

# Financial and Non-Financial Highlights

## Eleven-Year Summary

NSK Ltd. and Consolidated Subsidiaries

JP-GAAP up to and including the fiscal year ended March 31, 2015, IFRS from the fiscal year ended March 31, 2016, onward.

Years ended March 31			2008	2009	2010	2011	
<b>Financial Data</b>	Net sales		772,036	647,593	587,572	710,431	
	[By segment]*1	Industrial Machinery Business	307,243	267,021	201,963	259,095	
		Automotive Business	435,705	352,453	366,463	424,157	
		Others / Adjustments	29,087	28,118	19,145	27,178	
		[By region]	Japan	388,929	323,375	289,540	354,542
		[Based on customer location]	The Americas	107,321	78,754	70,609	85,466
		Europe	133,853	111,866	98,504	102,176	
		Asia (excluding Japan)	141,933	133,596	128,918	168,246	
		China	—	—	—	82,587	
		Other Asia	—	—	—	85,658	
		Operating income	69,343	22,106	11,305	43,524	
		Ordinary income	64,854	16,964	7,598	38,572	
		Net income attributable to owners of the parent	42,613	4,561	4,765	26,110	
		Capital expenditures	53,905	44,138	21,818	41,294	
		Depreciation and amortisation	38,380	39,729	37,149	34,943	
	R&D expenditures	10,240	10,691	8,794	10,515		
	Cash flows from operating activities (A)	69,236	11,785	51,108	64,973		
	Cash flows from investing activities (B)	(23,187)	(46,422)	(29,355)	(33,348)		
	Free cash flows (A) + (B)	46,049	(34,637)	21,753	31,625		
	Dividends paid	10,277	7,574	4,327	5,950		
	Acquisition of treasury shares	—	—	—	—		
	Equity attributable to owners of the parent (shareholders' equity)	267,914	233,395	247,941	257,012		
	Total assets	828,580	744,229	789,624	788,626		
	Interest-bearing debt	264,413	323,165	304,937	274,585		
<b>Non-Financial Data</b>	Number of employees worldwide (persons)		25,069	24,050	24,633	26,334	
	Number of overseas employees (persons)		14,374	12,895	13,204	15,039	
	Number of employees: non-consolidated (persons)		4,888	5,274	5,932	6,306	
	Proportion of female employees (Japan) (%)		5.5	5.5	6.6	6.5	
	Total waste (1,000 t)*2		10.0	8.5	8.7	17.6	
	Greenhouse gas emissions (1,000 t-CO <sub>2</sub> equivalent)*2		45.1	38.4	37.8	86.5	
	Number of environmentally friendly products (cumulative)		96	110	124	140	
<b>Per Share Data (Yen)</b>	Earnings (Net income)		78.84	8.44	8.82	48.30	
	Equity attributable to owners of the parent (shareholders' equity)		495.61	431.74	458.65	475.45	
	Cash dividends*3		19.0	14.0	8.0	11.0	
<b>Financial Indices</b>	Operating income margin (%)		9.0	3.4	1.9	6.1	
	Return on average shareholders' equity (ROE) (%)		16.1	1.8	2.0	10.3	
	Return on average assets (ROA) (%)		5.2	0.6	0.6	3.3	
	Ratio of net worth to total capital (%)		32.3	31.4	31.4	32.6	
	Net D/E ratio (times)		0.56	0.85	0.73	0.60	
	Dividend payout ratio (%)		24.1	165.9	90.7	22.8	
	Total return ratio (%)*4		24.1	165.9	90.7	22.8	
	Period-end share price (yen)		755	377	738	717	
	Price earnings ratio (PER) (times)		9.6	44.7	83.7	14.8	
	Price book-value ratio (PBR) (times)		1.5	0.9	1.6	1.5	
Dividend yield (%)		2.5	3.7	1.1	1.5		
<b>Exchange Rate Data</b>	US\$1		114.55	100.74	92.83	85.63	
	€1		162.22	144.47	130.89	112.92	

\*1 In accordance with segment changes in the business domains (part of operations transferred from Industrial Machinery Business to Automotive Business).

\*2 Total waste and greenhouse gas emissions data up to the fiscal year ended March 31, 2010, encompass Japan only. Data from the fiscal year ended

\*3 The breakdown of the ¥38.0 per share dividend paid in the fiscal year ended March 31, 2017, is a normal dividend of ¥28.0 per share and a ¥10.0 per

\*4 Total return ratio = (Dividends paid + Acquisition of treasury shares) ÷ Net income attributable to owners of the parent.

