

NSK

CONSOLIDATED BUSINESS RESULTS

**FOR THE THIRD QUARTER
ENDED DECEMBER 31, 2012**

FEBRUARY 4, 2013

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 2012:3Q



Business Results for FY2012: Q3

✓ Consolidated Business Results for FY 2012:3Q (Oct.-Dec.)

Net sales	¥170.0 billion	(From last 3Q: -¥14.7 billion/8.0% decrease)
Operating income	¥4.1 billion	(From last 3Q: -¥6.2 billion/60.2% decrease)
Net income	¥1.6 billion	(From last 3Q: -¥4.2 billion/71.5% decrease)

◎Both sales and profit decreased YoY.

✓ Business Environment

- ◎Industrial machinery Overall demand decreased, particularly the machine tool and construction sectors.
- ◎Automobile production Although demand in the Americas and ASEAN countries was steady, sales in Europe were stagnant, and Japanese automakers in China reduced production volume.

Expected Business Performance for FY 2012

No revisions have been made to the forecasts announced on October 30, 2012.

✓ Continued implementation of emergency countermeasures

- ◎To improve profitability: labor cost and SGA expense reduction etc.
- ◎To improve cash flow: inventory and CAPEX reduction etc.

Summary of Consolidated Business Results for FY 2012:3Q



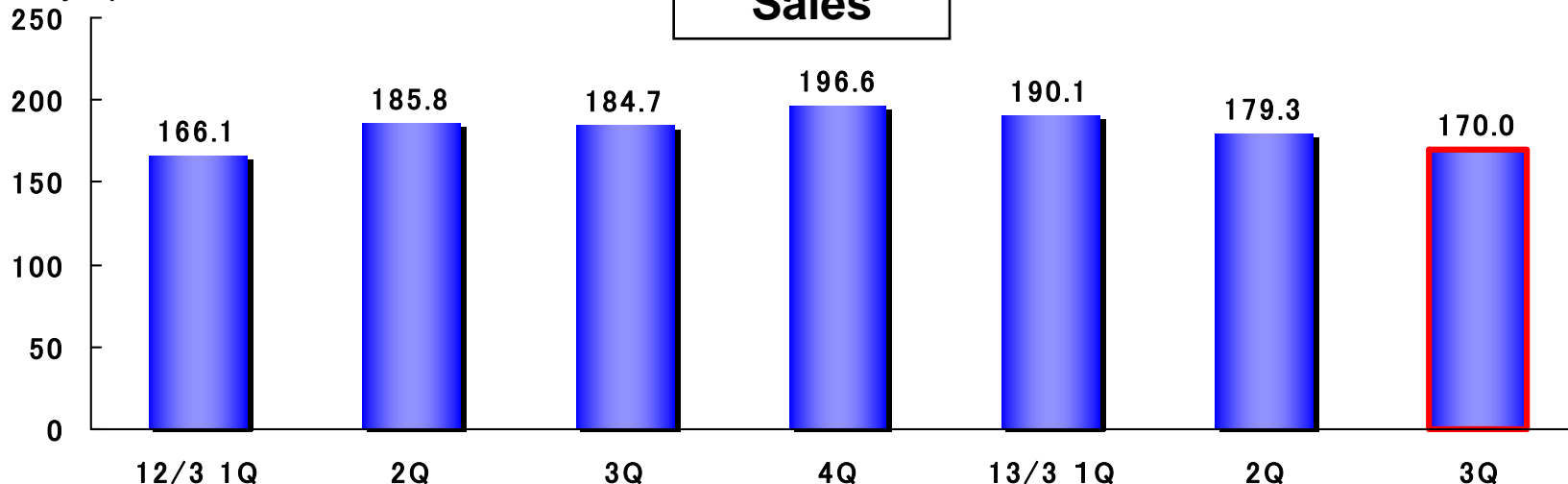
(Billions of yen)	FY2011			FY2012				Full year <Forecast announced on 30, October>
	3Q <Actual>	Apr-Dec < Actual >	Full year <Actual>	3Q <Actual>	YOY %	Apr-Dec <Actual>	YOY %	
Sales	184.7	536.6	733.2	170.0	-8.0%	539.4	+0.5%	715.0
Operating income	10.3	33.2	44.4	4.1	-60.2%	22.5	-32.2%	27.0
<%>	< 5.5% >	< 6.2% >	<6.1%>	< 2.4% >		< 4.2% >		<3.8%>
Ordinary income	9.3	31.1	42.0	4.9	-47.2%	21.9	-29.8%	23.0
Profit before tax	8.5	30.3	41.3	5.4	-36.3%	21.5	-29.0%	22.1
Net income	5.8	20.2	28.5	1.6	-71.5%	13.5	-33.0%	15.0
(Rate: 1US\$=) (// 1EURO=)	(¥77.42) (¥104.32)	(¥78.94) (¥111.20)	(¥79.02) (¥109.40)	(¥81.18) (¥105.23)		(¥80.00) (¥102.17)		(¥77.21) (¥100.32)

