

# Supplementary material for the Results of the Third quarter of Fiscal 2005

February 6, 2006  
NTN Corporation

This presentation and comments made in this conference or during the following Q&A session include forward-looking statements about management expectations for future performance and future business strategies. These statements represent the best judgment of the management of the company based on the information currently available. However, there can be no assurance that future results will meet any expectation, estimate or projection conveyed by these statements or comments. Actual results may differ materially from management projections depending on various factors such as changes in product demand, exchange rates and interest rates.

# Financial Results for the nine months ended December 31, 2005 –consolidated-

## 1. Operating Results

(1) Consolidated Statements of operations (outline)

(2) Consolidated Statements of operations (quarter)

## 2. Net sales

By Region and Business Segment

## 3. Net Sales and Operating Income (Margin) by Region

## 4. Inventories

## 5. Interest-Bearing Debt

## 6. Capital Expenditures and Depreciation

## 7. Cash Flows

# 1. Operating Results

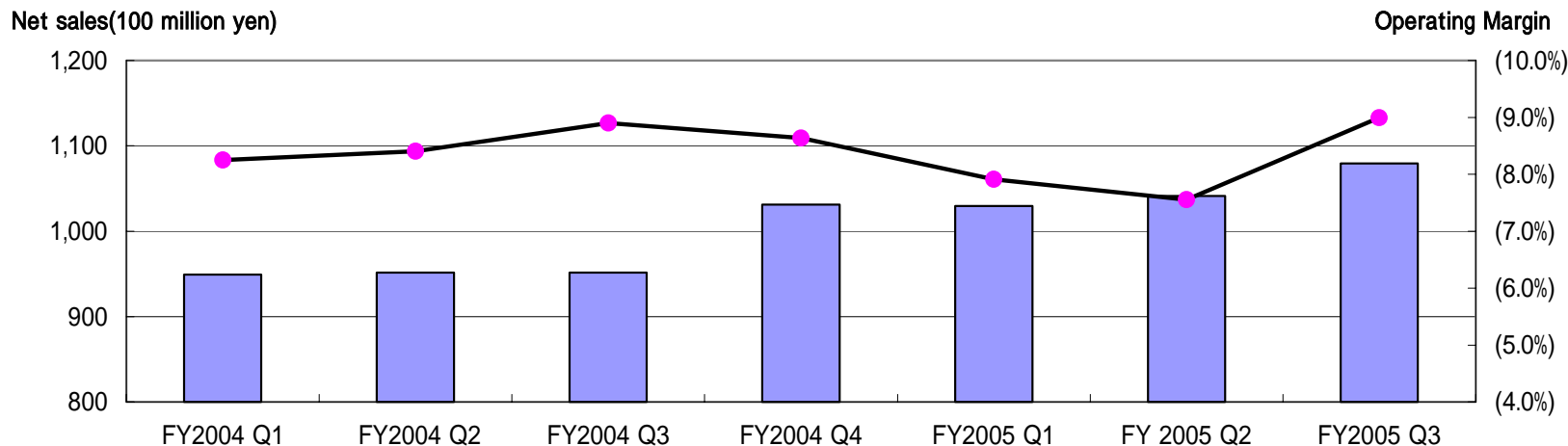
## (1) Consolidated Statements of operations (outline)

In 100 million yen

	FY2004			FY2005			YoY Change	
	1H (4-9)	Q3 (10-12)	nine months (4-12)	1H (4-9)	Q3 (10-12)	nine months (4-12)	Q3	nine months
							-	-
Net Sales	1,901	952	2,852	2,071	1,080	3,150	128	298
Operating Income (Operating Margin)	158 (8.3%)	85 (8.9%)	243 (8.5%)	160 (7.7%)	97 (9.0%)	257 (8.2%)	12 (0.1%)	14 (0.3%)
Net Interest Expenses	-10	-5	-15	-15	-9	-24	-4	-9
Other	-5	-7	-12	-4	-11	-14	-4	-2
Ordinary Income	143	72	216	141	78	219	5	3
Extraordinary Income/Loss	-	-	-	2	-	2	-	2
Net Income	87	49	136	89	52	142	3	6
Exchange Rate								
US\$	109.8	105.9	108.5	109.5	117.4	112.1	11.4	3.6
EURO	133.3	137.2	134.6	135.6	139.4	136.9	2.3	2.3

