 2008.

Summary of Consolidated Business Results for FY 2008:Q3



(¥100 Million)	08/3			09/3				
	Q3 < Actual >	Apr.-Dec. < Actual >	Full year < Actual >	Q3 < Actual >	YOY %	Apr.-Dec. < Actual >	YOY %	Full year < Forecast >
Sales	1,987	5,680	7,720	1,532	-22.9%	5,365	-5.5%	6,700
Operating income	183	499	693	46	-74.9%	332	-33.4%	280
<%>	<9.2%>	<8.8%>	<9.0%>	<3.0%>		<6.2%>		<4.2%>
Ordinary income	183	477	649	23	-87.3%	312	-34.5%	250
Profit before tax	183	477	636	-4		273	-42.8%	185
Net income	122	299	426	-6		171	-42.8%	120
(Rate: 1 US\$=)	(¥113.24)	(¥117.36)	(¥114.55)	(¥97.07)		(¥102.99)		(¥100)
(Rate: 1 EURO=)	(¥164.49)	(¥163.05)	(¥162.22)	(¥129.22)		(¥151.66)		(¥144)

Quarterly Business Performance



Results by Business Segment

(¥100 Million)		08/3		09/3			
		Q3 < Actual >	Apr.-Dec. < Actual >	Q3 < Actual >	YOY %	Apr.-Dec. < Actual >	YOY %
Total	Sales	1,987	5,680	1,532	-22.9%	5,365	-5.5%
	Operating income	183	499	46	-74.9%	332	-33.4%
	%	9.2%	8.8%	3.0%		6.2%	
Industrial bearings	Sales	616	1,764	486	-21.1%	1,703	-3.4%
	Operating income	90	245	45	-49.3%	207	-15.3%
	%	14.5%	13.9%	9.3%		12.2%	
Automotive products	Sales	1,133	3,224	816	-28.1%	2,957	-8.3%
	Operating income	84	223	15	-82.3%	123	-44.9%
	%	7.4%	6.9%	1.8%		4.2%	
Precision machinery & parts	Sales	163	481	155	-4.6%	465	-3.2%
	Operating income	20	58	-4		26	-55.3%
	%	11.8%	12.0%	-2.6%		5.5%	
Others	Sales	164	409	142	-13.8%	441	+7.6%
	Operating income	10	20	2	-81.7%	19	-1.7%
	%	5.8%	4.8%	1.2%		4.4%	
Eliminations /Corporate		-89	-198	-67		-201	
		-21	-47	-12		-43	

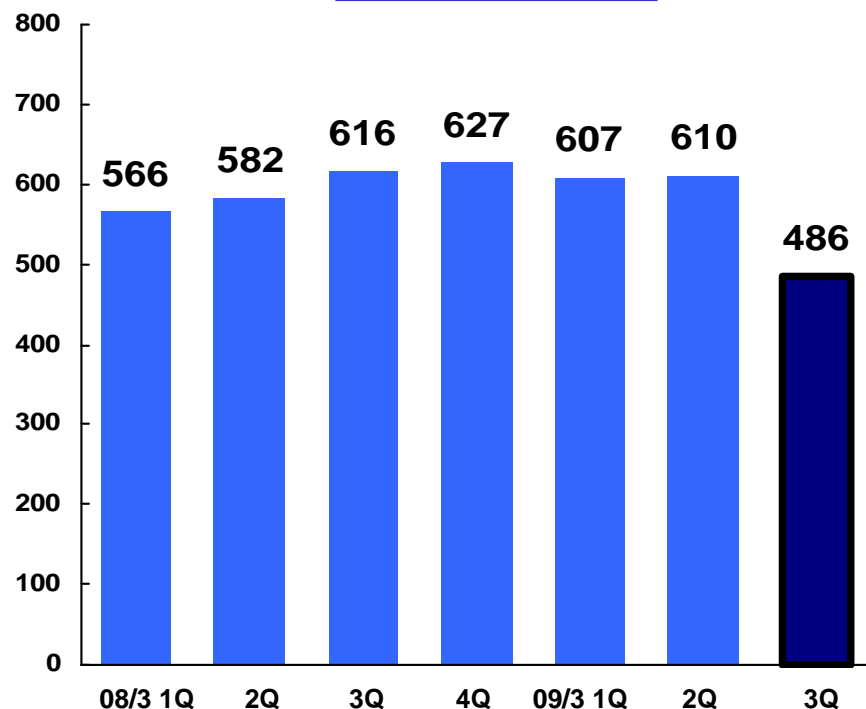
Business Segment Information

Industrial Machinery Bearings



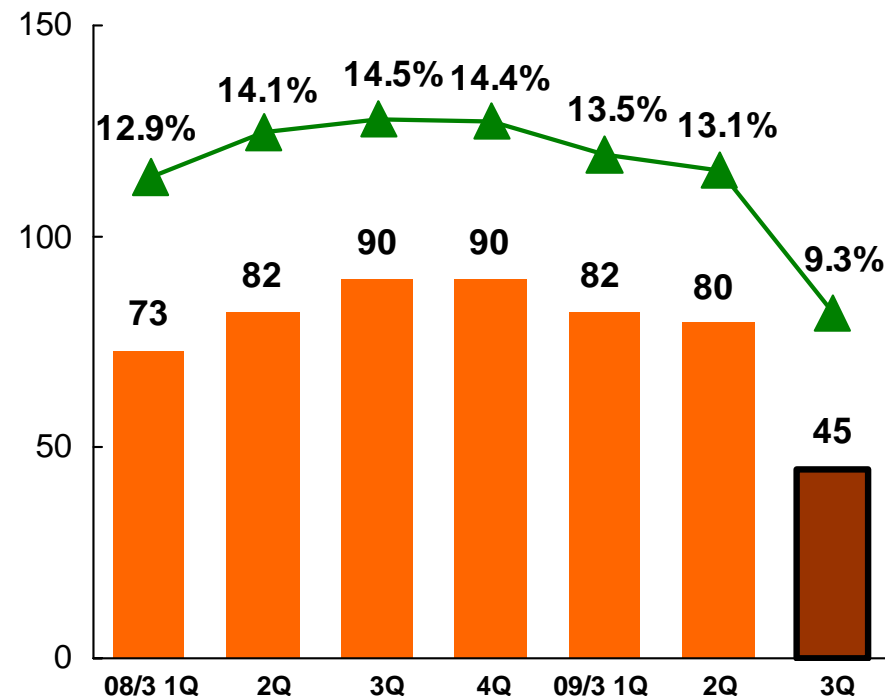
Sales

(¥100 Million)



Operating income/margin

(¥100 Million)



Although there was favorable demand from some business fields, such as the wind turbine sector, demand from machine tool, electrical equipment and general machinery manufacturers decreased rapidly. Sales to the aftermarket sector also decreased due to inventory adjustment. Total sales for 3Q decreased by 21.1% YOY.