Quarterly Business Performance

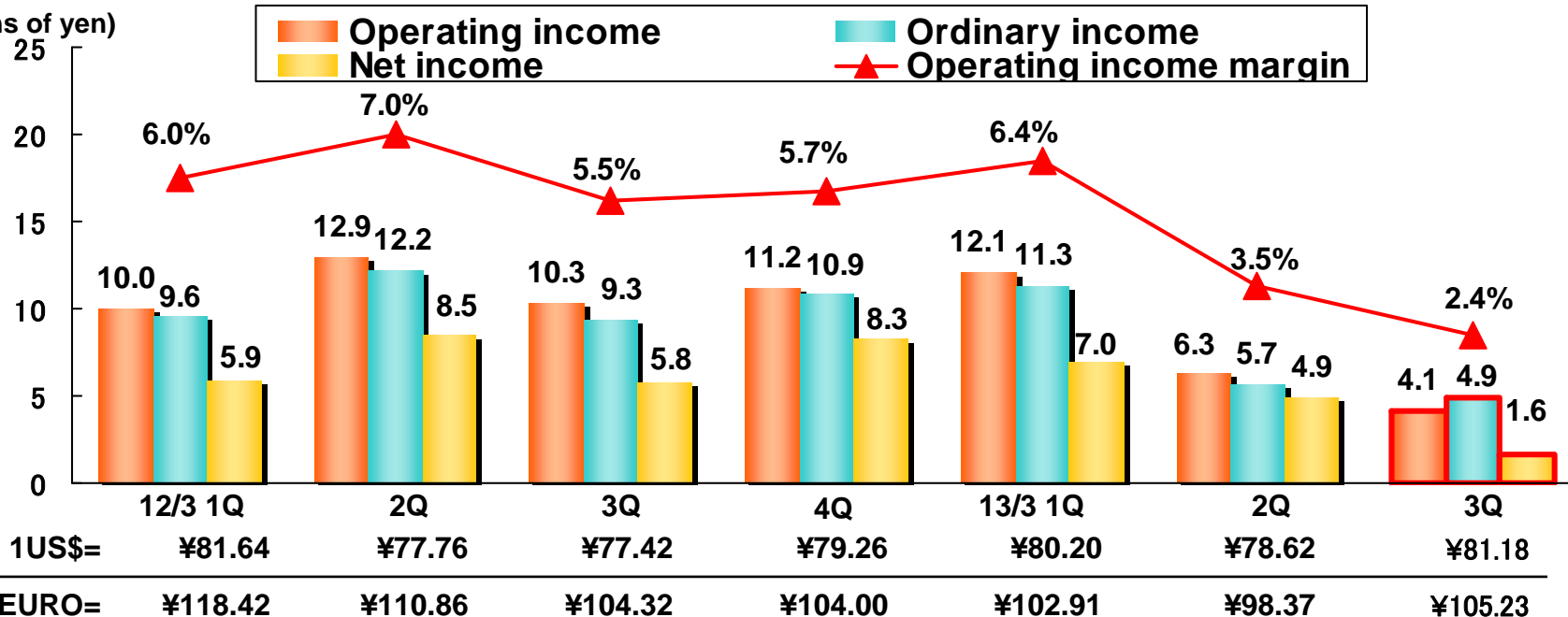


(Billions of yen)

Sales



(Billions of yen)



Results by Business Segment



(Billions of yen)		FY2011			FY2012				
		3Q <Actual>	Apr-Dec < Actual >	Full year <Actual>	3Q <Actual>	YOY %	Apr-Dec <Actual>	YOY %	Full year <Forecast announced on 30, October>
Total	Sales	184.7	536.6	733.2	170.0	-8.0%	539.4	+0.5%	715.0
	Operating Income	10.3	33.2	44.4	4.1	-60.2%	22.5	-32.2%	27.0
	%	5.5%	6.2%	6.1%	2.4%		4.2%		3.8%
Industrial machinery business	Sales	60.8	193.9	255.8	49.8	-18.1%	162.0	-16.4%	211.0
	Industrial machinery bearings	50.5	159.2	210.8	42.6	-15.6%	136.7	-14.1%	179.0
	Precision machinery and parts	10.3	34.7	45.0	7.2	-30.5%	25.3	-27.1%	32.0
	Operating Income	5.8	20.8	25.7	1.4	-75.9%	10.2	-51.2%	10.5
	%	9.5%	10.7%	10.0%	2.8%		6.3%		5.0%
Automotive Business	Sales	116.9	317.0	444.6	114.4	-2.1%	358.2	+13.0%	476.0
	Automotive bearings	56.6	159.9	220.9	55.6	-1.8%	172.8	+8.1%	229.5
	Automotive components	60.3	157.1	223.7	58.8	-2.4%	185.4	+18.1%	246.5
	Operating Income	5.8	15.0	22.6	4.3	-27.3%	16.6	+10.4%	22.0
	%	5.0%	4.7%	5.1%	3.7%		4.6%		4.6%
Others	Sales	14.2	47.0	61.0	12.5	-12.2%	40.5	-13.8%	54.0
	Operating Income	0.6	2.6	3.3	0.4	-32.5%	1.6	-37.4%	2.5
	%	4.2%	5.6%	5.3%	3.2%		4.0%		4.6%
Eliminations (Sales)		-7.2	-21.3	-28.2	-6.7		-21.3		-26.0
Eliminations/Corporate		-1.9	-5.2	-7.2	-2.0		-5.9		-8.0