# 1. Operating Results

## (2) Consolidated Statements of operations (quarter)



	In 100 million yen						
	FY2004 Q1	FY2004 Q2	FY2004 Q3	FY2004 Q4	FY2005 Q1	FY 2005 Q2	FY2005 Q3
Net sales	949	951	952	1,031	1,030	1,041	1,080
Operating Income	78	80	85	89	81	79	97
(Operating Margin)	(8.3%)	(8.4%)	(8.9%)	(8.6%)	(7.9%)	(7.6%)	(9.0%)
Ordinary Income	74	70	72	68	73	68	78

## 2. Net sales By Region and Business segment

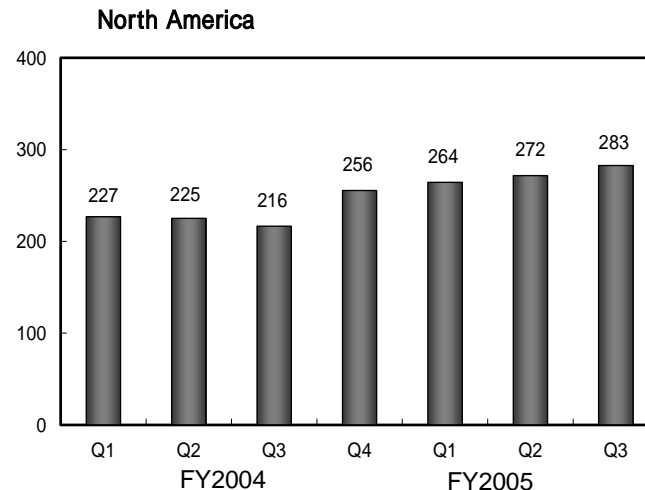
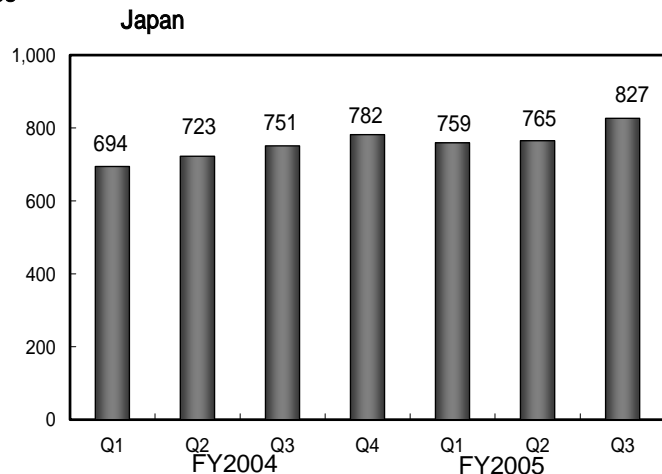
(In 100 million yen)

		FY2004			FY2005			YoY Change			
		1H (4-9)	Q3 (10-12)	nine months (4-12)	1H(4-9)	Q3 (10-12)	nine months (4-12)	Q3 -		nine months -	
								Volume	Exchange Rate	Volume	Exchange Rate
Japan	Bearings	586	304	890	626	322	948	18		59	
	CVJs	225	116	340	226	120	346	4		5	
	Precision Equipment	122	57	179	112	54	166	-3		-14	
	Total	933	477	1,409	964	496	1,460	19	0	51	0
North America	Bearings	290	132	422	316	151	467	5	15	27	18
	CVJs	155	82	237	209	123	333	30	12	85	11
	Precision Equipment	5	2	7	4	2	6	0	0	-1	0
	Total	450	216	666	529	276	805	34	27	111	29
Europe	Bearings	163	83	247	176	82	258	-3	2	7	4
	CVJs	134	64	198	137	68	205	3	1	4	4
	Precision Equipment	9	4	13	8	4	12	0	0	-1	0
	Total	306	151	457	321	154	475	0	3	10	8
Asia & Other Areas	Bearings	178	92	269	210	127	336	25	10	55	12
	CVJs	30	14	43	41	25	65	9	2	20	2
	Precision Equipment	4	3	7	6	3	8	-1	0	1	0
	Total	212	109	320	257	154	410	33	12	76	14
Total	Bearings	1,217	610	1,827	1,328	682	2,010	45	27	148	34
	CVJs	544	275	818	613	336	949	46	15	114	17
	Precision Equipment	140	67	207	130	62	192	-5	0	-15	0
	Total	1,901	952	2,852	2,071	1,080	3,150	86	42	247	51