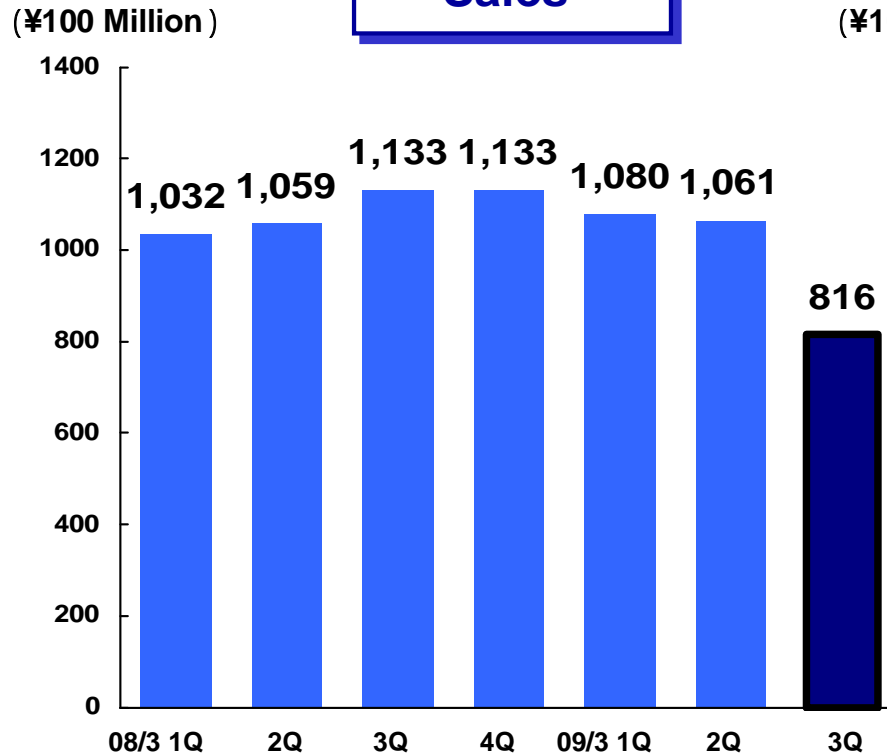
Operating income for 3Q decreased by 49.3% YOY due to volume reduction, the appreciation of the Japanese yen, and increases in steel price and other expenses, which more than offset an increase in sales price and the effects of our efforts to improve profitability.

Business Segment Information

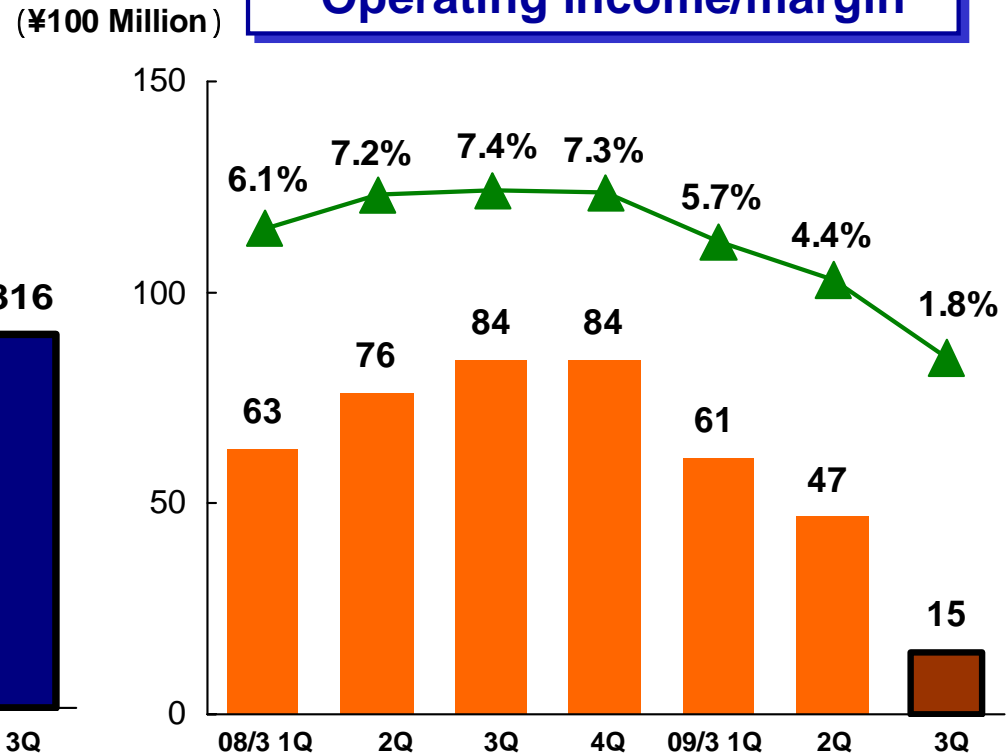
Automotive Products



Sales



Operating income/margin



In addition to the slumping global demand for automobiles, production adjustment by automakers affected results, and sales for 3Q decreased by 28.1% YOY.