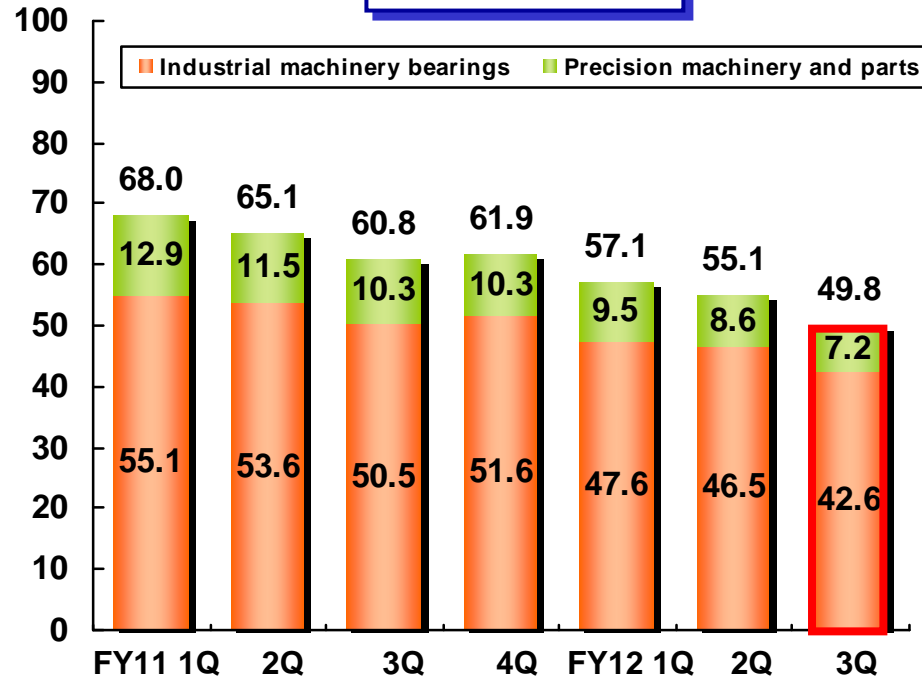
Business Segment Information

- Industrial Machinery Business



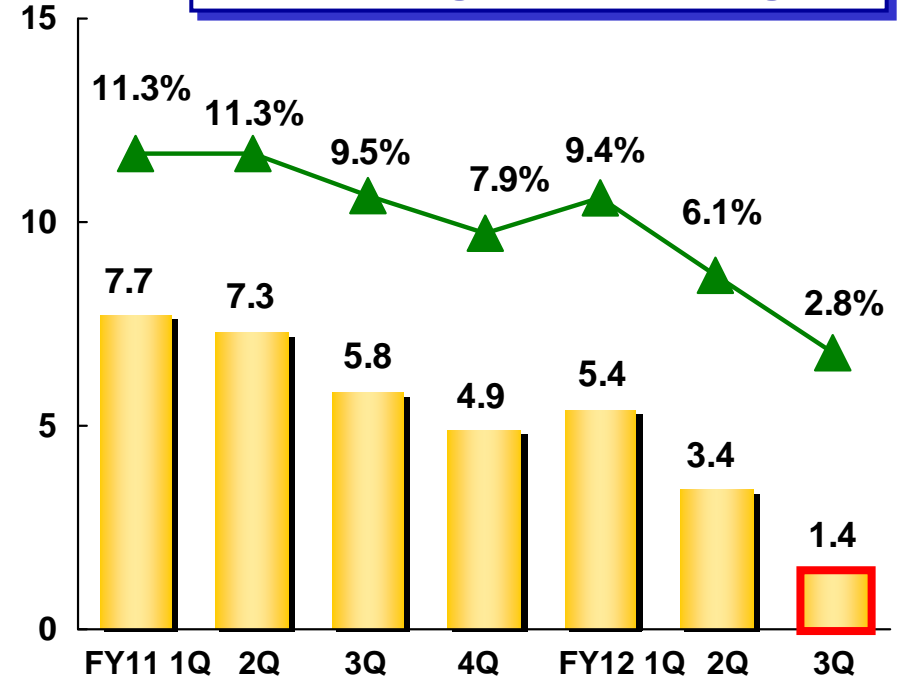
(Billions of yen)

Sales



(Billions of yen)

Operating income/margin



Compared to the same period last year

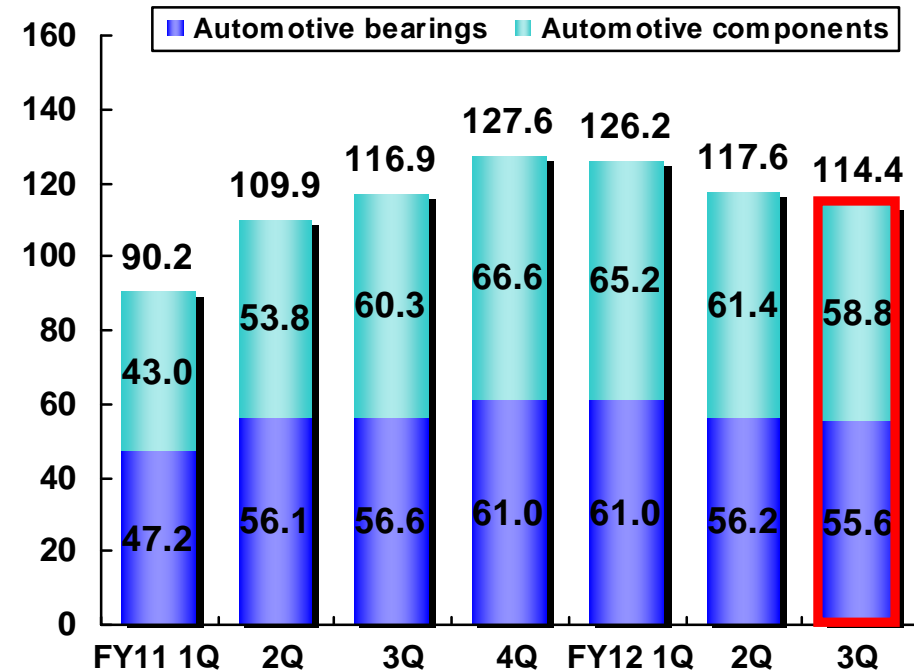
- In the industrial machinery bearing business, sales to the machine tool and construction sectors decreased. In the aftermarket business, distributors continued to adjust inventory levels. 3Q sales totaled ¥49.8 billion, an 18.1% YoY decrease.
- Despite efforts to reduce labor costs and SGA expenses, and the yen trending weaker, operating income in 3Q totaled ¥1.4 billion, a 75.9% YoY decrease, due to the decline in sales volume.

