

NSK Ltd.

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For Immediate Release

August 3, 2007

CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED JUNE 30, 2007 (unaudited)

Financial Highlights

(Millions of yen)	Three months ended Jun. 30,		
	2007	2006	Change %
Net sales	¥ 182,853	¥ 174,050	5.1
Operating income	14,794	14,778	0.1
Ordinary income	14,441	13,741	5.1
Net income (Yen)	8,756	8,379	4.5
Net income per share			
Basic	¥ 16.20	¥ 15.52	
Diluted	16.19	15.50	

Financial Position

(Millions of yen)	As of Jun. 30,	As of Mar. 31,
	2007	2007
Total assets	¥ 830,868	¥ 815,788
Net assets (%)	296,331	276,727
Shareholders' equity to total assets (Yen)	33.8%	32.2%
Net assets per share	¥ 520.21	¥ 485.62

Cash Flows

(Millions of yen)	Three months ended Jun. 30,	
	2007	2006
Net cash provided by operating activities	¥ 14,936	¥ 14,850
Net cash used in investing activities	(8,405)	(9,022)
Net cash used in financing activities	(12,828)	(5,426)
Cash and cash equivalents at the end of the period	68,682	52,148

Consolidated Balance Sheets

(Millions of yen)	As of Jun. 30, 2007	As of Mar. 31, 2007	Increase/ (Decrease)
Assets			
Current assets	¥ 392,449	¥ 389,067	¥ 3,382
Cash and deposits	73,185	68,354	4,831
Notes and accounts receivable	132,341	131,417	924
Marketable securities	29,361	40,339	(10,978)
Inventories	106,768	105,043	1,725
Deferred tax assets	12,709	10,190	2,519
Other current assets	39,636	35,481	4,155
Less allowance for doubtful accounts	(1,554)	(1,759)	205
Non-current assets	438,419	426,721	11,698
Property, plant and equipment	259,445	256,872	2,573
Buildings and structures	74,397	72,737	1,660
Machinery and transportation equipment	125,786	124,679	1,107
Land	37,426	37,110	316
Other property, plant and equipment	21,834	22,345	(511)
Intangible assets	10,347	9,438	909
Investments and other assets	168,625	160,410	8,215
Investment securities	118,374	112,352	6,022
Long-term loans – receivable	234	216	18
Deferred tax assets	3,257	2,855	402
Prepaid pension costs	39,453	38,063	1,390
Other investments and other assets	8,439	8,059	380
Less allowance for doubtful accounts	(1,133)	(1,138)	5
Total assets	¥ 830,868	¥ 815,788	¥ 15,080

Consolidated Balance Sheets (Continued)

(Millions of yen)	As of Jun. 30, 2007	As of Mar. 31, 2007	Increase/ (Decrease)
Liabilities			
Current liabilities	¥ 296,519	¥ 297,489	¥ (970)
Notes and accounts payable	122,738	122,115	623
Short-term loans	88,588	84,869	3,719
Current portion of corporate bonds	23,000	23,000	—
Accrued income taxes	5,919	11,183	(5,264)
Other current liabilities	56,273	56,320	(47)
Long-term liabilities	238,017	241,571	(3,554)
Corporate bonds	92,000	102,000	(10,000)
Long-term loans	45,847	45,687	160
Deferred tax liabilities	43,767	39,536	4,231
Accrued employees' retirement benefits	40,972	39,893	1,079
Accrued officers' retirement benefits	956	938	18
Reserves for environmental safety measures expenses	503	685	(182)
Other long-term liabilities	13,969	12,830	1,139
Total liabilities	534,537	539,061	(4,524)
Net assets			
Shareholders' equity	272,558	262,736	9,822
Common stock	67,176	67,176	—
Additional paid-in capital	78,248	78,238	10
Retained earnings	131,267	121,441	9,826
Treasury stock	(4,133)	(4,119)	(14)
Valuation, translation adjustments and other	8,576	(311)	8,887
Unrealized holding gains on securities	39,341	36,548	2,793
Translation adjustments	(5,868)	(11,963)	6,095
Unfunded retirement benefits obligations of overseas subsidiaries	(24,895)	(24,895)	—
Share subscription rights	76	56	20
Minority interests	15,118	14,245	873
Total net assets	296,331	276,727	19,604
Total liabilities and net assets	¥ 830,868	¥ 815,788	¥ 15,080

