

We make
Bearings.



For New Technology Network
NTN[®]
NTN corporation
<http://www.ntn.co.jp>

Business Results FY2003 ending March 2004

FACT BOOK

May 25, 2004
NTN corporation

FACT BOOK (consolidated)

1. Net sales and Income

(Millions of yen)

	FY1999	FY2000	FY2001	FY2002	FY2003
Sales	326,474 100.0%	340,551 100.0%	324,339 100.0%	342,745 100.0%	357,394 100.0%
Operating income	9,675 3.0%	14,335 4.2%	8,140 2.5%	20,785 6.1%	24,709 6.9%
Ordinary income	3,778 1.2%	9,106 2.7%	2,689 0.8%	16,169 4.7%	20,776 5.8%
Extraordinary income(loss)	-45,600 -14.0%	-2,219 -0.7%	-3,391 -1.0%	-9,972 -2.9%	-2,595 -0.7%
Net income	-24,677 -7.6%	4,289 1.3%	-132 0.0%	2,657 0.8%	11,031 3.1%

2. Sales by Region

(Millions of yen)

	FY1999	FY2000	FY2001	FY2002	FY2003
Japan	183,936 56.3%	195,134 57.3%	169,080 52.1%	170,010 49.6%	176,203 49.3%
North America	86,399 26.5%	85,925 25.2%	87,774 27.1%	92,696 27.0%	86,084 24.1%
Europe	27,602 8.5%	30,449 8.9%	38,748 11.9%	47,871 14.0%	58,243 16.3%
Asia & Other	28,537 8.7%	29,043 8.5%	28,737 8.9%	32,168 9.4%	36,864 10.3%
Total	326,474 100.0%	340,551 100.0%	324,339 100.0%	342,745 100.0%	357,394 100.0%

3. Geographic Segment Information

(Millions of yen)

	FY1999	FY2000	FY2001	FY2002	FY2003
Japan Sales	251,160	268,666	238,802	249,679	264,513
Operating income	4,476 1.8%	9,884 3.7%	4,588 1.9%	12,802 5.1%	16,725 6.3%
North America Sale	86,834	86,406	89,024	92,965	86,758
Operating income	3,518 4.1%	3,242 3.8%	1,402 1.6%	4,098 4.4%	2,431 2.8%
Europe Sales	23,926	27,989	38,088	48,028	58,707
Operating income	402 1.7%	190 0.7%	384 1.0%	1,347 2.8%	2,956 5.0%
Asia & Others Sale	13,446	14,956	16,018	19,448	24,890
Operating income	686 5.1%	1,087 7.3%	1,087 6.8%	1,885 9.7%	1,479 5.9%
Elimination Sales	△48,893	△57,469	△57,594	△67,376	△77,475
Operating income	591 0	△69	676	651	1,116
Sales total	326,474	340,551	324,339	342,745	357,394
Operating income total	9,675 3.0%	14,335 4.2%	8,140 2.5%	20,785 6.1%	24,709 6.9%

4. Capital expenditure, Depreciation and Cash flow

(Millions of yen)

	FY1999	FY2000	FY2001	FY2002	FY2003
Capital expenditure,	26,013	24,123	21,088	25,264	38,092
Depreciation					
Japan	17,747	16,441	15,896	14,848	14,758
Oversea	6,375	6,961	8,503	8,990	9,221
Depreciation Total	24,122	23,402	24,399	23,838	23,979
Cash flow	24,122	27,691	24,399	26,495	35,010

※ [Cash flow]=[Net income]+[Depreciation]

5. R&D expenditures

(Millions of yen)

	FY1999	FY2000	FY2001	FY2002	FY2003
R&D expenditures	9,779	10,618	11,706	12,255	13,542
Ratio against sales	3.0%	3.1%	3.6%	3.6%	3.8%

6. Inventories

(Millions of yen)

	FY1999	FY2000	FY2001	FY2002	FY2003
Inventories	110,141	106,409	98,513	92,728	83,565
Inventory turnover ratio	× 3.0	× 3.2	× 3.3	× 3.7	× 4.3

7. Interest Bearing Debt

(Millions of yen)

	FY1999	FY2000	FY2001	FY2002	FY2003
Loan	100,751	103,752	102,587	91,445	84,090
Bonds	90,000	70,000	70,000	70,000	80,000
Total	190,751	173,752	172,587	161,445	164,090

8. Main Management Index

	FY1999	FY2000	FY2001	FY2002	FY2003
Ordinary Income/ Total Assets	0.8%	1.9%	0.6%	3.5%	4.5%
ROA	—	0.9%	—	0.6%	2.4%
ROE	—	3.0%	—	1.9%	8.0%
Shareholder's Equity Ratio	29.1%	28.9%	29.9%	28.9%	31.0%
Shareholder's Equity per Sahre	Yen 310.77	Yen 299.44	Yen 299.27	Yen 291.82	Yen 308.27
Net Income per Sahre	△ Yen 53.30	Yen 9.26	△ Yen 0.29	Yen 5.70	Yen 23.54