Business Segment Information - Automotive Business



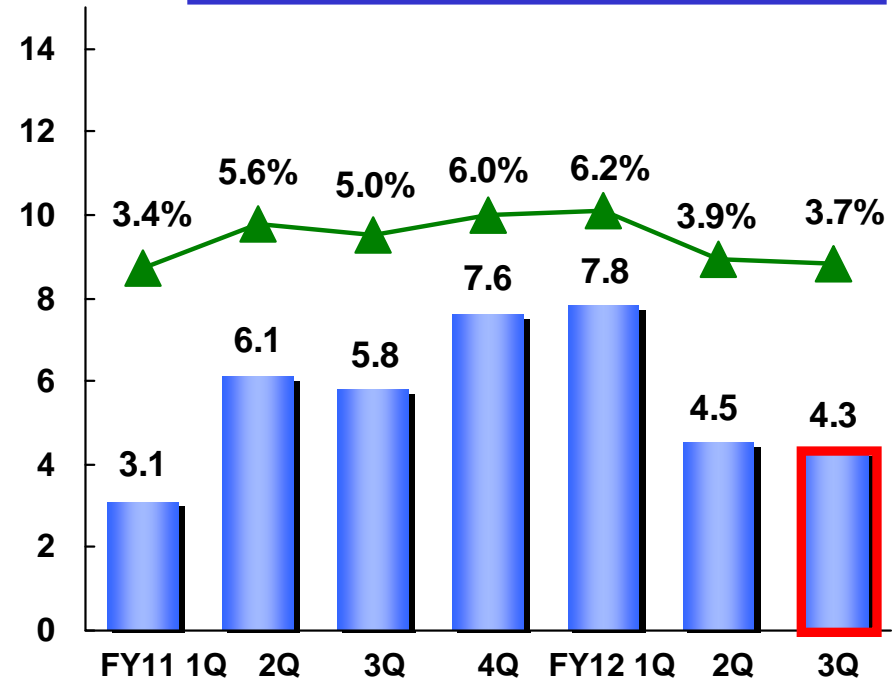
(Billions of yen)

Sales



(Billions of yen)

Operating income/margin



Compared to the same period last year

- Despite steady sales in the Americas and ASEAN countries, 3Q sales totaled ¥114.4 billion, a 2.1% YoY decrease, due to economic stagnation in Europe and a decrease in production volume by Japanese automakers in China.
- Despite reduction in external procurement costs and the yen trending weaker, 3Q operating income was ¥4.3 billion, a 27.3% YoY decrease due to lower sales prices and other factors.

Results by Geographical Segment



(Billions of yen)		FY2011			FY2012				
		3Q <Actual>	Apr-Dec < Actual >	Full year <Actual>	3Q <Actual>	YOY %	Apr-Dec <Actual>	YOY %	Full year <Forecast announced on 30, October>
Total	Sales	184.7	536.6	733.2	170.0	-8.0%	539.4	+0.5%	715.0
	Operating income	10.3	33.2	44.4	4.1	-60.2%	22.5	-32.2%	27.0
	%	5.5%	6.2%	6.1%	2.4%		4.2%		3.8%
Japan	Sales	140.0	402.7	538.4	116.0	-17.1%	375.7	-6.7%	496.5
	Operating income	8.6	26.1	33.6	3.5	-60.3%	17.1	-34.6%	18.0
	%	6.1%	6.5%	6.2%	2.9%		4.5%		3.6%
The Americas	Sales	20.9	59.8	86.1	23.8	+14.1%	72.5	+21.2%	95.0
	Operating income	0.7	2.5	4.1	0.8	+10.0%	2.0	-19.9%	2.2
	%	3.3%	4.2%	4.8%	3.2%		2.7%		2.3%
Europe	Sales	24.3	80.0	109.2	24.2	-0.5%	73.2	-8.5%	97.0
	Operating income	0.5	2.1	3.9	0.2	-53.4%	1.2	-42.6%	2.0
	%	2.3%	2.6%	3.6%	1.1%		1.7%		2.1%
Asia	Sales	40.6	119.0	162.2	44.4	+9.5%	139.8	+17.5%	187.0
	Operating income	2.6	8.4	10.5	1.9	-30.1%	7.9	-6.8%	11.5
	%	6.5%	7.1%	6.5%	4.2%		5.6%		6.2%
Eliminations (Sales)		-41.1	-124.9	-162.7	-38.4		-121.8		-160.5
Eliminations/Corporate		-2.1	-5.9	-7.7	-2.3		-5.7		-6.7

Results by Geographical Segment



Japan

■ Sales (Left)
◆ Operating income (Right)

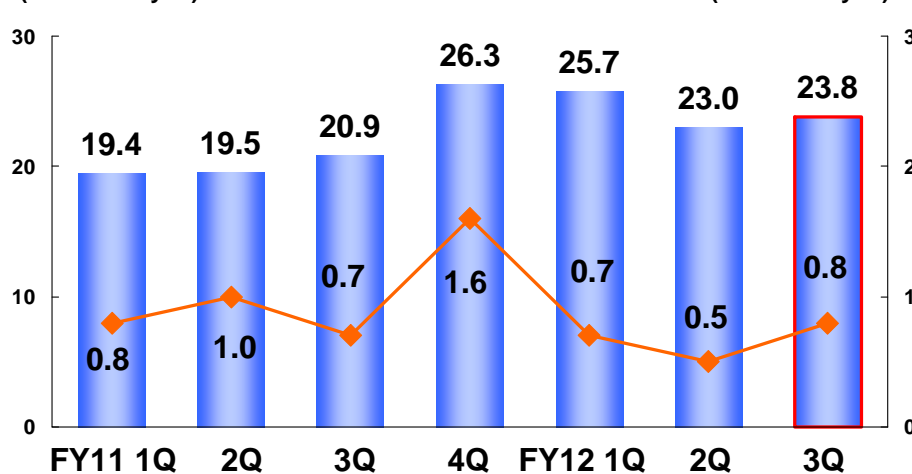
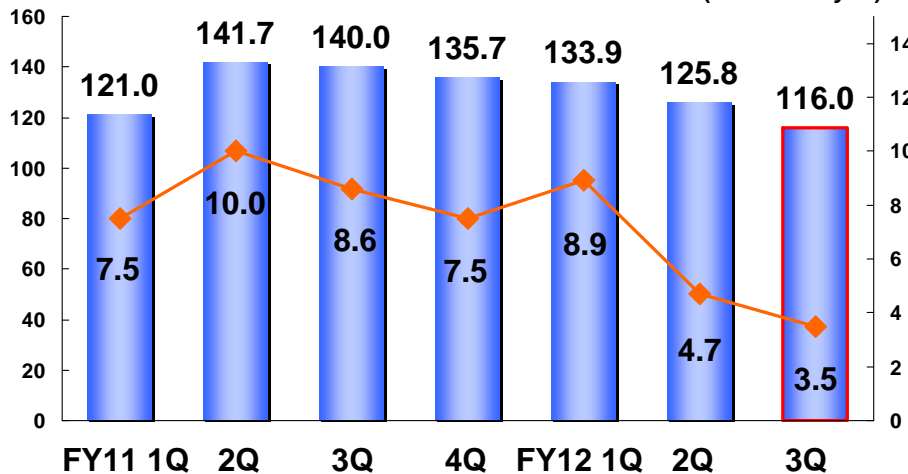
The Americas