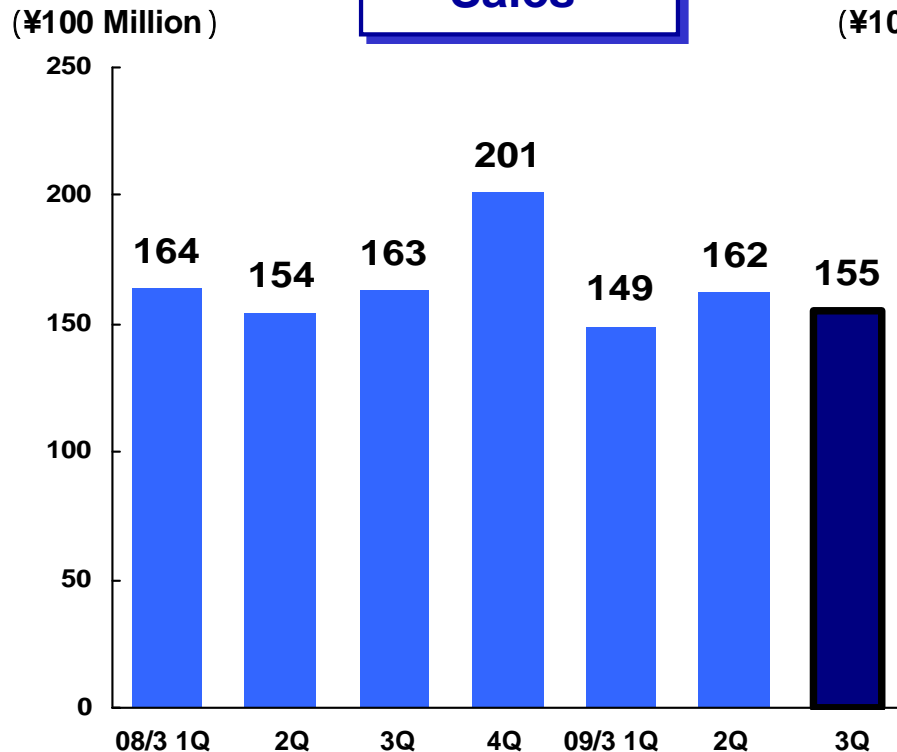
Although there were positive effects of reduction in external procurement costs, an increase in sales price for some products and our efforts to improve profitability, operating income for 3Q decreased by 82.3% YOY due to volume reduction, the appreciation of the Japanese yen, an increase in steel price and a decrease in sales price for some products.

Business Segment Information

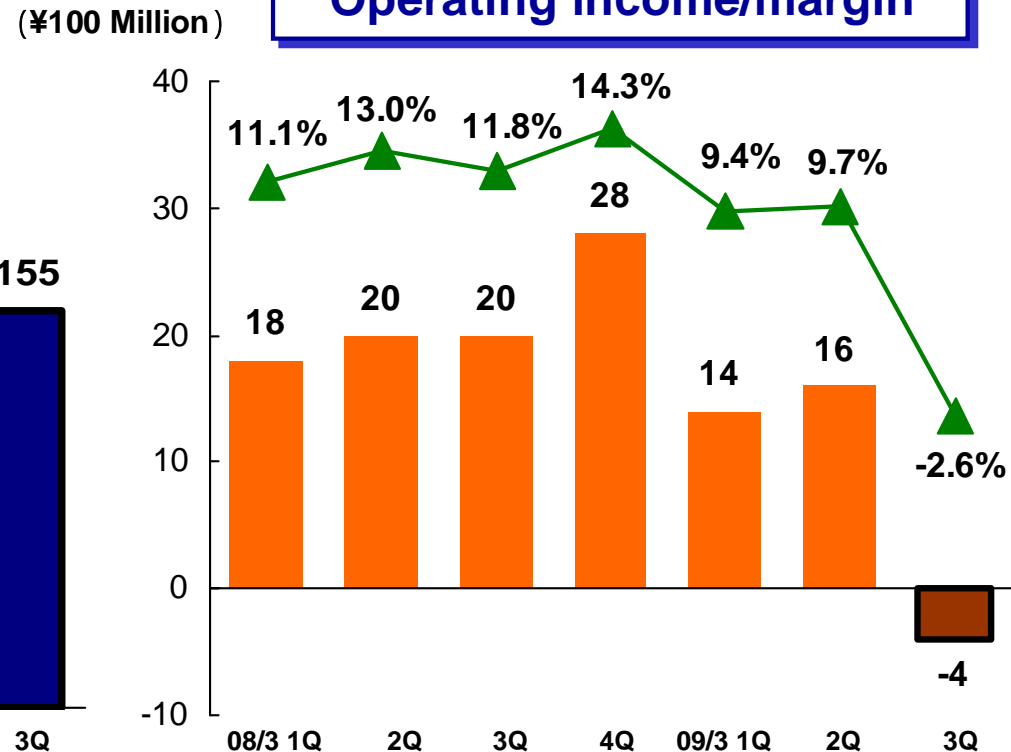
Precision Machinery and Parts



Sales



Operating income/margin



Sales of exposure equipment for LCD panel production increased. However, sales to the machine tool, semiconductor and liquid crystal, and injection molding machine sectors were stagnant, and overall sales for 3Q decreased by 4.6% YOY. Operating loss for 3Q totaled ¥400 million due to global volume reduction in linear motion products and mechatronic products.