9. Number of employees

	FY1999	FY2000	FY2001	FY2002	FY2003
Japan	8,471	8,168	7,777	7,498	6,561
Oversea	4,299	4,451	4,212	4,312	5,324
Total	12,770	12,619	11,989	11,810	11,885

10. Exchange rate

(Unit: Yen)

		FY1999	FY2000	FY2001	FY2002	FY2003
A V	US \$	111.62	110.51	124.98	121.98	113.19
	EURO	115.39	100.36	110.44	120.88	132.65
	S \$	65.88	63.61	68.98	68.94	65.39
E n d	US \$	106.15	123.90	133.25	120.20	105.69
	EURO	102.14	109.33	116.14	129.83	128.88
	S \$	61.78	69.03	72.36	68.01	62.91

FACT BOOK (unconsolidated)

1 . Net sales and Income

(Millions of yen)

	FY1999	FY2000	FY2001	FY2002	FY2003
Sales	243,499 100.0%	265,514 100.0%	235,845 100.0%	246,332 100.0%	261,710 100.0%
Operating income	2,801 1.2%	7,790 2.9%	3,363 1.4%	10,016 4.1%	12,988 5.0%
Ordinary income	2,719 1.1%	7,755 2.9%	2,055 0.9%	9,411 3.8%	12,131 4.6%
Extraordinary income (loss)	-48,119 -19.8%	459 0.2%	-1,365 -0.6%	-8,592 -3.5%	0 0.0%
Net income	-25,823 -10.6%	5,179 2.0%	810 0.3%	323 0.1%	8,093 3.1%

2 . Sales by Business Segment

(Millions of yen)

	FY1999	FY2000	FY2001	FY2002	FY2003
Bearing	154,146 63.3%	169,292 63.8%	153,251 65.0%	158,253 64.2%	164,610 62.9%
CVJs	65,291 26.8%	68,188 25.7%	59,052 25.0%	63,038 25.6%	64,876 24.8%
Precision Equipment	24,062 9.9%	28,034 10.6%	23,542 10.0%	25,041 10.2%	32,224 12.3%
Total	243,499 100.0%	265,514 100.0%	235,845 100.0%	246,332 100.0%	261,710 100.0%

3 . Sales in Japan and export

(Millions of yen)

	FY1999	FY2000	FY2001	FY2002	FY2003
Sales in Japan	176,274 72.4%	191,981 72.3%	166,122 70.4%	166,663 67.7%	173,399 66.3%
Export sales	67,225 27.6%	73,533 27.7%	69,723 29.6%	79,669 32.3%	88,311 33.7%
(North America)	(24,850) (10.2%)	(25,220) (9.5%)	(27,315) (11.6%)	(28,472) (11.6%)	(30,608) (11.7%)
(Europe)	(18,857) (7.7%)	(23,911) (9.0%)	(20,423) (8.7%)	(24,978) (10.1%)	(27,729) (10.6%)
(Asia & Other)	(23,518) (9.7%)	(24,402) (9.2%)	(21,985) (9.3%)	(26,219) (10.6%)	(29,974) (11.5%)
Total	243,499 100.0%	265,514 100.0%	235,845 100.0%	246,332 100.0%	261,710 100.0%

4 . Capital expenditure, Depreciation and Cash flow

(Millions of yen)

	FY1999	FY2000	FY2001	FY2002	FY2003
Capital expenditure	11,429	12,548	10,554	11,808	15,946
Depreciation	14,843	13,814	13,418	12,757	12,774
Cash flow	14,843	18,993	14,228	13,080	20,867

$$[\text{Cash flow}] = [\text{Net income}] + [\text{Depreciation}]$$

5 . R&D expenditures

(Millions of yen)

	FY1999	FY2000	FY2001	FY2002	FY2003
R&D expenditures	9,403	10,127	11,223	11,642	12,858
Ratio against sales	3.9%	3.8%	4.8%	4.7%	4.9%

6 . Inventories

(Millions of yen)

	FY1999	FY2000	FY2001	FY2002	FY2003
Inventories	57,265	50,758	44,982	43,633	38,817
Inventory turnover ratio	× 4.3	× 5.2	× 5.2	× 5.6	× 6.7

7 . Interest Bearing Debt

(Millions of yen)

	FY1999	FY2000	FY2001	FY2002	FY2003
Loan	38,500	32,500	28,900	28,900	23,300
Bonds	90,000	70,000	70,000	70,000	80,000
Total	128,500	102,500	98,900	98,900	103,300

8 . Main Managerial Index

	FY1999	FY2000	FY2001	FY2002	FY2003
Ordinary Income/ Total Assets	0.7%	2.1%	0.6%	2.6%	3.3%
ROA	-	1.4%	0.2%	0.1%	2.2%
ROE	-	4.0%	0.6%	0.3%	6.1%
Shareholder's Equity Ratio	32.1%	35.3%	36.7%	34.7%	37.6%
Shareholder's Equity per Share	Yen 276.87	Yen 287.27	Yen 280.96	Yen 275.24	Yen 296.46
Net Income per Share	-	Yen 11.19	Yen 1.75	Yen 0.70	Yen 17.25

9 . Number of employees

	FY1999	FY2000	FY2001	FY2002	FY2003
	6,878	6,828	6,576	6,429	5,576