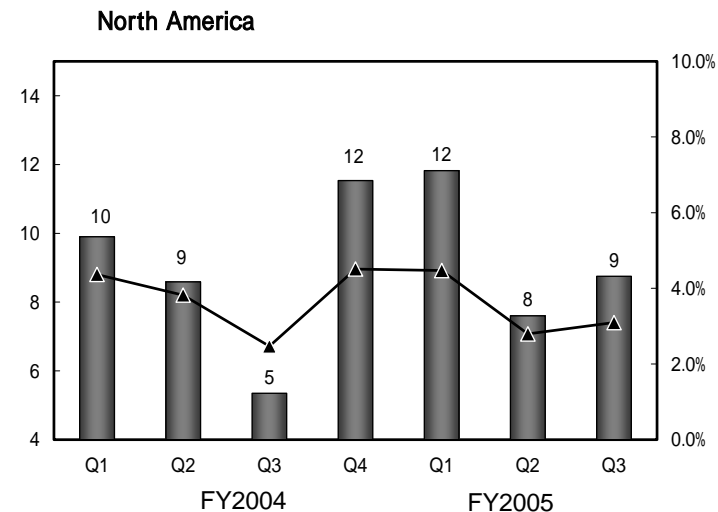
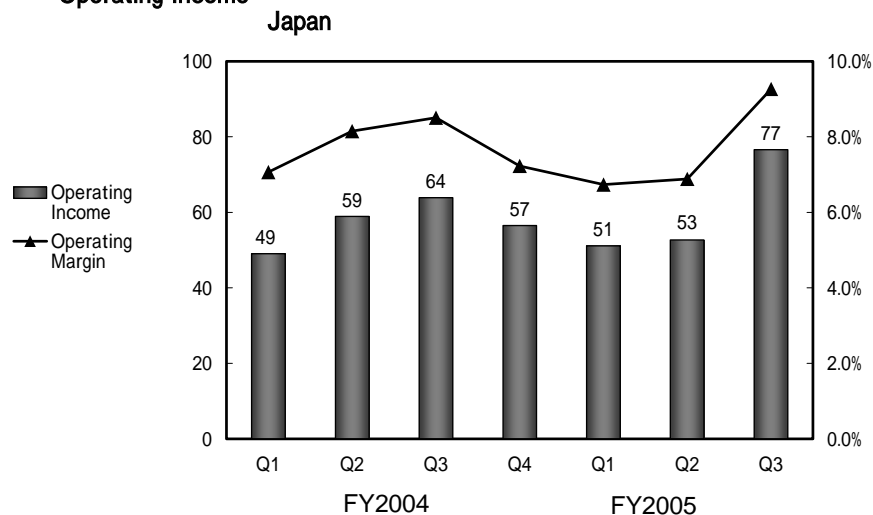
# 3. Net sales and Operating Income (Margin) by Region