Business Results by Geographical Segment



(¥100 Million)		08/3		09/3			
		Q3 < Actual >	Apr.-Dec. < Actual >	3 Q < Actual >	YOY %	Apr.-Dec. < Actual >	YOY %
Total	Sales	1,987	5,680	1,532	-22.9%	5,365	-5.5%
	Operating income	183	499	46	-74.8%	332	-33.4%
	%	9.2%	8.8%	3.0%		6.2%	
Japan	Sales	1,478	4,107	1,218	-17.6%	4,033	-1.8%
	Operating income	135	349	12	-90.9%	176	-49.5%
	%	9.1%	8.5%	1.0%		4.4%	
The Americas	Sales	258	803	163	-36.9%	653	-18.7%
	Operating income	11	36	0	-97.1%	22	-38.6%
	%	4.1%	4.4%	0.2%		3.4%	
Europe	Sales	354	1,016	221	-37.6%	938	-7.7%
	Operating income	26	67	18	-32.8%	79	+18.1%
	%	7.2%	6.5%	7.8%		8.4%	
Asia	Sales	305	859	270	-11.4%	880	+2.4%
	Operating income	32	95	26	-21.4%	93	-2.6%
	%	10.7%	11.1%	9.5%		10.6%	
Eliminations		-408	-1,105	-340		-1,139	
/Corporate		-21	-48	-10		-38	

Business Results by Geographical Segment



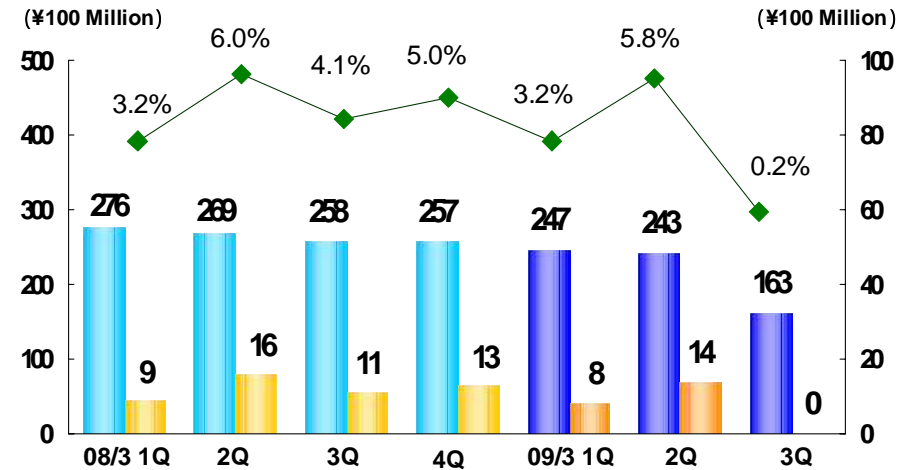
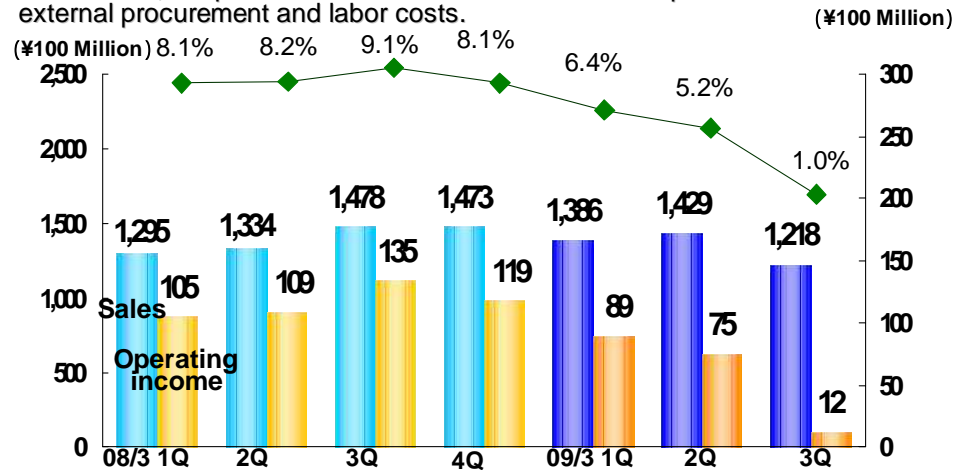
Japan

Left: Sales Right: Operating income ◆:Margin

The Americas

In addition to a steep decrease in sales to the automotive sector, the appreciation of the Japanese yen and an increase in steel price negatively affected results, and operating income for 3Q decreased dramatically by 90.9% YOY, despite the effects of an increase in sales price and reduction in external procurement and labor costs.

Operating income decreased dramatically due to the effects of declining automobile sales and volume reduction in the industrial machinery sector.

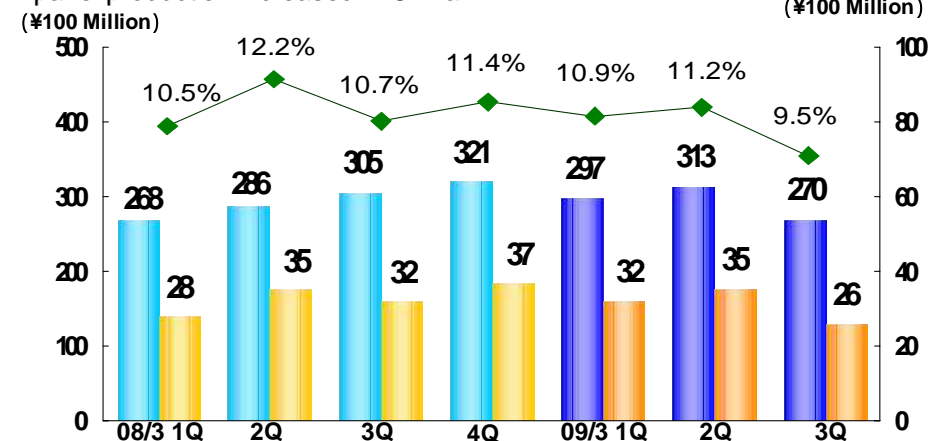
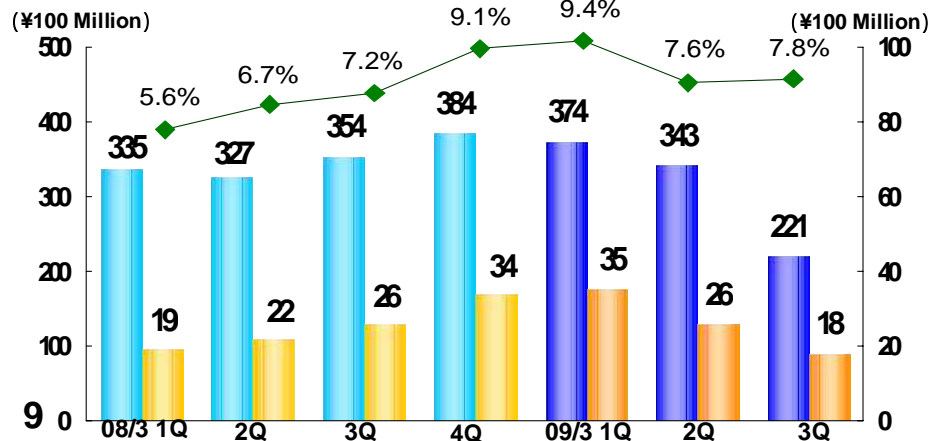


Europe

Operating income for 3Q decreased by 32.8% YOY due to volume reduction by industrial machinery and automotive manufacturers and an increase in steel price, which more than offset reduction in external procurement costs, an increase in sales price, and the positive effect of exchange rate fluctuations.

