

CONSOLIDATED BUSINESS RESULTS OF THE THIRD QUARTER ENDED DECEMBER 31, 2003

February 06, 2004

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 the Consolidated Business Results for FY 2003:Q3

- Strong sales to the domestic automotive, semiconductor and liquid crystal display production sectors.
- Return to profitability of the precision machinery business in the third quarter.

FY 2003

(¥100 million)

	1st quarter (Japan: Apr.~Jun. Overseas: Jan.~Mar.) <Actual>	2nd quarter (Japan: Jul.~Sep. Overseas: Apr.~Jun.) <Actual>	3rd quarter (Japan: Oct.~Dec. Overseas: Jul.~Sep.) <Actual>	Full year (Japan: Apr.~Mar. Overseas: Jan.~Dec.) <Forecast*>
Sales	1,257	1,281	1,297	5,080
Operating income	41	54	72	230
Ordinary income	34	27	61	170
Profit before tax	40	40	89	189
Net income	14	24	52	100
(Rate: 1 US\$=)	(¥118.95)	(¥119.32)	(¥117.63)	(¥114.57)
(Rate: 1 EURO=)	(¥127.65)	(¥135.76)	(¥132.40)	(¥125.86)

*Announced: Nov. '03

Consolidated net sales –By customer location–

FY 2003 (¥100 million)	1 st quarter <Actual>	2 nd quarter <Actual>	3 rd quarter <Actual>	Full year <Forecast*> <small>*Announced: Nov. '03</small>
Sales	1,257	1,281	1,297	5,080
Japan	658	666	697	2,710
The Americas	188	198	187	740
Europe	223	218	191	830
Asia	188	199	222	800

- **Japan:** Robust sales to the automotive, machine tool, construction machinery and general industrial sectors.
- **The Americas:** Continued strong sales in Brazil.
Weak demand for bearings from North America's general industrial sector.
- **Europe:** Robust sales of hub unit bearings.
Sluggish sales of automotive components and general industrial bearings.
- **Asia:** Strong sales of bearings in China and to the automotive industry.
Increased sales of exposure equipment (i.e. step and repeat proximity aligner.)

Consolidated business results

—By geographical segment—



FY 2003 (¥100 million)	1st quarter <Actual>	2nd quarter <Actual>	3rd quarter <Actual>	Full year <Forecast*> <small>*Announced: Nov. '03</small>
Sales	1,257	1,281	1,297	5,080
Japan	931	937	992	3,823
The Americas	185	194	184	740
Europe	232	228	202	873
Asia	139	141	143	573
Elimination	-230	-219	-224	-929
Operating income	41 <3.3%>	54 <4.1%>	72 <5.6%>	230 <4.5%>
Japan	33 <3.5%>	35 <3.7%>	55 <5.5%>	166 <4.3%>
The Americas	3 <1.6%>	5 <2.6%>	1 <0.5%>	12 <1.6%>
Europe	-2 <-0.9%>	5 <-2.2%>	5 <-2.5%>	15 <-1.7%>
Asia	13 <-9.4%>	9 <-6.4%>	8 <-5.6%>	40 <-7.0%>
Elimination	-6	0	3	-3

Consolidated business results

–By business segment–



FY 2003 (¥100 million)	1st quarter <Actual>	2nd quarter <Actual>	3rd quarter <Actual>	Full year <Forecast*> <small>*Announced: Nov. '03</small>
Sales	1,257	1,281	1,297	5,080
Bearings	808	833	820	3,245
Automotive components	318	312	316	1,265
Precision machinery	95	102	125	450
Others	36	34	36	120
Operating income	41 <3.3%>	54 <4.1%>	72 <5.6%>	230 <4.5%>
Bearings	43 <5.3%>	54 <6.5%>	65 <7.9%>	211 <6.5%>
Automotive components	10 <3.2%>	12 <3.7%>	8 <2.5%>	45 <3.6%>
Precision machinery	-8 <-8.4%>	-7 <-6.7%>	1 <0.7%>	0 <0.0%>
Others	4 <11.1%>	2 <5.9%>	3 <8.3%>	9 <7.5%>
General expenses	-8	-7	-5	-35

Consolidated balance sheets (Assets)