In 100 million yen

## • Net Sales



## • Operating Income

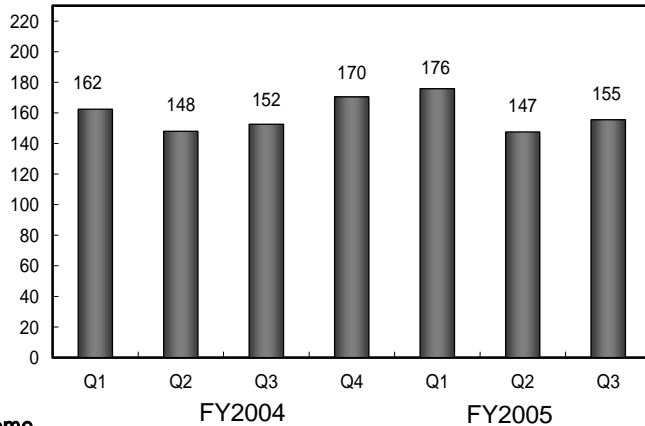


# 3. Net sales and Operating Income (Margin) by Region

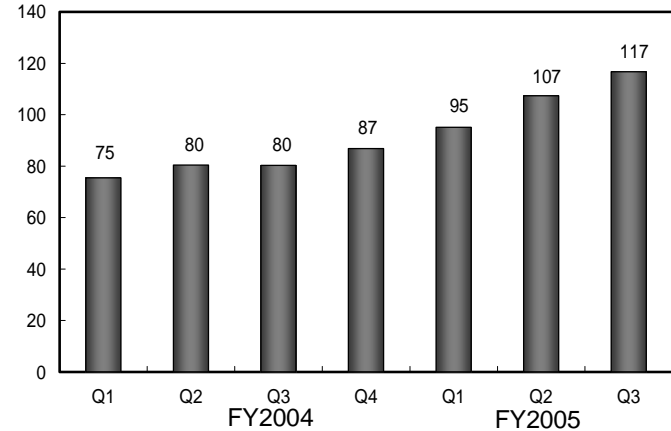
In 100 million yen

• Net Sales

Europe

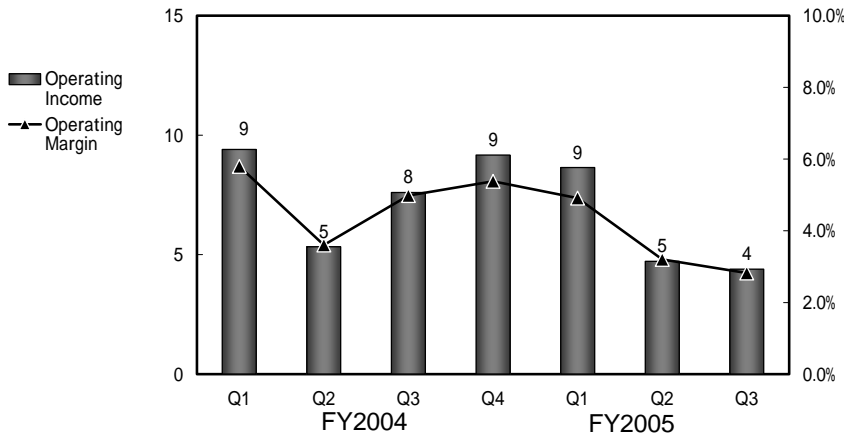