Asia

Operating income for 3Q decreased by 21.4% YOY due to volume reduction in the ASEAN region, an increase in steel price and the negative effect of exchange rate fluctuations, although sales of exposure equipment for LCD panel production increased in China.

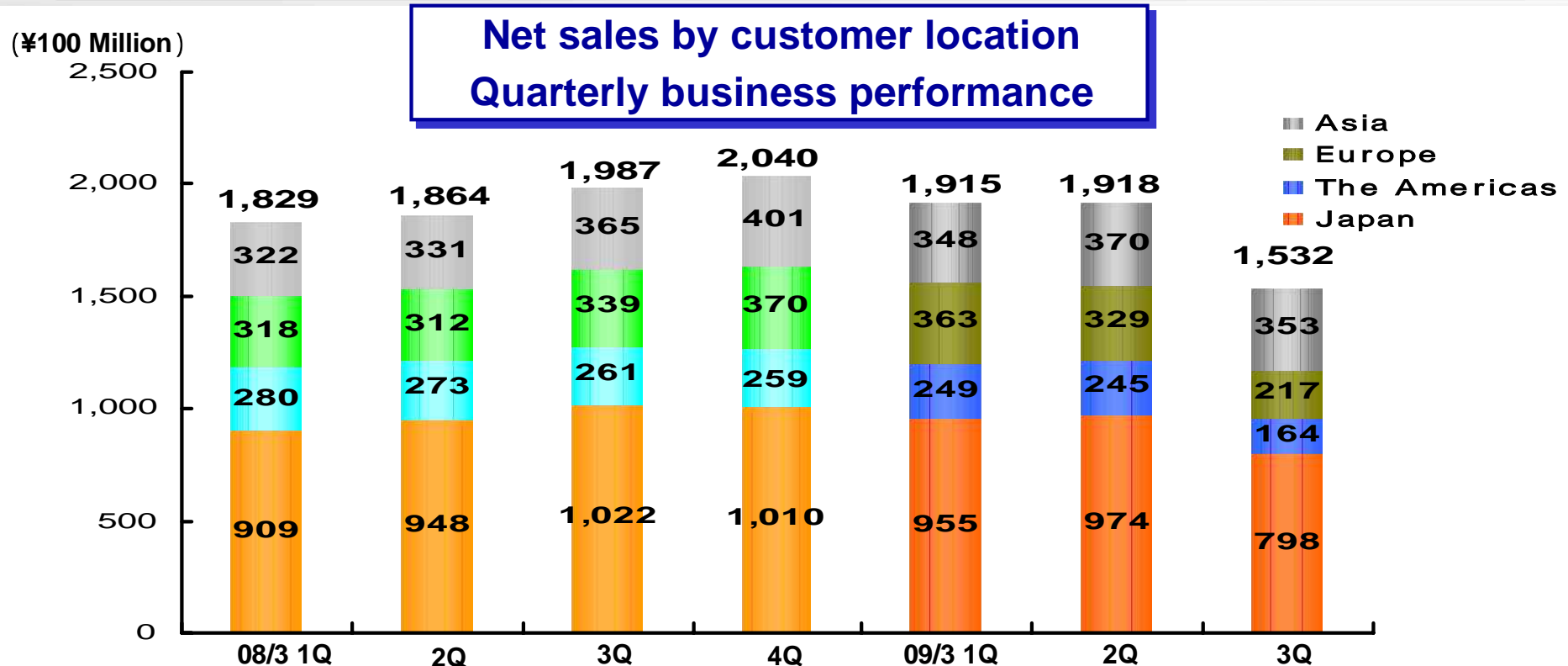


Business Results by Customer Location



(¥100 Million)	08/3		09/3			
	3Q < Actual >	Apr.-Dec. < Actual >	3Q < Actual >	YOY %	Apr.-Dec. < Actual >	YOY %
Sales	1,987	5,680	1,532	-22.9%	5,365	-5.5%
Japan	1,022	2,880	798	-22.0%	2,726	-5.3%
Non-Japan	965	2,800	734	-23.9%	2,639	-5.8%
(Non-Japan ratio)	(48.5%)	(49.3%)	(47.9%)		(49.2%)	
The Americas	261	814	164	-37.1%	658	-19.1%
Europe	339	969	217	-35.8%	910	-6.0%
Asia	365	1,017	353	-3.4%	1,071	+5.2%

Business Results by Customer Location



Results of FY2008:3Q (YOY comments)

Japan : Demand from the machine tool and industrial machinery sectors decreased rapidly. Sales of automotive products declined due to a substantial decrease in production by automakers.

The Americas : Sales to automakers decreased due to slumping sales of automobiles in North America. Sales to the general machinery sector also decreased.

Europe : Sales to automakers decreased. Although sales to the wind turbine sector increased, sales to machine tool, electrical equipment and industrial machinery sectors decreased.

Asia : Sales of exposure equipment for LCD panel production increased dramatically. Sales to automakers and the electrical equipment and industrial machinery sectors decreased.