Consolidated Statements of Operations

(Millions of yen)	Three months ended Jun. 30,		Change %
	2007	2006	
Net sales	¥ 182,853	¥ 174,050	5.1
Cost of sales	141,766	134,386	5.5
Gross profit	41,086	39,664	3.6
Selling, general and administrative expenses	26,292	24,886	5.7
Operating income	14,794	14,778	0.1
Non-operating income:	2,645	2,371	11.5
Interest and dividend income	979	908	7.9
Equity in earnings of affiliated companies	918	817	12.5
Other	746	646	15.5
Non-operating expenses:	2,997	3,407	(12.0)
Interest expenses	1,604	1,243	29.0
Other	1,393	2,164	(35.6)
Ordinary income	14,441	13,741	5.1
Extraordinary losses:	164	—	—
Loss on sales of investments in affiliated companies	164	—	—
Income before income taxes and minority interests	14,277	13,741	3.9
Income taxes:			
Current	5,474	5,659	(3.3)
Deferred	(511)	(678)	—
Minority interests	558	382	46.0
Net income	¥ 8,756	¥ 8,379	4.5

Consolidated Statements of Changes in Net Assets

Three months ended Jun. 30, 2007

(Millions of yen)

	Shareholders' Equity				Total shareholders' equity
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	
Balance at Mar. 31, 2007	¥67,176	¥78,238	¥121,441	¥(4,119)	¥262,736
Increase (decrease) during the period					
Net income			8,756		8,756
Increase in surplus resulting in changes in settlement period for consolidated subsidiaries and affiliates accounted for by equity method			1,069		1,069
Repurchase of treasury stock				(38)	(38)
Sales of treasury stock		10		24	34
Net changes in items other than those in shareholders' equity during the period					
Total increase (decrease) during the period	—	10	9,826	(14)	9,822
Balance at Jun. 30, 2007	¥67,176	¥78,248	¥131,267	¥(4,133)	¥272,558

	Valuation, translation adjustments and other				Share subscription rights	Minority interests	Total net assets
	Unrealized holding gains on securities	Translation adjustments	Unfunded retirement benefit obligation of overseas subsidiaries	Total valuation, translation adjustments and other			
Balance at Mar. 31, 2007	¥36,548	¥(11,963)	¥(24,895)	¥ (311)	¥ 56	¥14,245	¥276,727
Increase (decrease) during the period							
Net income							8,756
Increase in surplus resulting in changes in settlement period for consolidated subsidiaries and affiliates accounted for by equity method							1,069
Repurchase of treasury stock							(38)
Sales of treasury stock							34
Net changes in items other than those in shareholders' equity during the period	2,793	6,094		8,887	20	873	9,781
Total increase during the period	2,793	6,094	—	8,887	20	873	19,604
Balance at Jun. 30, 2007	¥39,341	¥(5,868)	¥(24,895)	¥ 8,576	¥ 76	¥15,118	¥296,331

Note:

Increase in surplus resulting in changes in settlement period for consolidated subsidiaries and affiliates accounted for by equity method include changes in 8 consolidated subsidiaries, which changed their settlement period from December 31 to March 31.

Consolidated Statements of Changes in Net Assets

Three months ended Jun. 30, 2006

(Millions of yen)

	Shareholders' Equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance at Mar. 31, 2006	¥67,176	¥78,097	¥94,333	¥(4,224)	¥235,382
Increase (decrease) during the period					
Net income			8,379		8,379
Increase in surplus resulting in changes in settlement period for consolidated subsidiaries and affiliates accounted for by equity method			906		906
Repurchase of treasury stock				(35)	(35)
Sales of treasury stock		16		41	58
Net changes in items other than those in shareholders' equity during the period					
Total increase during the period	—	16	9,285	5	9,307
Balance at Jun. 30, 2006	¥67,176	¥78,114	¥103,618	¥(4,218)	¥244,690