Asia and Other Areas

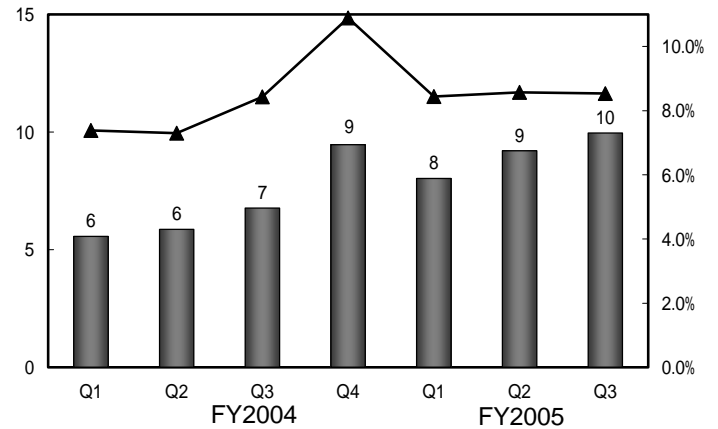


• Operating Income

Europe



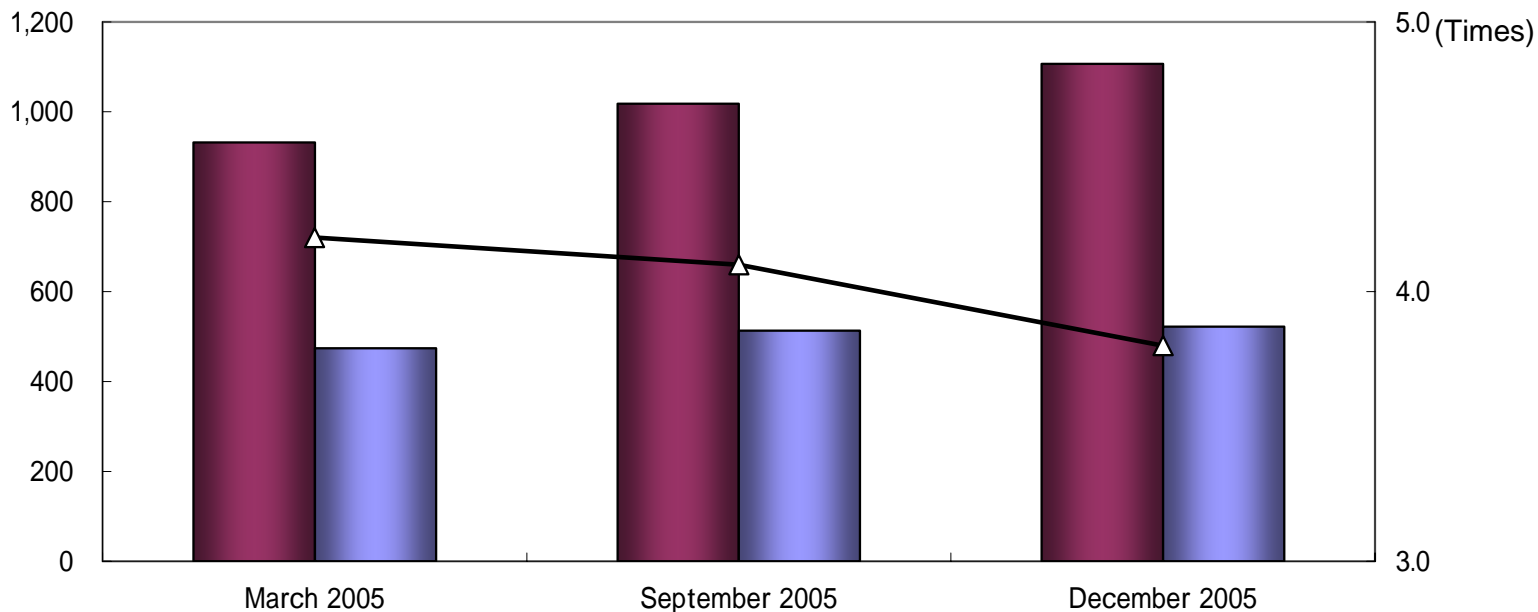
Asia and Other Areas



# 4. Inventories

(100 million yen)

■ Inventories  
 ■ (Japan)  
 ▲ Inventory turnover ratio



(In 100 million yen)