(Billions of yen)

(Billions of yen)

(Billions of yen)

(Billions of yen)



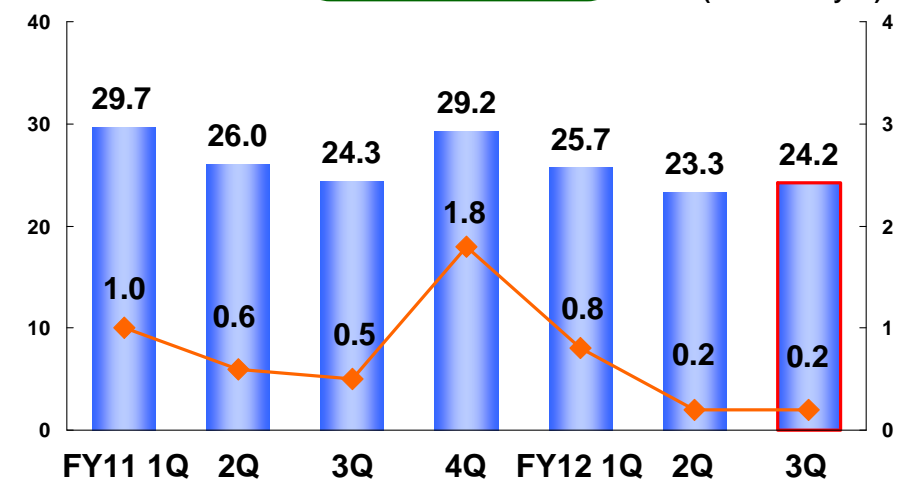
Europe

(Billions of yen)

(Billions of yen)

(Billions of yen)

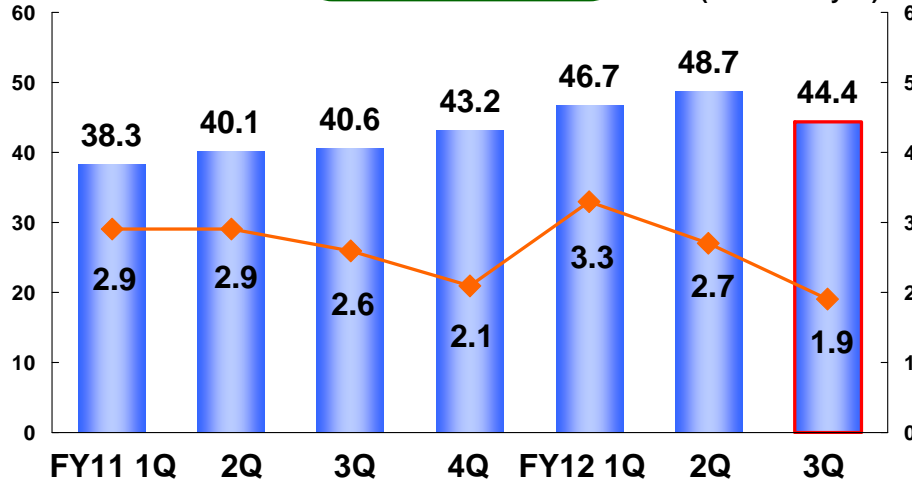
(Billions of yen)



Asia

(Billions of yen)

(Billions of yen)



Results by Customer Location



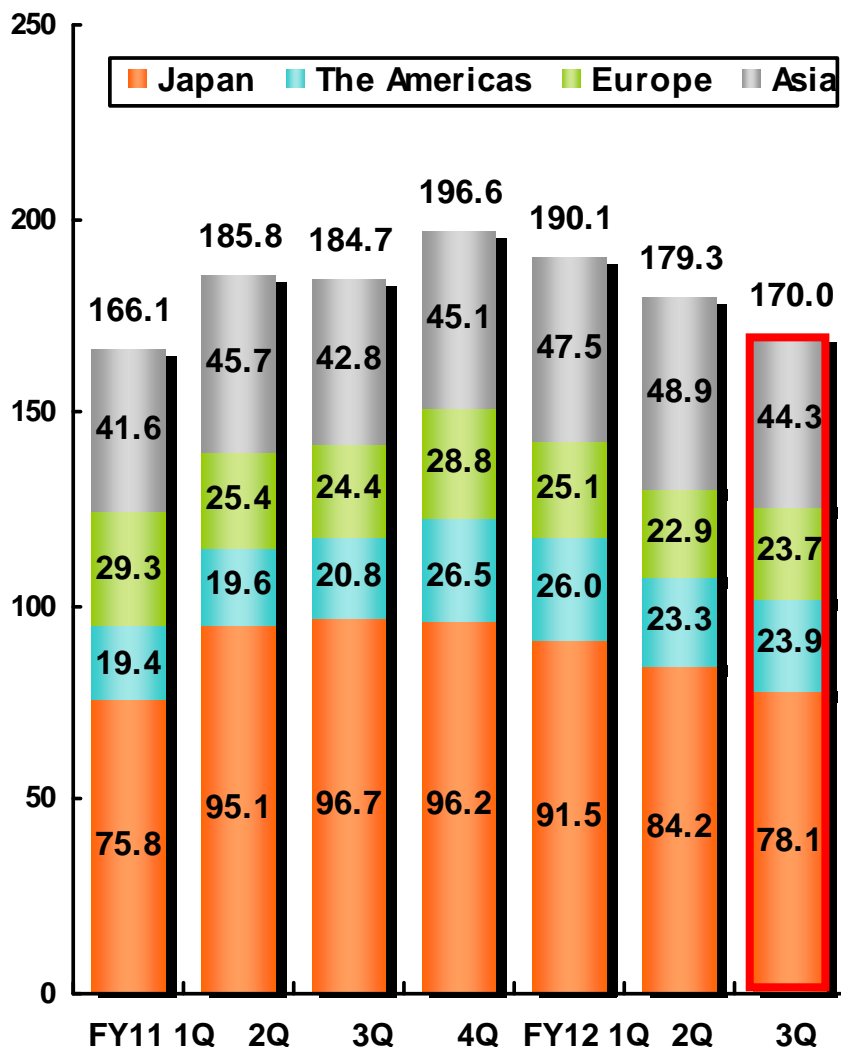
(Billions of yen)	FY2011			FY2012				
	3Q <Actual>	Apr-Dec <Actual>	Full year <Actual>	3Q <Actual>	YOY %	Apr-Dec <Actual>	YOY %	Full year <Forecast announced on 30, October>
Sales	184.7	536.6	733.2	170.0	-8.0%	539.4	+0.5%	715.0
Japan	96.7	267.6	363.8	78.1	-19.1%	253.8	-5.2%	33.4
Non-Japan	88.0	269.0	369.4	91.9	+4.3%	285.6	+6.2%	38.1
(Non-Japan Ratio)	(47.7%)	(50.1%)	(50.4%)	(50.4%)		(52.9%)		(53.3%)
The Americas	20.8	59.8	86.3	23.9	+15.0%	73.2	+22.4%	96.5
Europe	24.4	79.1	107.9	23.7	-2.9%	71.7	-9.4%	95.5
Asia	42.8	130.1	175.2	44.3	+3.2%	140.7	+8.1%	189.0
(Asia Ratio)	(23.2%)	(24.2%)	(23.9%)	(26.0%)		(26.1%)		(26.4%)
China only	23.2	68.0	89.1	20.5	-11.9%	67.5	-0.8%	92.0