(¥100 million)	(Year ended Mar. 31, '03) FY 2002	(1st quarter ended Jun. 30, '03) FY 2003: Q1	(2nd quarter ended Sep. 30, '03) FY 2003: Q2	(3rd quarter ended Dec. 31, '03) FY 2003: Q3	Difference from the period ended Sep. 30, '03
Current assets	2,858	2,936	2,829	2,829	0
Cash and deposits	373	433	293	380	+87
Notes and accounts receivable	1,135	1,116	1,145	1,142	-3
Marketable securities	176	156	158	96	-62
Inventories	835	809	826	800	-26
Deferred tax assets	60	82	115	100	-15
Other current assets	279	340	292	311	+19
Non-current assets	3,073	3,158	3,331	3,233	-98
Property, plant and equipment	2,014	1,960	2,139	2,046	-93
Investment securities	797	858	829	829	0
Prepaid pension expenses	148	229	234	224	-10
Others	114	111	129	134	+5
* <Capital expenditure>	<230>	<46>	<108>	<164>	
Total assets	5,931	6,094	6,160	6,062	-98
(Rate: 1 US\$=)	(¥119.90)	(¥120.20)	(¥119.80)	(¥111.25)	
(Rate: 1 EURO=)	(¥125.08)	(¥129.83)	(¥136.92)	(¥129.19)	

Consolidated inventories

(¥100 million)	(Year ended Mar. 31, '03) FY 2002	(1st quarter ended Jun. 30, '03) FY 2003: Q1	(2nd quarter ended Sep. 30, '03) FY 2003: Q2	(3rd quarter ended Dec. 31, '03) FY 2003: Q3	Difference from the period ended Sep. 30, '03	Excluding effect of FOREX, etc.	Difference in local currencies
Japan	380	355	362	362	0	-2	+2
<Non- consolidated>	184	179	172	176	+4		+4
Overseas	455	454	464	438	-26	-29	+3
Americas	152	161	166	155	-11	-12	+1
Europe	195	186	190	184	-6	-11	+5
Asia	108	107	108	99	-9	-6	-3
Total	835	809	826	800	-26	-31	+5

Consolidated capital expenditures

(¥100 million)

(Year ended
Mar. 31, '03)
FY 2002

(1st quarter ended
Jun. 30, '03)
FY 2003: Q1

(2nd quarter ended
Sep. 30, '03)
FY 2003: Q2

(3rd quarter ended
Dec. 31, '03)
FY 2003: Q3

**FY 2003
Plan**

	FY 2002	FY 2003: Q1	FY 2003: Q2	FY 2003: Q3	FY 2003 Plan
Total capital expenditures	230	46	62	56	240
Japan	120	17	38	33	120
<Non-consolidated>	<77>	<10>	<21>	<14>	<75>
Overseas	110	29	24	23	120
Americas	37	8	9	8	37
Europe	37	8	7	4	22
Asia	36	13	8	11	61
Depreciation	288	64	69	68	288
Japan	162	34	39	40	153
<Non-consolidated>	<99>	<19>	<20>	<20>	<71>
Overseas	126	30	30	28	135