Millions of yen (Financial data)

	2012	2013	2014	2015	2016	2017	2018
	733,192	732,842	871,742	974,885	975,319	949,170	<b>1,020,338</b>
	255,835	216,142	242,969	276,361	243,395	226,924	<b>266,249</b>
	444,585	490,545	590,545	656,998	705,511	696,271	<b>723,564</b>
	32,772	26,154	38,226	41,525	26,411	25,974	<b>30,524</b>
	363,754	333,348	329,136	328,837	318,434	330,512	<b>372,134</b>
	86,267	103,352	134,483	164,821	183,652	165,177	<b>155,498</b>
	107,958	102,667	124,590	133,752	131,830	121,920	<b>137,856</b>
	175,213	193,473	283,532	347,475	341,403	331,559	<b>354,849</b>
	89,068	91,442	167,239	210,237	204,361	201,185	<b>212,097</b>
	86,143	102,030	116,293	137,238	137,042	130,373	<b>142,752</b>
	44,417	32,361	68,049	97,327	89,534	65,341	<b>97,875</b>
	42,004	30,310	66,785	91,002	—	—	<b>—</b>
	28,514	15,739	31,167	61,962	65,719	45,560	<b>69,312</b>
	54,619	48,025	45,448	49,197	54,996	58,602	<b>68,788</b>
	35,807	34,598	35,079	38,568	43,048	43,354	<b>46,785</b>
	10,373	10,432	9,919	10,660	11,155	13,858	<b>17,059</b>
	57,158	53,797	70,342	67,709	108,622	67,936	<b>83,746</b>
	(56,090)	(45,262)	(42,402)	(46,335)	(45,212)	(54,243)	<b>(53,001)</b>
	1,068	8,534	27,940	21,374	63,410	13,692	<b>30,744</b>
	6,491	5,943	8,650	15,161	18,425	20,174	<b>21,245</b>
	—	—	—	—	—	14,999	<b>—</b>
	280,312	319,286	359,201	456,046	454,661	461,350	<b>537,175</b>
	845,073	882,547	1,000,932	1,129,164	1,032,374	1,043,955	<b>1,092,310</b>
	296,750	305,102	315,532	326,400	278,152	267,399	<b>250,908</b>
	27,444	28,487	30,454	31,088	31,587	31,501	<b>31,861</b>
	16,181	17,267	19,231	20,052	20,296	20,210	<b>20,254</b>
	6,203	6,398	6,310	6,294	6,278	7,585	<b>7,726</b>
	6.7	6.5	6.6	6.9	7.0	10.7	<b>10.5</b>
	18.0	18.2	19.2	20.1	20.6	21.1	<b>22.4</b>
	87.7	87.1	93.9	96.8	99.1	99.1	<b>99.7</b>
	157	173	190	202	211	219	<b>224</b>
	52.75	29.14	57.70	114.56	121.38	86.08	<b>131.16</b>
	518.56	591.36	664.74	842.69	839.56	873.11	<b>1,016.30</b>
	12.0	11.0	16.0	28.0	34.0	38.0	<b>40.0</b>
	6.1	4.4	7.8	10.0	9.2	6.9	<b>9.6</b>
	10.6	5.2	9.2	15.3	14.3	9.9	<b>13.9</b>
	3.5	1.8	3.3	5.8	6.1	4.4	<b>6.5</b>
	33.2	36.2	35.9	40.4	44.0	44.2	<b>49.2</b>
	0.58	0.51	0.41	0.31	0.23	0.28	<b>0.22</b>
	22.7	37.7	27.7	24.4	28.0	44.1	<b>30.5</b>
	22.7	37.7	27.7	24.4	28.0	77.2	<b>30.5</b>
	637	715	1,062	1,758	1,030	1,592	<b>1,426</b>
	12.1	24.5	18.4	15.3	8.5	18.5	<b>10.9</b>
	1.2	1.2	1.6	2.1	1.2	1.8	<b>1.4</b>
	1.9	1.5	1.5	1.6	3.3	2.4	<b>2.8</b>
	79.02	83.10	100.24	109.93	120.14	108.42	<b>110.86</b>
	109.40	107.14	134.37	138.77	132.58	118.84	<b>129.70</b>

data from the fiscal year ended March 31, 2016 onward, are presented under the new categories.

March 31, 2011, are presented on a global basis.

share dividend to commemorate the 100th anniversary of the Company's founding.