Results by Customer Location



Net sales by customer location Quarterly business performance

(Billions of yen)



Compared to 2Q

Asia: In the automotive business, despite steady sales in ASEAN countries, sales in China declined. In the industrial machinery business, sales to the general machinery and aftermarket sectors decreased. 3Q sales decreased 9.6% from 2Q.

Europe: Although in the industrial machinery business sales to the general machinery sector decreased, sales in the automotive business increased. 3Q sales increased 3.6% from 2Q.

The Americas: Although sales to the mining and construction sectors in the industrial machinery business decreased, sales in the automotive business in North America increased steadily. 3Q sales increased 2.5% from 2Q.

Japan: In the industrial machinery business, sales to the machine tools and construction sectors declined. Sales in the automotive business also decreased. 3Q sales decreased 7.1% from 2Q.

Consolidated Balance Sheet



Assets

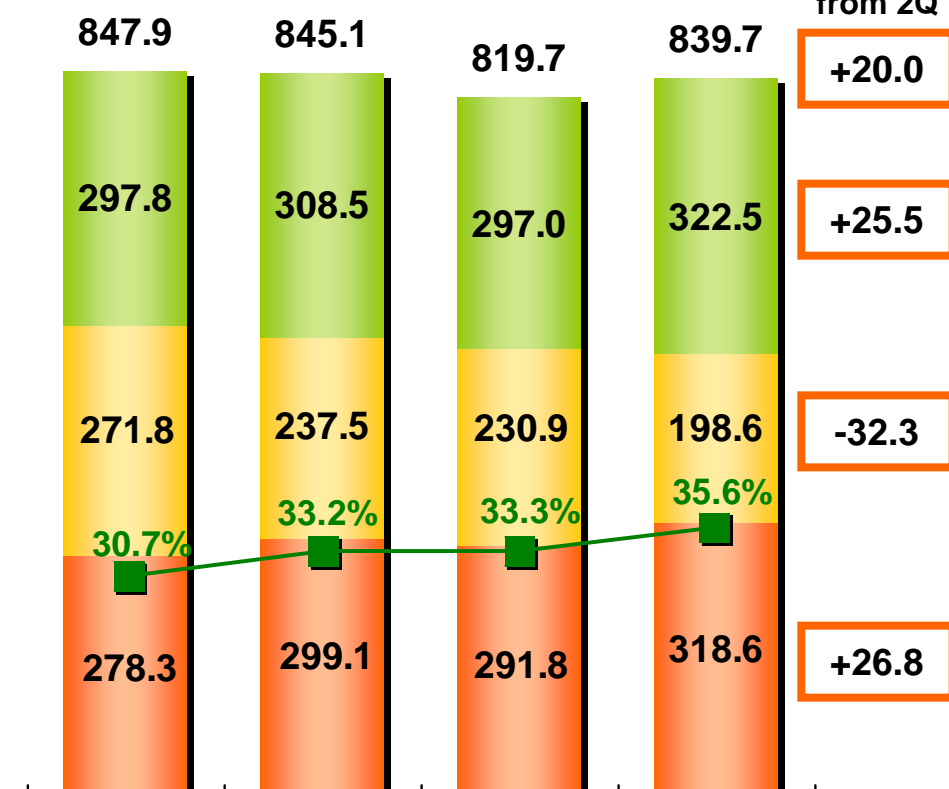
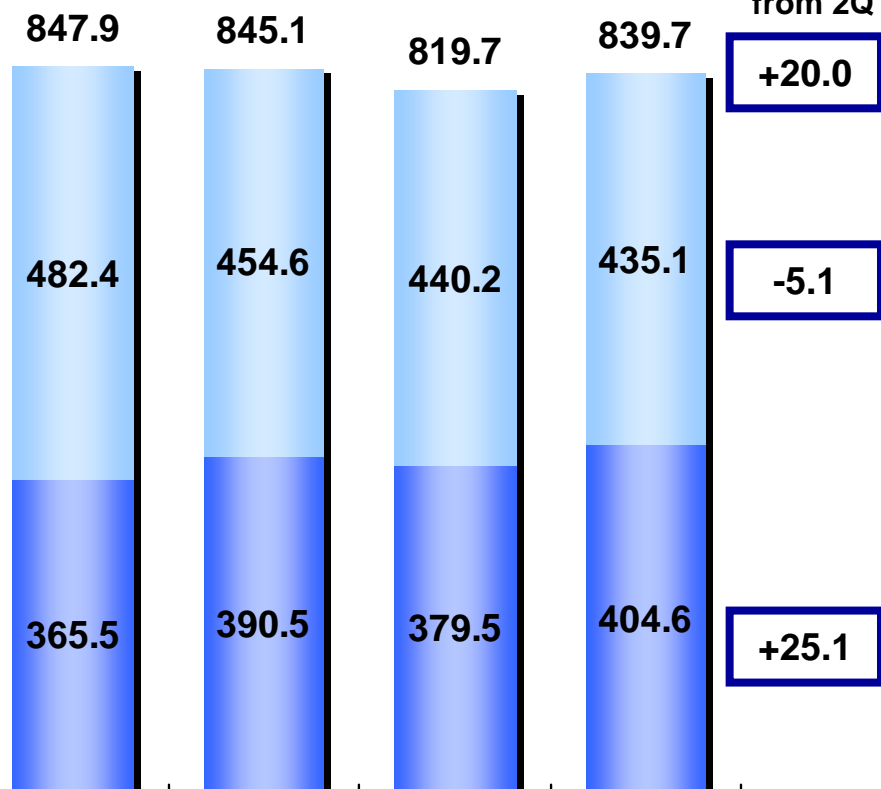
Liabilities and net assets

