

# NSK Ltd.

(URL <http://www.nsk.com>)

For Immediate Release

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## NON-CONSOLIDATED RESULTS FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2002 (unaudited)

### Financial highlights

(Millions of yen)	Six months ended September 30		Change %
	2002	2001	
Net sales	¥160,195	¥ 155,467	3.0
Operating income	2,453	1,900	29.1
Ordinary income	538	1,025	-47.5
Net income (Yen)	3,735	1,601	133.3
Net income per share	¥ 6.79	¥ 2.85	

### Cash dividends per share

(Yen)	2002	2001
Interim	¥ 2.50	¥ 2.50
Annual (total)	—	5.00

### Financial position

(Millions of yen)	As of September 30, 2002	As of March 31, 2002
Total assets	¥ 519,405	¥ 551,039
Shareholders' equity (%)	221,246	239,765
Shareholders' equity to total assets (Yen)	42.6%	43.5%
Shareholders' equity per share	¥ 404.93	¥ 435.25

# Non-consolidated balance sheets

(Millions of yen)	As of September 30, As of March 31,		Increase Decrease
	2002	2002	
<b>Assets</b>			
Current assets	¥ 187,847	¥ 199,806	¥ -11,959
Cash and deposits	11,001	5,000	6,001
Notes receivable	853	840	13
Accounts receivable – trade	89,983	90,448	-465
Marketable securities	12,309	30,628	-18,319
Inventories	24,377	26,793	-2,416
Accounts receivable – other	17,652	22,867	-5,215
Deferred income taxes	3,739	1,390	2,349
Other current assets	27,952	21,859	6,093
Less allowance for doubtful accounts	-22	-21	-1
Non-current assets	331,557	351,232	-19,675
Property, plant and equipment	91,907	94,259	-2,352
Buildings and structures	32,286	33,122	-836
Machinery and equipment	38,818	40,221	-1,403
Vehicles and transportation equipment	161	176	-15
Tools, furniture and fixtures	2,830	2,688	142
Land	15,151	15,198	-47
Construction in progress	2,657	2,852	-195
Intangible fixed assets	1,491	1,428	63
Investments and other assets	238,159	255,544	-17,385
Investment securities	55,913	85,603	-29,690
Investments in affiliated companies	161,892	164,468	-2,576
Treasury stocks	—	—	—
Long-term loans	2,551	1,666	885
Prepaid pension cost	13,910	—	13,910
Other investments and assets	5,073	4,998	75
Less allowance for doubtful accounts	-1,181	-1,193	12
<b>Total assets</b>	<b>¥ 519,405</b>	<b>¥ 551,039</b>	<b>¥ -31,634</b>

**NSK Ltd. (Non-consolidated)**

(Millions of yen)	As of September 30,	As of March 31,	Increase Decrease
	2002	2002	
<b>Liabilities</b>			
Current liabilities	¥ 147,518	¥ 157,909	¥ -10,391
Notes payable	4,818	5,565	-747
Accounts payable – trade	72,787	75,959	-3,172
Short-term bank loans	37,208	41,758	-4,550
Current portion of corporate bonds	10,000	20,000	-10,000
Accounts payable – other	12,562	5,457	7,105
Accrued expenses	9,637	8,496	1,141
Accrued income taxes	20	19	1
Other current liabilities	483	653	-170
Long-term liabilities	150,641	153,363	-2,722
Corporate bonds	80,000	80,000	—
Convertible bonds	16,989	16,989	—
Long-term debt	45,380	42,464	2,916
Deferred tax liabilities	6,214	4,449	1,765
Accrued employees' retirement benefits	—	7,235	-7,235
Accrued officers' retirement benefits	1,442	1,600	-158
Other long-term liabilities	615	625	-10
<b>Total liabilities</b>	<b>298,159</b>	<b>311,273</b>	<b>-13,114</b>
<b>Shareholders' equity</b>			
Common stock	67,176	67,176	—
Capital surplus	77,923	77,923	—
Capital reserve	77,923	77,923	—
Retained earnings	73,159	70,801	2,358
Legal reserve	10,292	10,292	—
Other reserve	57,667	66,498	-8,831
Unappropriated retained earnings at the end of period	5,200	-5,989	11,189
(Included net income for the period)	(3,735)	(-8,351)	(12,086)
Unrealized holding gains on securities	5,096	24,220	-19,124
Treasury stock	-2,110	-356	-1,754
<b>Total shareholders' equity</b>	<b>221,246</b>	<b>239,765</b>	<b>-18,519</b>
<b>Total liabilities and shareholders' equity</b>	<b>¥ 519,405</b>	<b>¥ 551,039</b>	<b>¥ -31,634</b>

# Non-consolidated statements of income

(Millions of yen)	Six months ended September 30		Change %
	2002	2001	
Net sales	¥ 160,195	¥ 155,467	3.0
Cost of sales	139,366	135,582	2.8
Selling, general and administrative expenses	18,375	17,984	2.2
Operating income	<u>2,453</u>	<u>1,900</u>	<u>29.1</u>
Non-operating income:	1,695	2,687	-36.9
Interest and dividend income	987	2,077	-52.5
Other	707	610	16.0
Non-operating expenses:	<u>3,609</u>	<u>3,562</u>	<u>1.3</u>
Interest expense	1,758	1,661	5.8
Other	1,850	1,900	-2.6
Ordinary income	<u>538</u>	<u>1,025</u>	<u>-47.5</u>
Extraordinary income:	14,877	9,506	56.5
Gain on sales of investment securities	2,204	229	859.6
Gain on sales of property, plant and equipment	780	9,276	-91.6
Gain on contribution of securities to employees' retirement benefit trust	11,891	—	—
Extraordinary losses:	<u>8,459</u>	<u>5,135</u>	<u>64.7</u>
Impairment of investment securities	692	1,586	-56.3
Costs related to business restructuring	6,915	—	—
Loss on sales of investments in affiliated companies	851	—	—
Support expenses for affiliated companies, etc.	—	3,548	—
Income before income taxes	<u>6,956</u>	<u>5,396</u>	<u>28.9</u>
Income taxes:			
Current	20	3,005	-99.3
Deferred	3,200	790	305.1
Net income	<u>¥ 3,735</u>	<u>¥ 1,601</u>	<u>133.3</u>
Unappropriated retained earnings brought forward	1,464	3,765	—
Unappropriated retained earnings at end of period	<u>¥ 5,200</u>	<u>¥ 5,367</u>	<u>—</u>

# Forecast for the year ending March 31, 2003

	(Millions of yen)
Net sales	¥ 320,000
Ordinary income	1,500
Net income	4,500
	(Yen)
Cash dividends per share to be paid	
Year-end	¥ 2.50
Annual (total)	5.00

## 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.