

NSK Ltd.

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For Immediate Release

May 20, 2002

NON-CONSOLIDATED RESULTS FOR THE YEAR ENDED MARCH 31, 2002 (unaudited)

Financial highlights

(Millions of yen)	Year ended March 31		Change %
	2002	2001	
Net sales	¥ 304,658	¥ 357,009	-14.7
Operating income	2,797	15,608	-82.1
Ordinary income	2,049	15,836	-87.1
Net income (Yen)	-8,351	10,924	—
Net income per share	¥ -15.00	¥ 19.45	

Financial position

(Millions of yen)	As of	As of
	March 31, 2002	March 31, 2001
Total assets	¥ 551,039	¥ 588,899
Shareholders' equity	239,765	258,283
(%)		
Shareholders' equity to total assets	43.5%	43.9%
(Yen)		
Shareholders' equity per share	¥ 435.25	¥ 459.73

Non-consolidated balance sheets

(Millions of yen)	As of March 31,		Increase Decrease
	2002	2001	
Assets			
Current assets	¥ 199,806	¥ 224,293	¥ -24,487
Cash and deposits	5,000	1,324	3,676
Notes receivable	840	1,493	-653
Accounts receivable – trade	90,448	118,514	-28,066
Marketable securities	30,628	22,310	8,318
Treasury stock	—	0	0
Inventories	26,792	31,255	-4,463
Accounts receivable – others	22,867	19,680	3,187
Deferred income taxes	1,390	2,164	-774
Other current assets	21,859	27,782	-5,923
Less allowance for doubtful accounts	-21	-234	213
Non-current assets	351,232	364,605	-13,373
Property, plant and equipment	94,259	105,631	-11,372
Buildings and structures	33,121	29,120	4,001
Machinery and equipment	40,221	50,410	-10,189
Vehicles and transportation equipment	176	245	-69
Tools and spare parts	2,688	3,033	-345
Land	15,198	16,757	-1,559
Construction in progress	2,852	6,064	-3,212
Intangible fixed assets	1,428	1,393	35
Investments and other assets	255,544	257,580	-2,036
Investment securities	85,603	110,008	-24,405
Investments in affiliated companies	164,468	140,909	23,559
Treasury stocks	—	343	-343
Long-term loans	1,666	2,666	-1,000
Other investments and assets	4,998	4,907	91
Less allowance for doubtful accounts	-1,193	-1,255	62
Total assets	¥ 551,039	¥ 588,899	¥ -37,860

NSK Ltd. (Non-consolidated)

(Millions of yen)	As of March 31,	As of March 31,	Increase Decrease
	2002	2001	
Liabilities			
Current liabilities	¥ 157,909	¥ 172,559	¥ -14,650
Notes payable	5,565	11,881	-6,316
Accounts payable	75,959	78,643	-2,684
Short-term bank loans	41,758	44,518	-2,760
Commercial paper	—	10,000	-10,000
Current portion of corporate bonds	20,000	—	20,000
Current portion of convertible bonds	—	273	-273
Other payables	5,457	10,545	-5,088
Accrued expenses	8,496	11,466	-2,970
Accrued income taxes	19	2,303	-2,284
Other current liabilities	653	2,926	-2,273
Long-term liabilities	153,363	158,055	-4,692
Corporate bonds	80,000	100,000	-20,000
Convertible bonds	16,989	16,989	—
Long-term debt	42,464	14,632	27,832
Deferred tax liabilities	4,449	12,994	-8,545
Accrued employees' retirement benefits	7,235	11,364	-4,129
Accrued officers' retirement benefits	1,600	1,565	35
Other long-term liabilities	625	511	114
Total liabilities	311,273	330,615	-19,342
Shareholders' equity			
Common stock	67,176	67,175	1
Statutory reserve	88,216	92,451	-4,235
Capital surplus	77,923	82,359	-4,436
Legal reserve	10,292	10,092	200
Retained earnings	60,508	72,278	-11,770
Other reserve	66,497	61,882	4,615
Unappropriated retained earnings at the end of period	-5,989	10,394	-16,383
(Included net income for the period)	(-8,351)	(10,924)	(-19,275)
Unrealized holding gains on securities	24,220	26,378	-2,158
Treasury stock	-356	—	-356
Total shareholders' equity	239,765	258,283	-18,518
Total liabilities and shareholders' equity	¥ 551,039	¥ 588,899	¥ -37,860

