



PRESS RELEASE

June 7, 2011

NSK Establishes Manufacturing Subsidiary in China

Tokyo, Japan, June 7, 2011 — NSK Ltd. (NSK; Headquarters: Tokyo, Japan; President and CEO: Norio Otsuka) announced today that it will establish a manufacturing subsidiary and construct a production facility in China. NSK signed an agreement on these plans yesterday with the management committee of the National Hefei New and High Technology Development Zone in China's Anhui Province.

1. Objective of establishing the manufacturing subsidiary

NSK's business in China has been expanding along with the country's economic growth since the company established Kunshan NSK Co., Ltd., near Shanghai in 1995 to commence the manufacturing of bearings. At present, NSK manufactures industrial machinery bearings, automotive products, precision machinery and parts, and other products at 11 plants in China. The Chinese market has grown remarkably in recent years, resulting in the rapid development of the automobile industry as well as a broad array of other industries including electrical machinery, machine tools, iron and steel, and railway vehicles. In line with this growth, demand for automotive bearings and industrial machinery bearings has been expanding considerably. To respond to the rapidly growing market for bearings in China, NSK will establish NSK Hefei Co., Ltd., as a manufacturing base for bearings in the city of Hefei, located in the inland province of Anhui. Through this new manufacturing subsidiary, NSK plans to raise its capacity to supply automotive bearings and industrial machinery bearings and further expand its business in China.

2. Overview of the manufacturing subsidiary

- 1) Company name: NSK Hefei Co., Ltd.
- 2) Representative: Yukio Takebe, Executive Vice President, NSK
- 3) Location: National Hefei **New and High Technology Development Zone**, Hefei, Anhui Province, China
- 4) Date of establishment: Planned for July 2011
- 5) Business areas: Manufacture and sale of automobile bearings and industrial machinery bearings

- 6) Number of employees: Approximately 500 planned at the initial stage
- 7) Capitalization: USD62 million at the initial stage
- 8) Investment breakdown: 100% from NSK
- 9) Size of plant: Site area of approximately 100,000 m² and building floor space of approximately 30,000 m² planned at the initial stage
- 10) Commencement of operations: Planned for August 2012
- 11) Investment amount: approximately USD150 million planned at the initial stage

3. Future outlook

NSK does not expect any significant impact on its consolidated financial results in the current fiscal year as a result of establishing the subsidiary.