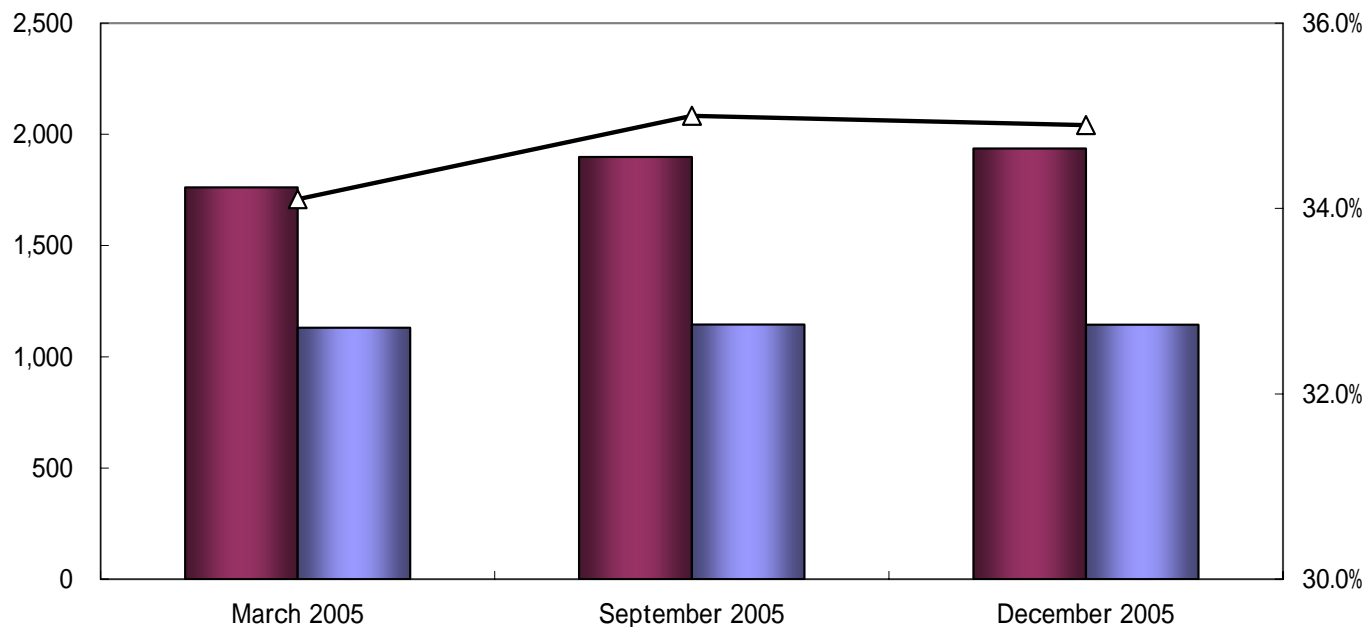
	March 2005	September 2005	December 2005
Inventories	932	1,018	1,107
( Japan )	(474)	(513)	(522)
( Overseas )	(458)	(505)	(585)
Inventory turnover ratio	4.2times	4.1times	3.8times



# 5. Interest-Bearing Debt

(100 million yen)

■ Interest-bearing debt  
 ■ (Japan)  
 ▲ Interest-bearing debt ratio



(In 100 million yen)

	March 2005	September 2005	December 2005
Interest-bearing debt	1,762	1,898	1,936
( Japan )	(1,131)	(1,145)	(1,144)
( Overseas )	(631)	(753)	(792)
Interest-bearing debt ratio	34.1%	35.0%	34.9%

## 6. Capital Expenditures and Depreciation

In 100 million yen

	nine months (4-12) FY2004	Full Year FY2004	nine months (4-12)FY2005	Full Year FY2005 Forecast
Capital Expenditures	374	497	340	490
( Japan )	(192)	(262)	(183)	(272)
( Overseas )	(182)	(235)	(157)	(218)

YoY Change	
nine months	Full Year
-	-
-34	-7
(- 9)	(10)
(- 25)	(- 17)

	nine months (4-12) FY2004	Full Year FY2004	nine months (4-12)FY2005	Full Year FY2005 Forecast
Depreciation	180	249	208	290
( Japan )	(111)	(155)	(123)	(176)
( Overseas )	(69)	(94)	(85)	(114)

YoY Change	
nine months	Full Year
-	-
28	41
(12)	(21)
(16)	(20)

# 7. Cash Flows

In 100 million yen

	FY2004		FY2005
	nine months(4-12)	Full Year	nine months(4-12)
. Cash flows from operating activities	332	478	166
. Cash flows from investing activities	-328	-462	-365
. Cash flows from financing activities	42	67	67
. Effect of exchange rate changes on cash and cash equivalents	5	6	6
. Increase in cash and cash equivalents	51	90	-126