	Valuation, translation adjustments and other				Minority interests	Total net assets
	Unrealized holding gains on securities	Translation adjustments	Unfunded retirement benefit obligation of overseas subsidiaries	Total valuation, translation adjustments and other		
Balance at Mar. 31, 2006	¥42,297	¥(18,871)	¥(23,091)	¥ 333	¥12,107	¥247,823
Increase (decrease) during the period						
Net income						8,379
Increase in surplus resulting in changes in settlement period for consolidated subsidiaries and affiliates accounted for by equity method						906
Repurchase of treasury stock						(35)
Sales of treasury stock						58
Net changes in items other than those in shareholders' equity during the period	(5,761)	5		(5,755)	347	(5,408)
Total increase (decrease) during the period	(5,761)	5	—	(5,755)	347	3,899
Balance at Jun. 30, 2006	¥36,535	¥(18,866)	¥(23,091)	¥(5,422)	¥12,455	¥251,723

Note:

Increase in surplus resulting in changes in settlement period for consolidated subsidiaries include changes in 40 consolidated subsidiaries and 3 affiliates accounted for by the equity method, which mainly changed their settlement period from December 31 to March 31.

Consolidated Statements of Cash Flows

(Millions of yen)	Three months ended Jun. 30,	
	2007	2006
Operating activities		
Income before income taxes and minority interests	¥ 14,277	¥ 13,741
Depreciation and amortization	9,042	8,162
Amortization of excess of cost over net assets acquired	—	171
Amortization of goodwill	176	—
(Decrease) in allowance for doubtful accounts	(302)	(147)
(Decrease) in provision for retirement benefits and prepaid pension cost	(1,427)	(561)
Interest and dividend income	(979)	(908)
Interest expense	1,604	1,243
Equity in earnings of affiliated companies	(918)	(817)
Loss on sales of stocks of affiliated companies	164	—
Decrease (increase) in notes and accounts receivable	2,603	(2,078)
Decrease (increase) in inventories	1,202	(707)
(Decrease) Increase in notes and accounts payable	(259)	727
Other	1,251	3,513
Subtotal	26,434	22,339
Interest and dividends received	1,748	3,075
Interest paid	(1,537)	(1,497)
Income taxes paid	(11,709)	(9,067)
Net cash provided by operating activities	14,936	14,850
Investing activities		
Net decrease in time deposit	109	—
Proceeds from sales of marketable securities	1,400	1,008
Additions to property, plant and equipment	(8,210)	(9,226)
Proceeds from sales of property, plant and equipment	365	169
Acquisition of investment securities	(1,348)	(307)
Proceeds from sales of investment securities	—	9
Payments for advances	(77)	(16)
Proceeds from collection of advances	36	25
Other	(680)	(685)
Net cash used in investing activities	(8,405)	(9,022)
Financing activities		
Net increase in short-term loans	2,307	5,624
Increase in long-term loans	—	3,001
Long-term debt – repayments	(258)	(627)
Payments for redemption of corporate bonds	(10,000)	(10,000)
Payments for acquisition of treasury stock	(38)	(16)
Dividends paid	(4,600)	(3,228)
Dividends paid to minority stockholders	(245)	(186)
Other	6	6
Net cash used in financing activities	(12,828)	(5,426)
Effect of exchange rate changes on cash and cash equivalents	935	(120)
Net (decrease) increase in cash and cash equivalents	(5,362)	281
Cash and cash equivalents at the beginning of the year	73,319	51,812
Increase in cash and cash equivalents resulting in changes in settlement period for consolidated subsidiaries	726	54
Cash and cash equivalents at the end of the period	¥ 68,682	¥ 52,148

Sales by Business Segment

(Millions of yen)	Three months ended Jun. 30, 2007						
	Industrial machinery bearings	Automotive products	Precision machinery and parts	Other	Total	Eliminations/corporate	Consolidated
Sales to third parties	¥ 56,562	¥ 103,221	¥ 16,393	¥ 6,675	¥ 182,853	¥ —	¥ 182,853
Intersegment sales and transfers	—	—	—	5,583	5,583	(5,583)	—
Total	56,562	103,221	16,393	12,259	188,437	(5,583)	182,853
Operating expenses	49,242	96,933	14,572	11,684	172,431	(4,372)	168,059
Operating income	7,320	6,288	1,821	574	16,005	(1,211)	14,794