■ Non-current assets ■ Current assets

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

(Billions of yen)

(Billions of yen)



FY11 End of 3Q FY11 End of 4Q FY12 End of 2Q FY12 End of 3Q

FY11 End of 3Q FY11 End of 4Q FY12 End of 2Q FY12 End of 3Q

1USD=	77.74	82.19	77.60	86.58
1Euro=	100.71	109.80	100.24	114.71

1USD=	77.74	82.19	77.60	86.58
1Euro=	100.71	109.80	100.24	114.71

Inventories, Interest-bearing Debt



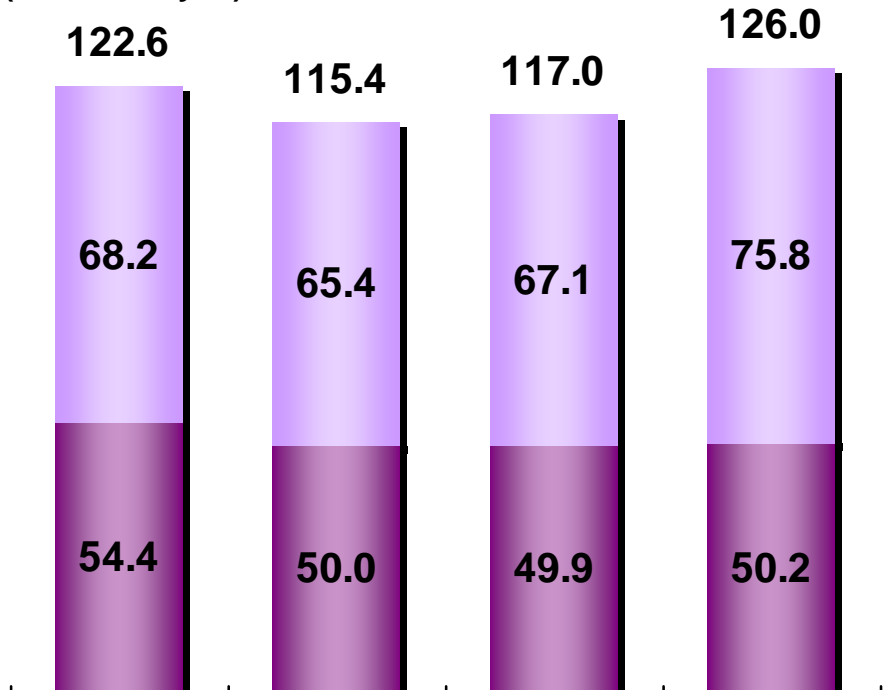
Inventories

■ Japan ■ Non-Japan ■ Inventory turnover

(Times)



(Billions of yen)



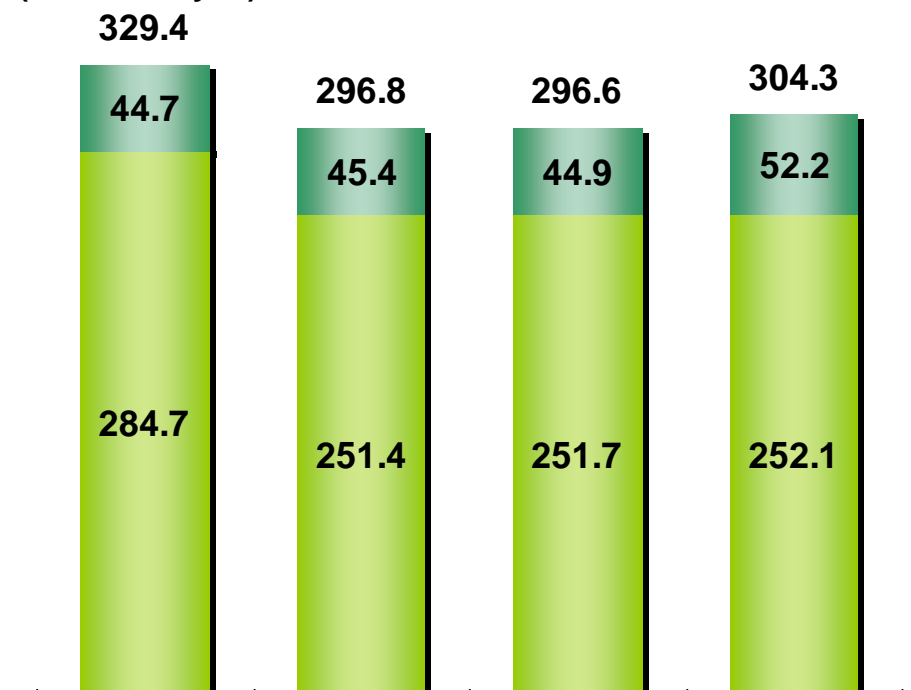
Interest-bearing debt

■ Japan ■ Non-Japan ■ Net D/E ratio

(Times)