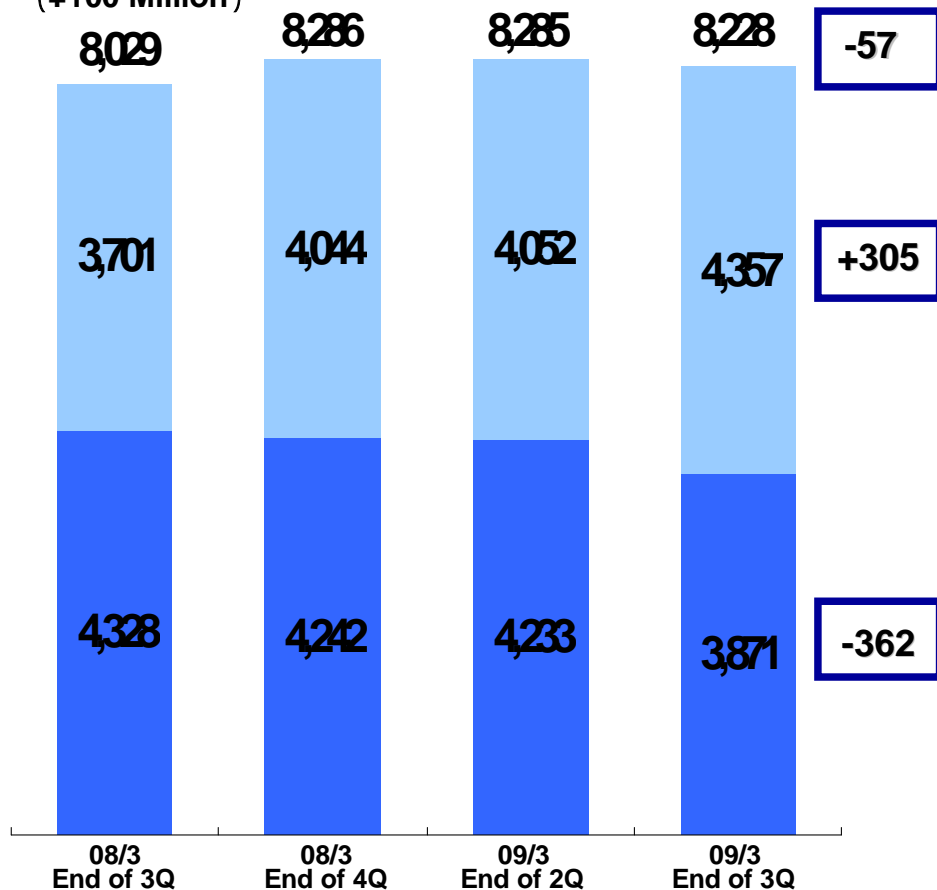
Consolidated Balance Sheets



Assets

■ Non-current assets ■ Current assets

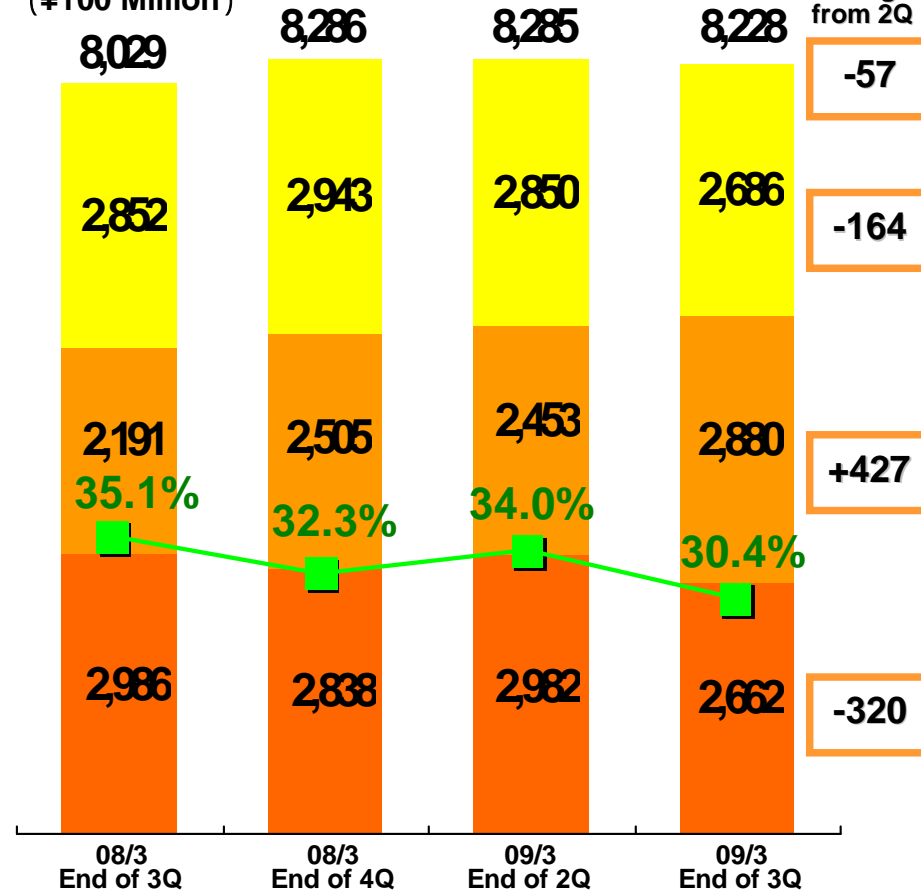
(¥100 Million)



Liabilities and net assets

■ Net assets ■ Non-current liabilities
 ■ Current liabilities ■ Ratio of net worth to total capital

(¥100 Million)



Exchange rate:

US\$	114.15	100.19	103.57	91.03
Euro	166.66	158.19	149.05	127.96

Exchange rate:

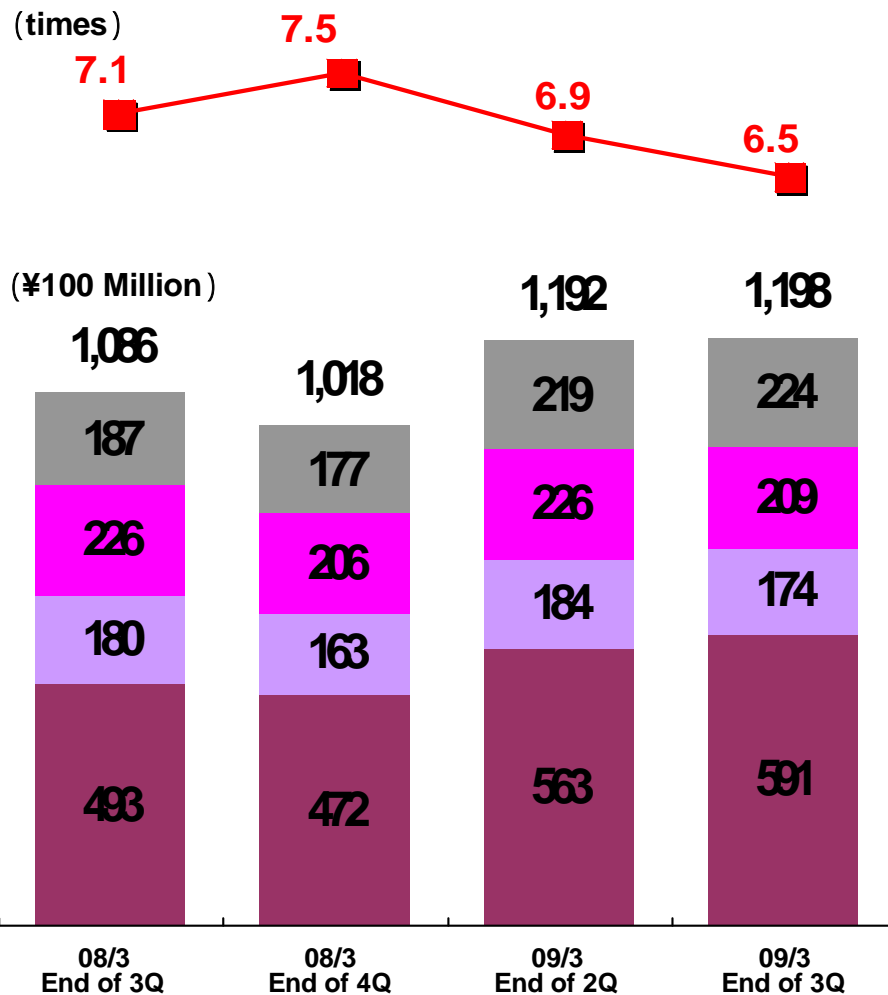
US\$	114.15	100.19	103.57	91.03
Euro	166.66	158.19	149.05	127.96