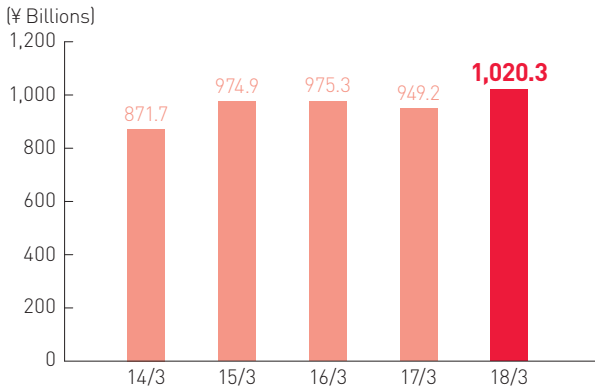
# Financial and Non-Financial Highlights

## Trends in Major Indices

\*JP-GAAP up to and including the fiscal year ended March 31, 2015, IFRS from the fiscal year ended March 31, 2016, onward.

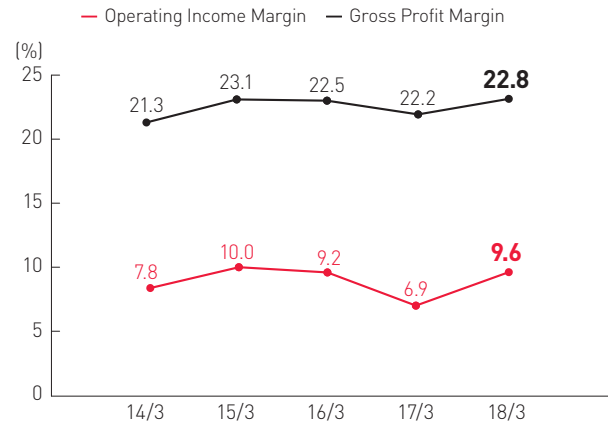
The comments under the charts apply to the actual results for the fiscal year ended March 2018.

### Net Sales



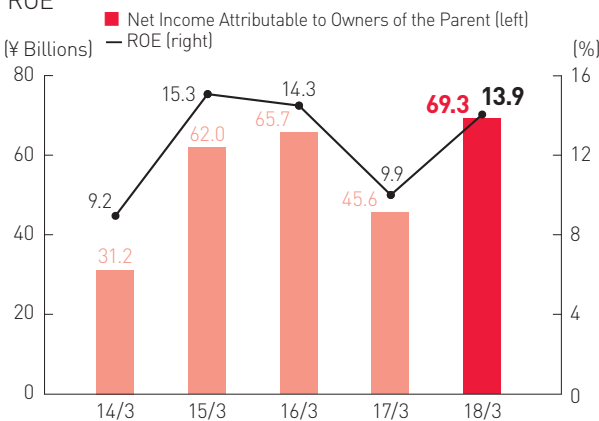
Sales at NSK topped ¥1 trillion for the first time thanks to strong demand from machine tools, semiconductors and electric sectors in the Industrial Machinery Business and volume increase in the powertrain business in Japan within the Automotive Business.

### Operating Income Margin / Gross Profit Margin



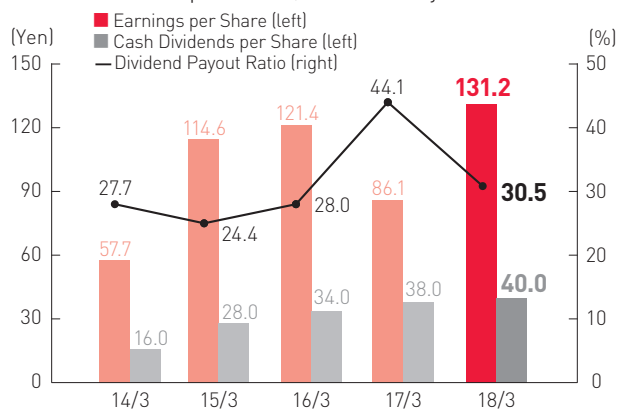
NSK's operating income margin improved from 6.9% in FY17/3 to 9.6% in FY18/3 (up 2.7 percentage points) due to strong demand contributing to enhanced volume, the positive effects from measures to improve productivity and a reduction in other operating expenses.

### Net Income Attributable to Owners of the Parent / ROE



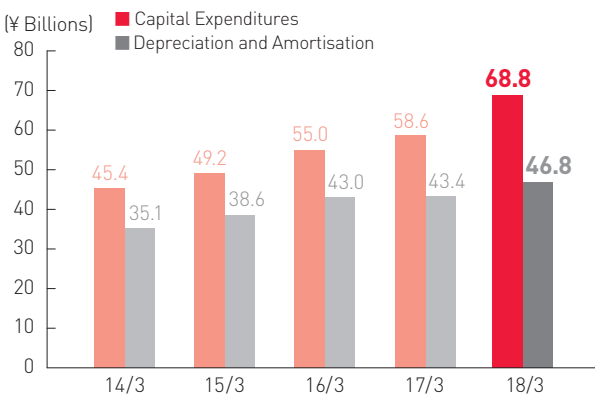
Amid an improvement in net income, ROE improved sharply to 13.9%, topping the 10% target in the Company's Fifth Mid-Term Management Plan.