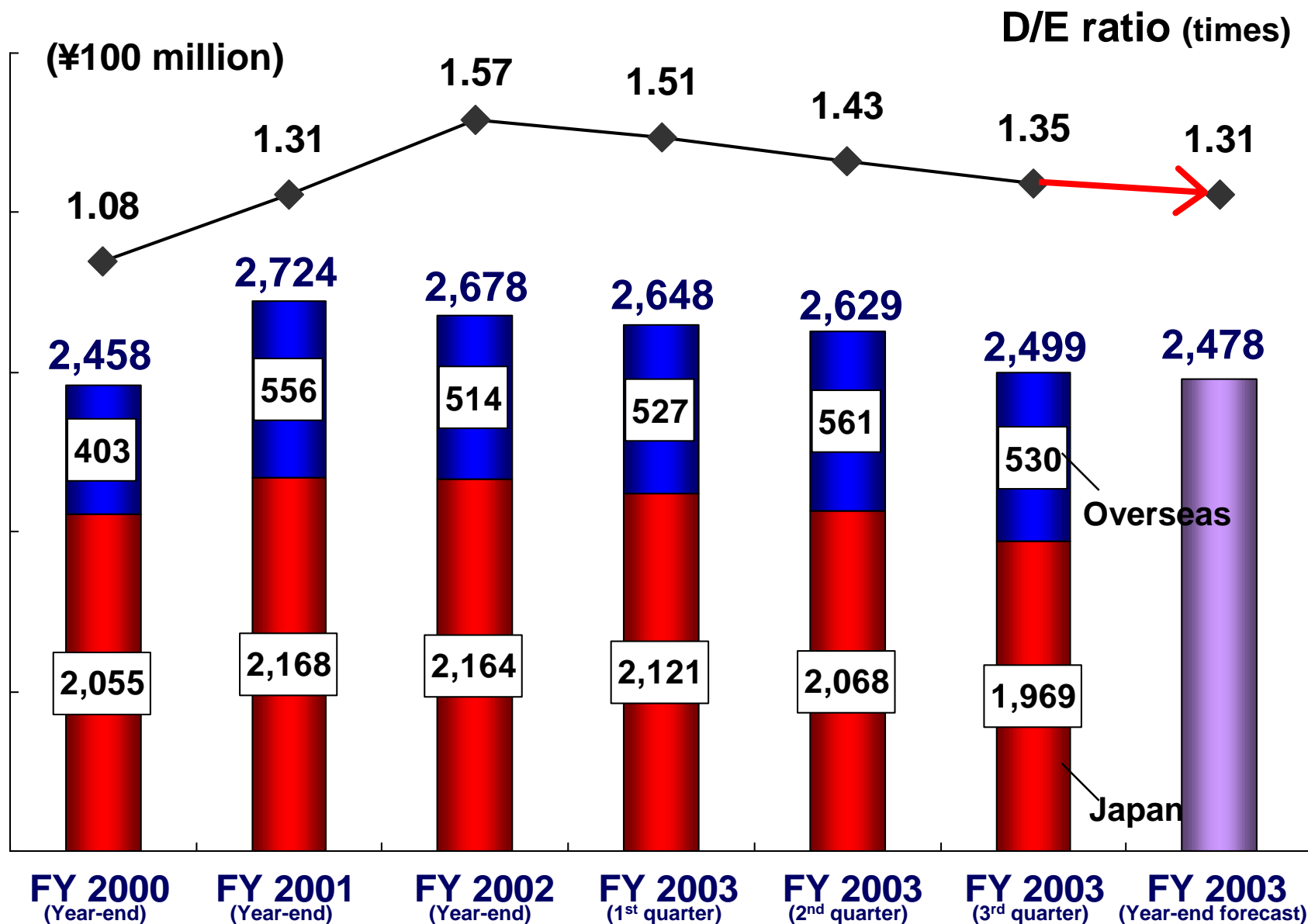
Consolidated balance sheets

(Liabilities and Shareholders' equity)



(¥100 million)	(Year ended Mar. 31, '03) FY 2002	(1st quarter ended Jun. 30, '03) FY 2003: Q1	(2nd quarter ended Sep. 30, '03) FY 2003: Q2	(3rd quarter ended Dec. 31, '03) FY 2003: Q3	Difference from the period ended Sep. 30, '03
Current liabilities	2,274	2,377	2,260	2,129	-131
Notes and accounts payables	874	854	760	828	+68
Short term loans, Bonds	1,031	1,087	1,075	942	-133
Others	369	436	425	359	-66
Long term liabilities	1,834	1,846	1,943	1,969	+26
Bonds, Long term loans, etc.	1,647	1,561	1,553	1,557	+4
Deferred tax liabilities	27	43	119	142	+23
Accrued retirement benefits	65	154	184	184	0
Others	95	88	87	86	-1
Total liabilities	4,108	4,223	4,203	4,098	-105
* <Interest-bearing debts>	<2,678>	<2,648>	<2,629>	<2,499>	<-130>
Minority interests	117	118	124	119	-5
Common stock, capital surplus	1,451	1,451	1,451	1,451	0
Retained earnings	484	498	509	560	+51
Unrealized holding gains on securities	51	92	147	156	+9
Translation adjustments	-236	-244	-230	-278	-48
NSK treasury stock	-44	-44	-44	-44	0
Total shareholder's equity	1,706	1,753	1,833	1,845	+12
Total liabilities and shareholder's equity	5,931	6,094	6,160	6,062	-98