Inventories / Interest-Bearing Debt



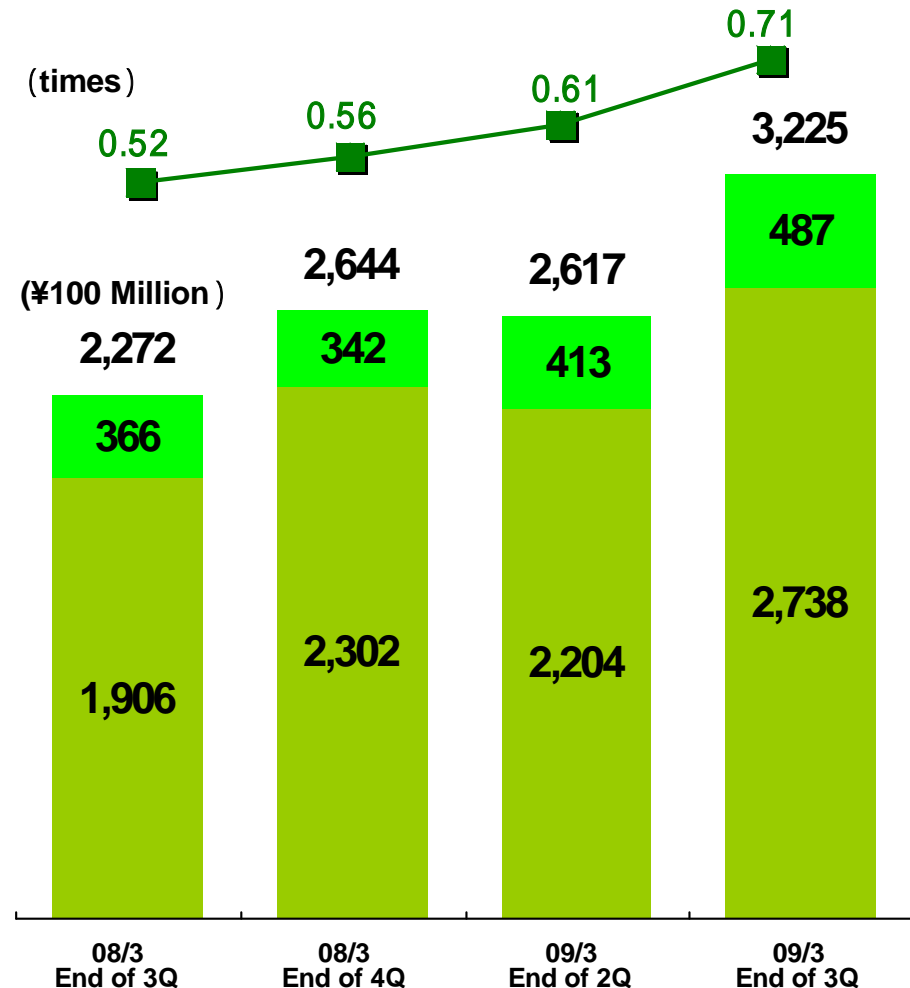
Inventory

■ Japan
 ■ The Americas
 ■ Asia
 ■ Europe
■ Inventory turnover



Interest-Bearing Debt

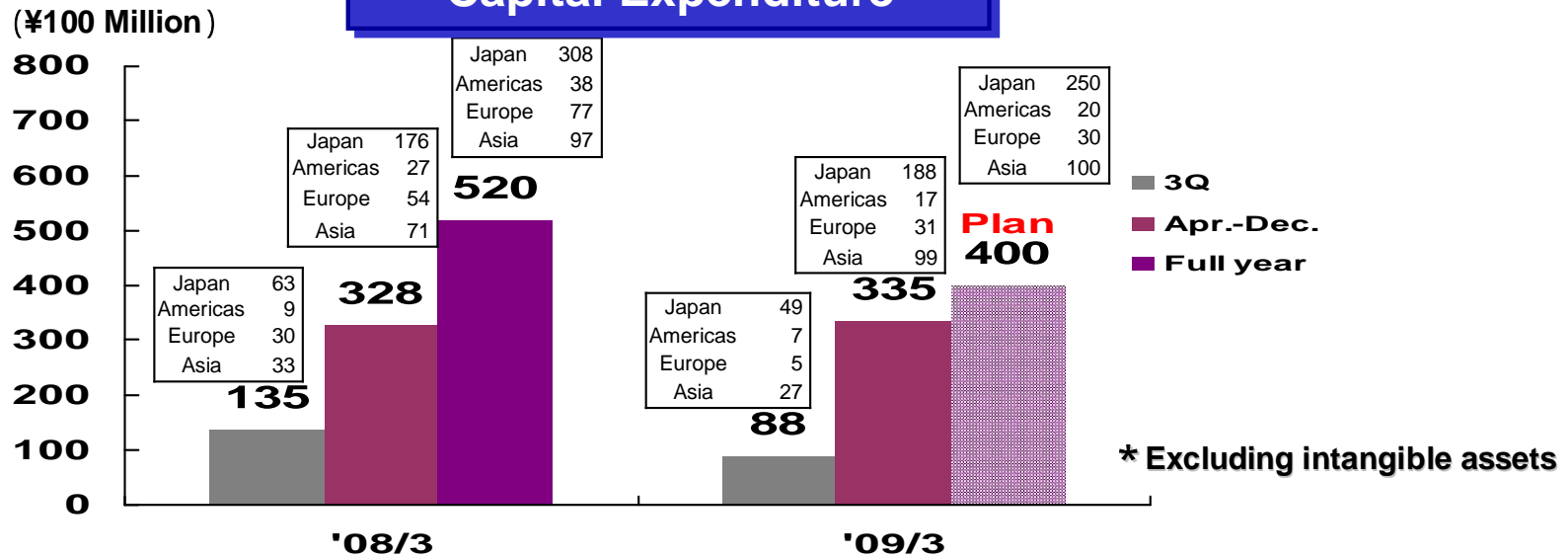
■ Japan
 ■ Non-Japan
 ■ Net D/E ratio



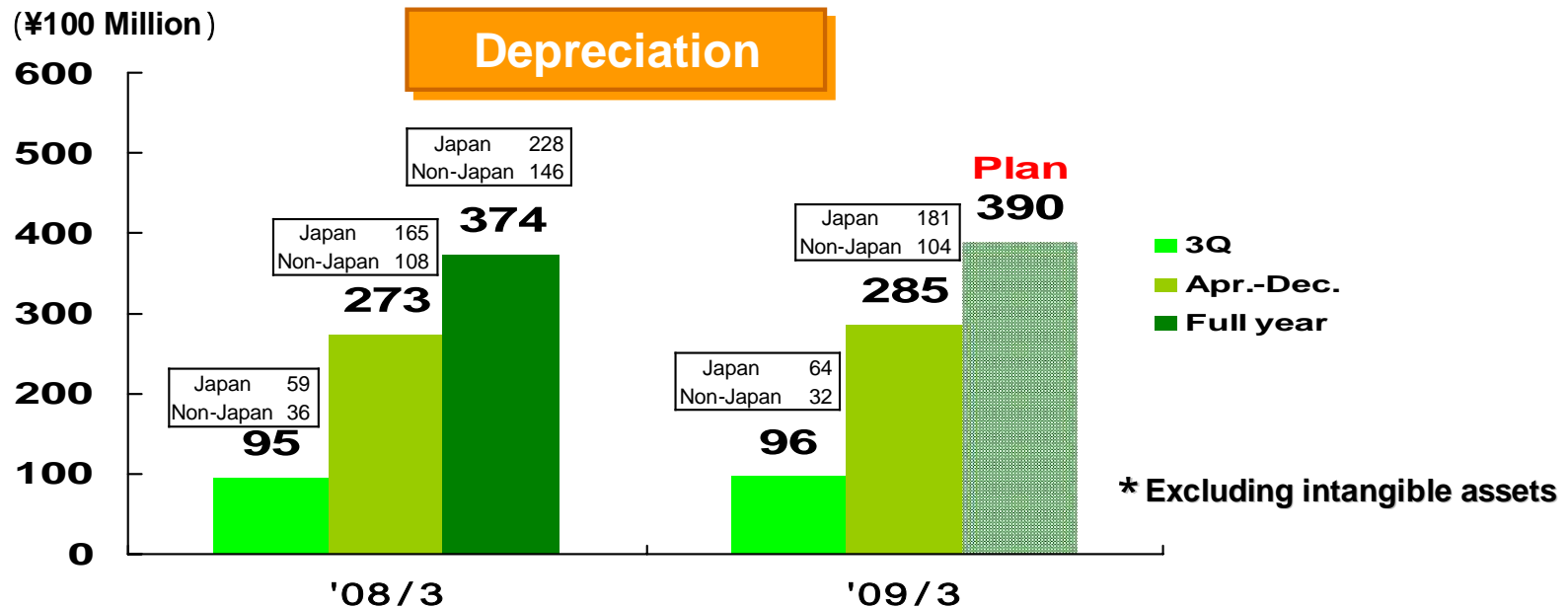
Capital Expenditure, Depreciation



Capital Expenditure



Depreciation



Supplementary Information

Research & Development, Employees



(¥100 Million)	08/3				09/3			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Full year (Plan)
R&D	23	27	25	27	25	29	26	105

(No. of employees)	08/3				09/3		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Employees	23,661	24,211	24,587	25,069	25,836	26,024	25,406
Japan	10,623	10,533	10,609	10,695	11,270	11,234	11,242
The Americas	2,989	3,003	3,028	3,080	3,044	3,004	2,707
Europe	4,082	4,120	4,205	4,270	4,277	4,372	3,954
Asia	5,967	6,555	6,745	7,024	7,245	7,414	7,503