### Earnings per Share / Cash Dividends per Share, Dividend Payout Ratio



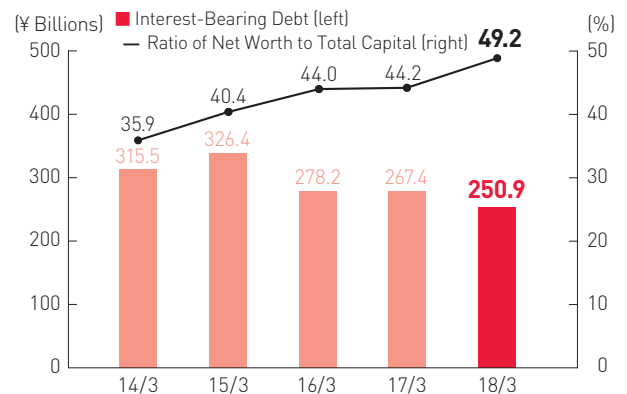
As profits moved higher, earnings per share rose 52% year on year to ¥131.2, resulting in the cash dividend per share rising ¥2 year on year to ¥40.

### Capital Expenditures / Depreciation and Amortisation



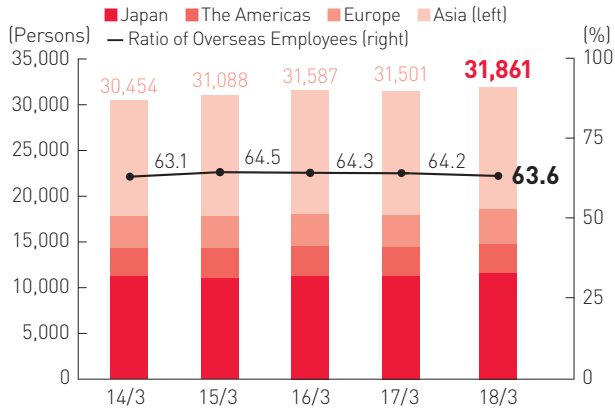
NSK invested to improve productivity and expansion of production capacity in the Automotive Bearings Business and the Industrial Machinery Business, in response to global demand growth. As a result, capital expenditures in FY18/3 totaled ¥68.8 billion, an increase of ¥10.2 billion from the previous year.

### Interest-Bearing Debt / Ratio of Net Worth to Total Capital



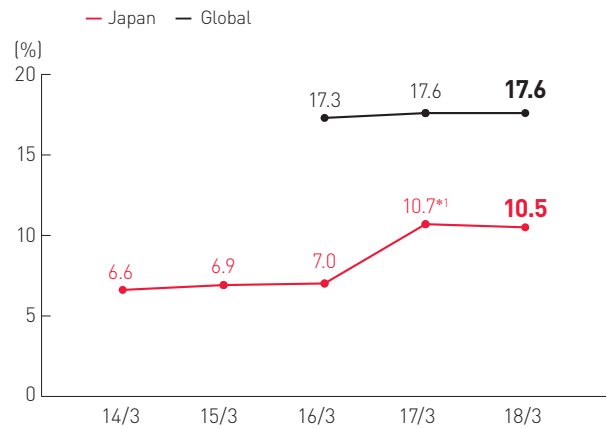
The Company continued to reduce interest-bearing debt in FY18/3. NSK increased the ratio of net worth to total capital to 49.2%, allowing stable and continuous shareholder returns while also ensuring financial stability.

### Number of Employees Worldwide / Ratio of Overseas Employees



The Company increased the number of full-time Group workers by 360 from the end of FY17/3 to 31,861 at the end of FY18/3 thanks to efforts to optimize employment to meet demand and enhancing the number of technical workers.