(Millions of yen)	Three months ended Jun. 30, 2006						
	Industrial machinery bearings	Automotive products	Precision machinery and parts	Other	Total	Eliminations/corporate	Consolidated
Sales to third parties	¥ 51,994	¥ 97,665	¥ 18,146	¥ 6,244	¥ 174,050	¥ —	¥ 174,050
Intersegment sales and transfers	—	—	—	5,301	5,301	(5,301)	—
Total	51,994	97,665	18,146	11,546	179,352	(5,301)	174,050
Operating expenses	45,483	91,733	15,554	10,794	163,566	(4,293)	159,272
Operating income	¥ 6,510	¥ 5,931	¥ 2,592	¥ 751	¥ 15,786	¥ (1,008)	¥ 14,778

Sales by Geographical Segment

(Millions of yen)	Three months ended Jun. 30, 2007						
	Japan	Americas	Europe	Asia	Total	Eliminations/corporate	Consolidated
Sales to third parties	¥ 102,318	¥ 27,407	¥ 31,703	¥ 21,424	¥ 182,853	¥ —	¥ 182,853
Interarea sales and transfers	27,125	196	1,791	5,412	34,526	(34,526)	—
Total	129,444	27,604	33,494	26,836	217,379	(34,526)	182,853
Operating expenses	118,945	26,709	31,605	24,025	210,285	(33,226)	168,059
Operating income	¥ 10,499	¥ 895	¥ 1,888	¥ 2,811	¥ 16,094	¥ (1,300)	¥ 14,794

(Millions of yen)	Three months ended Jun. 30, 2006						
	Japan	Americas	Europe	Asia	Total	Eliminations/corporate	Consolidated
Sales to third parties	¥ 99,263	¥ 25,514	¥ 31,564	¥ 17,708	¥ 174,050	¥ —	¥ 174,050
Interarea sales and transfers	26,192	133	1,436	4,767	32,528	(32,528)	—
Total	125,455	25,647	33,000	22,476	206,579	(32,528)	174,050
Operating expenses	114,529	24,670	30,866	20,574	190,642	(31,369)	159,272
Operating income	¥ 10,925	¥ 976	¥ 2,133	¥ 1,901	¥ 15,937	¥ (1,159)	¥ 14,778

Sales by Customer Location

Three months ended Jun. 30, 2007

(Millions of yen)	<u>Americas</u>	<u>Europe</u>	<u>Asia</u>	<u>Total</u>
Non-Japan sales	¥ 27,998	¥ 31,807	¥ 32,194	¥ 92,000
Consolidated net sales				<u>182,853</u>
Ratio of Non-Japan sales to consolidated net sales	15.3%	17.4%	17.6%	50.3%

Three months ended Jun. 30, 2006

(Millions of yen)	<u>Americas</u>	<u>Europe</u>	<u>Asia</u>	<u>Total</u>
Non-Japan sales	¥ 26,184	¥ 31,722	¥ 29,638	¥ 87,545
Consolidated net sales				<u>174,050</u>
Ratio of Non-Japan sales to consolidated net sales	15.1%	18.2%	17.0%	50.3%

[Qualitative Information and Financial Statements]

1. Qualitative information regarding the consolidated business results

The Japanese economy continued to grow gradually in the first quarter of the year ending March 31, 2008, backed by recovery in consumer spending and increase in capital investments due to improvement in corporate earnings. In the U.S., economy experienced a stable expansion with robust capital investments, although decline in housing investments continues. Economies in Euro and U.K. exhibited steady recovery. In Asia, economy in Thailand weakened due to stagnant domestic demands, while economy in countries such as Singapore and Malaysia expanded. The Chinese economy continued to grow with increase in fixed assets investment, and economies in South Korea and Taiwan expanded gradually.

In our business segments, precision machinery and parts segment negatively affected by decline in demands from semiconductor and liquid crystal production equipment manufacturers. However, in industrial machinery bearings and automotive products segments, NSK Group's manufacturing sites worldwide continue to operate at high levels due to global economic expansion and growing emerging market such as China and India.

Under these circumstances, the NSK Group created its mid-term vision "To Become No. 1 in Total Quality." We have strived to enhance profitability, in contrast to focusing only on expansion, in an effort to become a strong company, and aggressively deployed growth strategies.