Non-consolidated statements of income

(Millions of yen)	Year ended March 31		Change %
	2002	2001	
Net sales	¥ 304,658	¥ 357,009	-14.7
Cost of sales	266,532	303,871	-12.3
Selling, general and administrative expenses	35,328	37,529	-5.9
Operating income	<u>2,797</u>	<u>15,608</u>	<u>-82.1</u>
Non-operating income:	5,902	10,582	-44.2
Interest and dividend income	4,582	6,898	-33.6
Other	1,319	3,684	-64.2
Non-operating expenses:	6,649	10,355	-35.8
Interest expense	3,419	4,828	-29.2
Other	3,229	5,526	-41.6
Ordinary income	<u>2,049</u>	<u>15,836</u>	<u>-87.1</u>
Extraordinary income:	10,231	24,148	-57.6
Gain on sales of property, plant and equipment	9,276	—	—
Gain on sales of investments in affiliated companies	682	311	119.1
Gain on sales of investment securities	272	3,596	-92.4
Gain on contribution of securities to employees' retirement benefit trust	—	20,241	—
Extraordinary losses:	17,078	23,087	-26.0
Impairment of investment securities	13,184	—	—
Support expenses for affiliated companies, etc.	3,546	4,228	-16.1
Costs related to business restructuring	348	905	-61.5
Amortization of net retirement benefit obligation at transition	—	16,963	—
Loss on sales of investments in affiliated companies	—	990	—
Income before income taxes	<u>-4,797</u>	<u>16,897</u>	<u>-128.4</u>
Income taxes:			
Current	1,275	4,120	-69.1
Deferred	2,279	1,852	23.0
Net income	<u>¥ -8,351</u>	<u>¥ 10,924</u>	<u>-176.4</u>
Unappropriated retained earnings brought forward	3,765	1,322	
Interim dividends paid	1,403	1,684	
Voluntary reserve	—	168	
Unappropriated retained earnings at end of period	<u>¥ -5,989</u>	<u>¥ 10,394</u>	

Forecast for the year ending March 31, 2003

	(Millions of yen)
Net sales	¥ 335,000
Ordinary income	8,000
Net income	5,000

Notes

All forecasts are based on a number of assumptions and subject to significant risks and uncertainties. Actual financial results may differ materially and NSK Ltd. accepts no liability whatsoever for any direct or consequential loss arising from any use of this report.

20 May 2002
NSK Ltd.**Notice regarding the change of President at NSK Ltd.**

NSK Ltd. announced at its regular Board of Directors' meeting held on the 20th May 2002 that Mr. Tetsuo Sekiya will resign as President and Chief Executive Officer of NSK Ltd. to become its new Chairman. A formal announcement will be made at the Annual Shareholders' Meeting and the subsequent Board of Directors' meeting scheduled for 27th June 2002.

Details

<u>New Title</u>	<u>Full Name</u>	<u>Former Title</u>
Chairman	Tetsuo Sekiya	President and Chief Executive Officer
President and Chief Executive Officer	Seiichi Asaka	Executive Vice President

Resume

Full Name: Seiichi Asaka
Date of Birth: December 24, 1942
Place of Birth: Chiba Prefecture, Japan

Education:	Mar 1965	Graduated from Keio University Bachelor of Economics
Career Summary:	Apr 1965	Joined Nippon Seiko K.K. (NSK Ltd.)
	Mar 1986	General Manager of Tokyo Sales – Dept. III
	Oct 1990	General Manager of Sales and Marketing Division-Headquarters
	Jun 1994	Promoted to Director Responsible for Precision Machinery & Parts Sales and Marketing
	Jun 1997	Promoted to Managing Director Responsible for Bearing Sales and Marketing Dept.
	Jun 1998	Transferred to UK President – NSK-RHP Europe Limited
	Jun 2000	Promoted to Executive Vice President, NSK Ltd. President – NSK-RHP Europe Limited
	Apr 2001	Returned to Japan Responsible for Finance, Sales and Marketing, Investor Relations Office and Affiliated Business Dept.