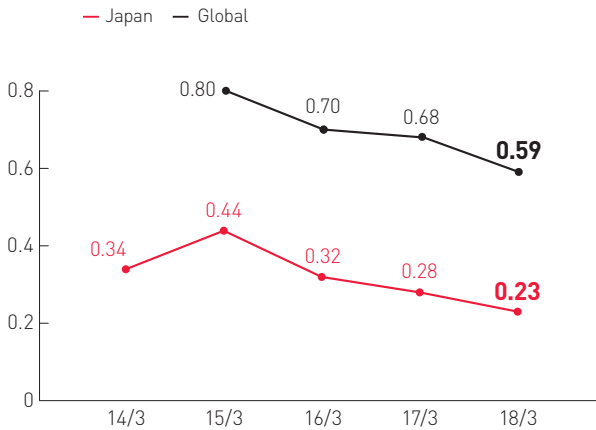
### Ratio of Female Employees



NSK is striving to expand work options and provide career advancement programs for female employees. The ratio of female workers at NSK was 10.5% in Japan and 17.6% on a global basis. For more information, please see Promoting the Advancement of Women in the Workplace on P. 52.

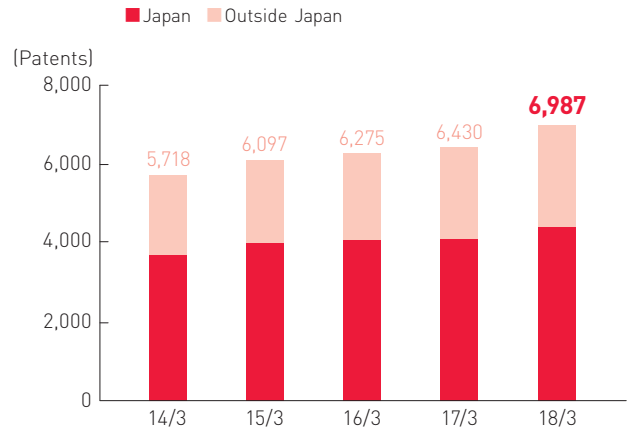
\*1 Data include the subsidiary acquired in 2016.

### Lost-Worktime Injury Rate



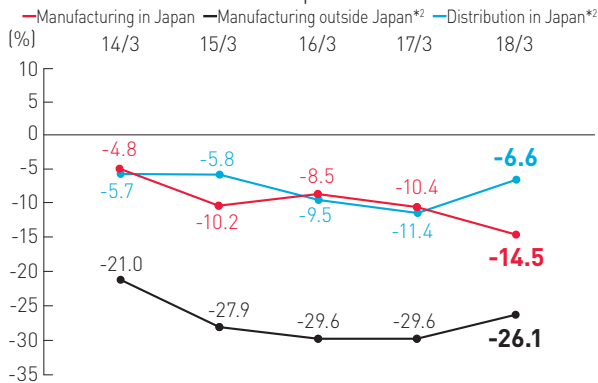
Thanks to strengthened workplace safety initiatives, the lost-time injury rate is on a declining trend both in Japan and globally. For additional information on NSK's safety management efforts, please see P. 49.

### Number of Patents Held



Toward realizing the goals (Innovation & Challenge, Setting the Future in Motion) in the Fifth Mid-Term Management Plan, NSK is strengthening technical development. Showing a year-on-year increase, patent possession grew to 6,987 patents in FY18/3.

### Greenhouse Gas Emissions per Production Unit\*1

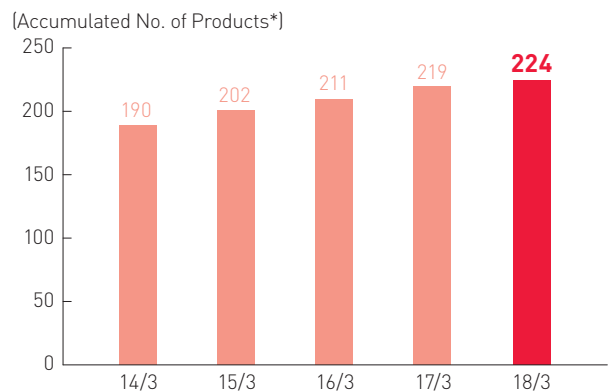


Thanks to ongoing improvements in productivity and the introduction of energy-efficient machinery, greenhouse gas emissions related to production dropped 14.5% in Japan and 26.1% outside of Japan. Distribution-related greenhouse gas emissions in Japan declined by 6.6%. For additional information, please see Environmental Management on P. 50.

\*1. Rates of percentage increase and decrease are presented compared with the base date of the year ended March 31, 2012 (0%).

\*2. We have made retroactive revisions based on a revision to the method used in the calculation of greenhouse gas emissions per production unit.

### Number of Environmentally Friendly Products Developed



NSK developed five new products in FY18/3, bringing the total number of environmentally friendly products to 224. For more details, please see Developing Environmentally Friendly Products on P. 51.

\*Cumulative data from the year ended March 31, 2003.