As a result, our consolidated net sales for the first quarter ended June 30, 2007, totaled ¥182,853 million, a year-on-year increase of 5.1%. Our operating income was ¥14,794 million, which is flat compared to the same period last year. This result was caused by decrease in sales of precision machinery and parts, increase in depreciation and amortization caused by revisions to the Corporation Tax Law, and increase in selling, general and administrative expenses, although we had positive factors such as effects of volume growth in industrial machinery bearings and automotive products segments, and improvement in export profit margins due to the depreciation of the Japanese yen. Our ordinary income was ¥14,441 million, a year-on-year increase of 5.1%. ¥164 million of loss on sales of investments in affiliated companies was posted in extraordinary losses. Net income after adjusting for income taxes, deferred taxes and minority interests, was ¥8,756 million, a year-on-year increase of 4.5%.

Business Segment Information

Industrial Machinery Bearings

In Japan, sales to steelmaking manufactures declined, but sales to machine tools, construction machinery and aftermarket sectors were robust. Demand from the electrical machinery, general machinery and construction machinery were strong in the Americas. In Europe, sales to wind turbines and electrical machinery increased. Sales in Asia were also robust with increase in sales to machine tools, general machinery and aftermarket sectors in China, although sales to electrical machinery and IT equipment decreased in ASEAN region and South Korea. In addition to these factors, increase resulting from exchange rate fluctuations contributed to push up overall industrial machinery bearings sales to ¥56,562 million, a year-on-year increase of 8.8%. Operating income was ¥7,320 million, a year-on-year increase of 12.4% due to volume growth.

Automotive Products

Sales of automotive bearings in Japan increased backed by increase of automotive production, especially for export, and sales expansion of hub unit bearings. In China, sales of hub unit bearings to Japanese and local automotive manufacturers increased. Sales of automotive components grew with demand for high-power electric power steering (EPS) systems and AT

components in Japan. There was also robust demand for steering columns, especially from Japanese automotive manufacturers in the Americas. In Europe, sales of high-power EPS systems increased, while sales of conventional EPS systems decreased due to change in models adopted them. With increase resulting from exchange rate fluctuations, net sales in automotive products segment increased 5.7% year on year to ¥103,221 million. Operating income also increased 6.0% year on year to ¥6,288 million due to an improvement in export profit margins due to the depreciation of the Japanese yen and reduction of external procurement costs.

Precision Machinery and Parts

In Japan, sales to machine tools and general machinery were robust, but sales to semiconductor production equipment sector declined. Demands from machine tools in Europe, ASEAN and China were robust, while sales to semiconductor production equipment and aftermarket sectors declined in the Americas. In addition, sales of photofabrication equipment for LCD color filter production decreased due to customers' revision of investment timing. As a result, overall sales totaled ¥16,393 million, a year-on-year decrease of 9.7%. Operating income was ¥1,821 million, a year-on-year decrease of 29.7% due to decrease in sales volume and production.

Other

Sales in other business segment totaled ¥12,259 million, a year-on-year increase of 6.2%, and operating income was ¥574 million, a year-on-year decrease of 23.5% due to increase in labor cost and depreciation and amortization caused by revisions to the Corporation Tax Law.

Geographical Segment Information

Japan

Sales to machine tools, construction machinery and aftermarket sectors were robust, while sales to steelmaking manufacturers declined in industrial machinery bearings segment. In automotive products segment, sales grew backed by increase in automotive production, especially for export, and sales expansion of hub unit bearings. Sales of automotive components increased with substantially increased sales of high-power electric power steering (EPS) systems, and strong demand for AT components. In precision machinery and parts segment, demand in machine tools and general machinery were robust, while sales to semiconductor production equipment sector weakened and sales of photofabrication equipment for LCD color filter production decreased.

As a result, overall sales in Japan totaled ¥129,444 million, a year-on-year increase of 3.2%. Operating income was ¥10,499 million, a year-on-year decrease of 3.9%. This decrease in operating income is a result of decrease in sales of precision machinery and parts, increase in depreciation and amortization caused by revisions to the Corporation Tax Law, and increase in selling, general and administrative expenses, although we had effects of volume growth in industrial machinery bearings and automotive products segments and improvement in export profit margins due to the depreciation of the Japanese yen.