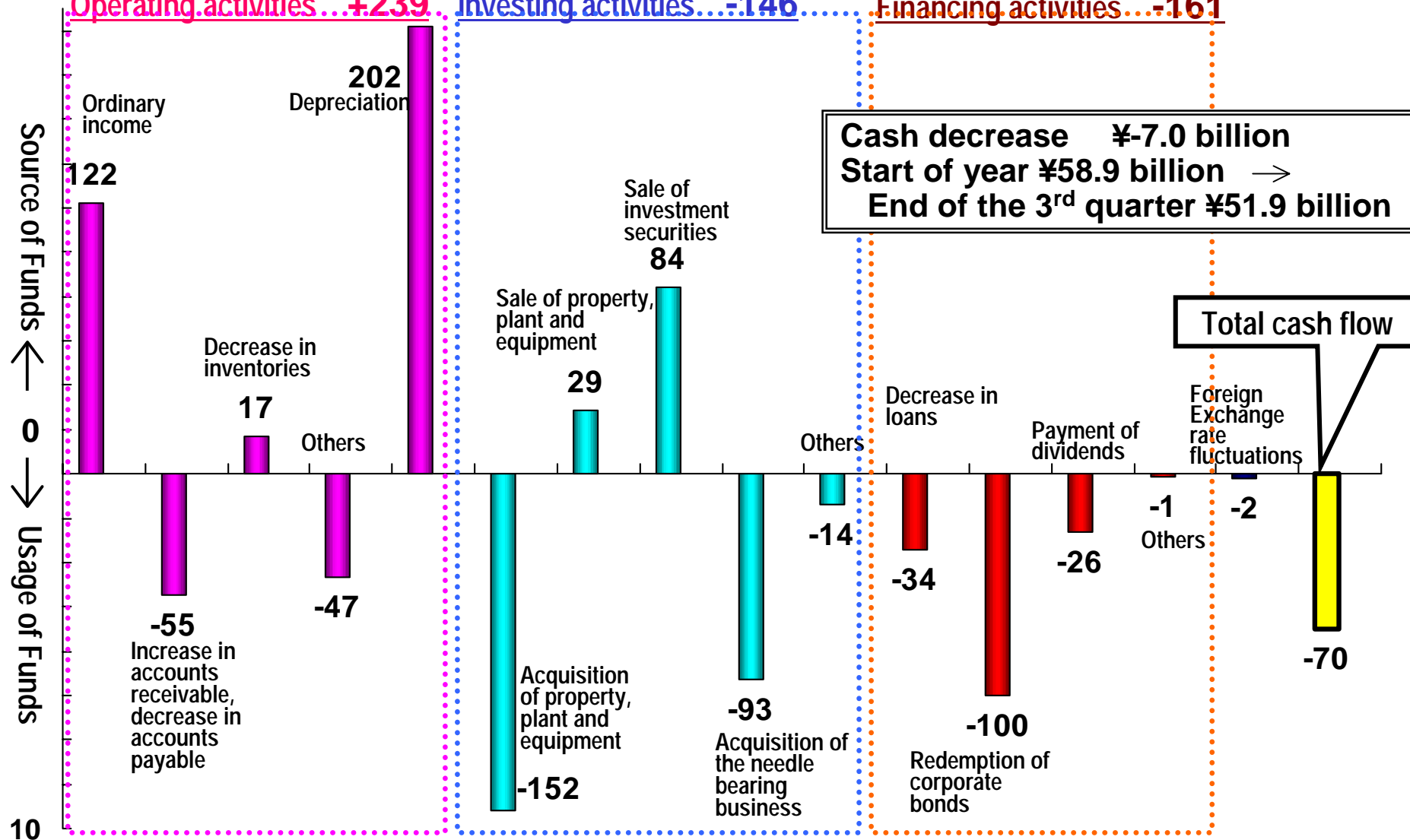
Consolidated interest bearing debts



Consolidated cash flow (FY 2003: Q3)

(¥100 million) (Excluding the effect of exchange rate fluctuations)

(1) Cash flow provided by Operating activities...+239
 (2) Cash flow used in Investing activities...-146
 (3) Cash flow used in Financing activities...-161



(Persons)	FY 2002 Year end <Actual>	FY 2003 1 st quarter <Actual>	FY 2003 2 nd quarter <Actual>	FY 2003 3 rd quarter <Actual>
Employees	20,351	19,368	20,052	19,844
Japan	8,336	8,161	8,975	8,862
Parent company (Non-consolidated)	3,619	3,636	3,697	3,675
The Americas	2,996	3,015	3,039	3,030
Europe	4,970	4,693	4,559	4,425
Asia	4,049	3,499	3,479	3,527