(Billions of yen)



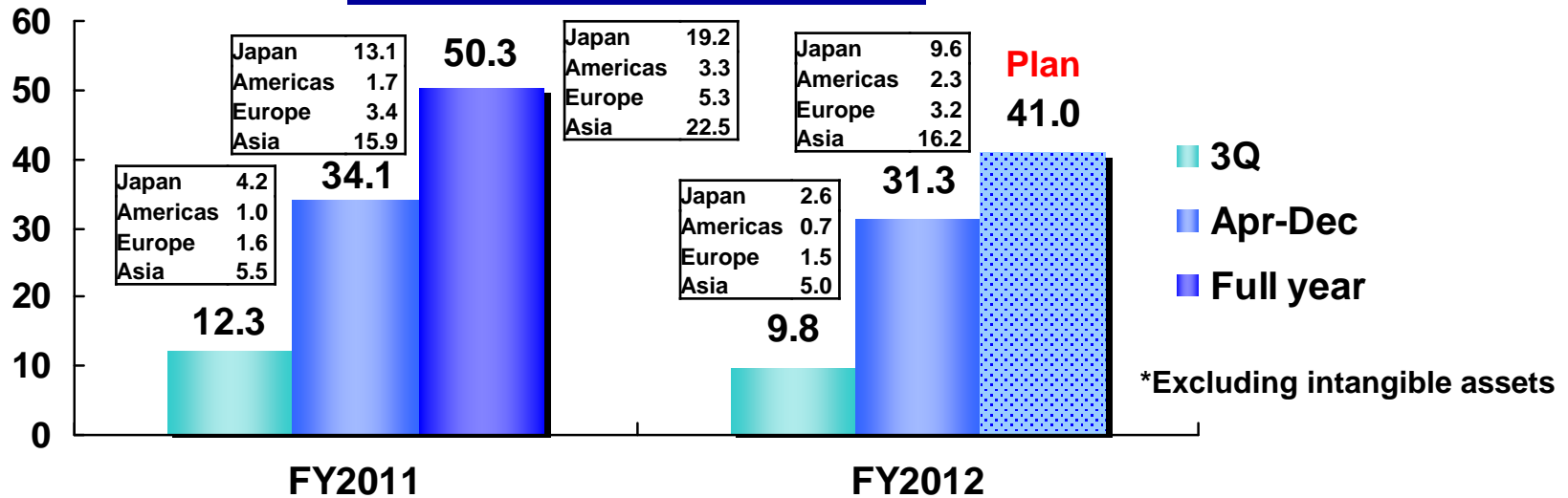
FY11 End of 3Q FY11 End of 4Q FY12 End of 2Q FY12 End of 3Q

Capital Expenditure, Depreciation



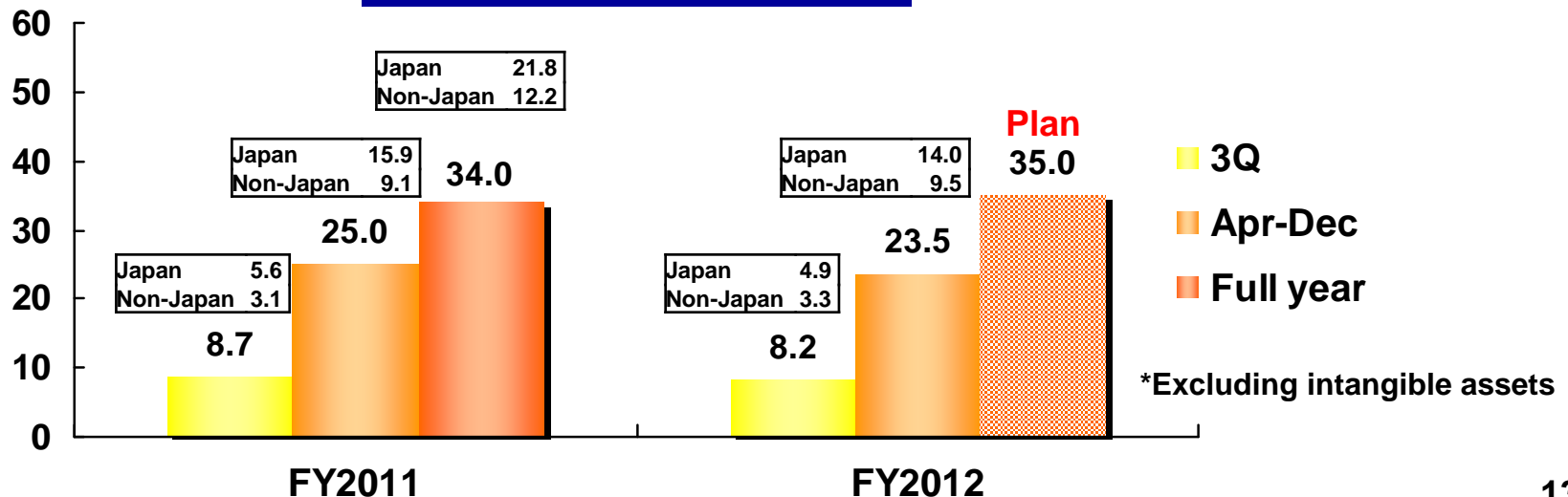
(Billions of yen)

Capital Expenditure



(Billions of yen)

Depreciation



Supplementary Information

- Research & Development, Employees



(Billions of yen)	FY2011				FY2012			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	Full Year
R&D	2.3	2.7	2.6	2.8	2.6	2.8	2.5	10.5

(No. of employees)	FY2011				FY2012		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Employees	26,568	27,055	27,222	27,444	28,007	28,225	28,404
Japan	11,432	11,401	11,348	11,263	11,445	11,347	11,339
The Americas	2,504	2,533	2,550	2,577	2,696	2,758	2,790
Europe	3,179	3,227	3,257	3,328	3,360	3,392	3,381
Asia	9,453	9,894	10,067	10,276	10,506	10,728	10,894