The Americas

Sales of industrial machinery bearings to electrical machinery, general machinery and construction machinery sectors increased. In automotive products segment, sales of automotive bearings weakened due to decrease in demands from commercial vehicles and minivan in U.S.A., while sales of automotive components grew with strong demand for steering columns from Japanese automotive manufacturers. Sales to semiconductor production equipment and aftermarket sectors decreased in precision machinery and parts segment. With increase resulting from exchange rate fluctuations, net sales totaled ¥27,604 million, an increase of 7.6% compared to the same period last year. Operating income, which was affected negatively by increase in cost related to business restructuring, was ¥895 million, a decrease of 8.4% compared to the same period last year.

Europe

Sales of industrial machinery bearings saw an increase in wind turbines and electrical machinery sectors. Sales of high-power electric power steering (EPS) systems pushed up

sales in automotive products segment, while sales of conventional EPS systems decreased due to change in models adopted them. In precision machinery and parts segment, sales to machine tools and general machinery increased. With increase resulting from exchange rate fluctuations, sales in Europe totaled ¥33,494 million, a year-on-year increase of 1.5%. Operating income was ¥1,888 million, a decrease of 11.5% compared to the same period last year due to lower volume of automotive components.

Asia

In industrial machinery bearings segment, sales to machine tools, general machinery and aftermarket sectors increased substantially in China, although sales to electrical machinery and IT equipment decreased in ASEAN region and South Korea. Sales of automotive products increased in China with strong demand for hub unit bearings from and local and Japanese automotive manufacturers. Sales of precision machinery and parts strengthened in China with strong demand from machine tools, while sales to semiconductor production equipment and aftermarket sectors decreased in South Korea. With increase resulting from exchange rate fluctuations, overall sales totaled ¥26,836 million, a year-on-year increase of 19.4%. Our operating income was ¥2,811 million, a year-on-year increase of 47.9% due to volume growth and effect of exchange rate fluctuations.

2. Qualitative information regarding the consolidated financial position

Assets, Liabilities and Net Assets

Total assets were ¥830,868 million, a year-on-year increase of ¥15,080 million, due to increase in cash and deposits, fixed assets, and marketable securities.

Liabilities totaled ¥534,537 million, a year-on-year decrease of ¥4,524 million including payments for redemption of corporate bonds.

Net assets totaled ¥296,331 million with a year-on-year increase of ¥19,604 million including an increase in retained earnings.

Cash Flows

Net cash flow provided by operating activities amounted to ¥14,936 million including ¥14,277 million of income before income taxes and minority interests, and ¥9,042 million provided by depreciation and amortization, and ¥11,709 million of income taxes paid.

Including ¥8,210 investments in the acquisition of property, plant and equipment for growing fields, cash flow used in investing activities totaled ¥8,405 million.

Net cash used in financing activities totaled ¥12,828 million including ¥10,000 million of payments for redemption of corporate bonds and ¥4,600 million of dividends paid.

In aggregate, the net decrease in cash and cash equivalents was ¥4,636 million, resulting in cash and cash equivalents at the end of the period to total ¥68,682 million.

3. Qualitative information regarding the consolidated business forecasts

No revision was made to the forecasts released on May 11, 2007 for the year ending March 31, 2008.

(Millions of yen)	Year ending Mar. 31, 2008 (first half)		Year ending Mar. 31, 2008 (full year)	
		Change %		Change %
Net sales	¥ 360,000	3.1	¥ 745,000	3.9
Operating income	31,000	3.3	68,000	9.0
Ordinary income	28,000	0.9	63,500	10.3
Net income	17,500	1.3	39,000	11.9
(Yen)				
Net income per share	¥ 32.38		¥ 72.17	

Notes

All forecasts are based on a number of assumptions and are subject to change. 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.

4. Others

- (1) Changes in significant subsidiaries during the quarter (Changes in certain subsidiaries resulting in change in the scope of consolidation)
Not applicable.
- (2) Simplified accounting method adopted
A simplified accounting method is partly adopted for accounts for which the impact on the financial results was not material.
- (3) Changes in accounting method
From the first quarter of the year ending March 31, 2007, depreciation of fixed assets purchased on or after April 1, 2007 is computed based on the revised Corporation Tax Law. The effect of this application on operating income, ordinary income and income before income taxes and minority interests is immaterial.