



***FY2011 Second Quarter
Financial Results Presentation***

NOK CORPORATION

November 10, 2011

Timetable

1 Orientation (Secretariat)	17:00~
2 General Overview (Masato Tsuru, Chairman of the Board and President)	17:00~17:10
3 Business Overview (Kiyoshi Doi, Senior Managing Director)	17:10~17:30
4 Accounts Overview (Akira Watanabe, Senior Operating Officer)	17:30~17:50
5 Q&A session	17:50~18:30

(1) Kindly reserve your questions until the Q&A session.

(2) If you have any questions, please raise your hand, stating your name and company name when asked to speak.

(3) Please be aware that the Q&A session will end promptly at 18:30.

Disclaimer

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General Overview

NOK Group Consolidated Performance Overview/Outlook (1H FY2011)

Masato Tsuru, Chairman of the Board and President

1H FY2011 Consolidated Results

(Billions of yen)

	FY2010	FY2011		Year-on-year change	
	1H results	1H forecast	1H results		
Net Sales	249.1	238.5	238.6	-10.6	-4.2%
Operating Income	18.6	11.4	13.3	-5.3	-28.5%
Ordinary Profit	17.3	13.4	13.8	-3.5	-20.4%
Net Income	9.9	6.6	6.9	-3.0	-30.6%

FY2011 Consolidated Forecasts

(Billions of yen)

	FY2010	FY2011		Year-on-year change	
	Full-year results	Full-year forecast	Full-year revised forecast		
Net Sales	498.9 (2H: 249.8)	511.0 (2H: 272.5)	494.6 (2H: 256.0)	-4.3	-0.9%
Operating Income	35.1 (2H: 16.5)	35.2 (2H: 23.8)	28.1 (2H: 14.8)	-7.0	-20.0%
Ordinary Profit	32.4 (2H: 15.1)	37.8 (2H: 24.4)	29.4 (2H: 15.6)	-3.0	-9.3%
Net Income	16.7 (2H: 6.7)	22.1 (2H: 15.4)	15.8 (2H: 8.9)	-0.9	-5.3%

Regarding flood damage in Thailand

Seal Business

(1) Company name: THAI NOK CO., LTD. (TNC)

Location: Amata Nakorn Industrial Estate, Chonburi Province

Major products: Oil seals, O-rings and related products

Status of damage: No exposure to water, currently in operation

Electric Device Product Business

(1) Company name: MEKTEC MANUFACTURING CORP. (THAILAND) LTD. (MMCT)

Location: Bangpa-in Industrial Estate, Ayutthaya Province

Major products: Flexible printed circuits (FPCs)

Status of damage: Factories submerged, operations suspended

(2) Company name: NOK PRECISION COMPONENT (THAILAND) LTD.

Location: Bangpa-in Industrial Estate, Ayutthaya Province

Major products: HDD rubber components, resin components, mobile device components

Status of damage: Factories submerged, operations suspended

Business Overview

Kiyoshi Doi, Senior Managing Director

1H FY2011

Summary of sales results

(Billions of yen)

	1H FY2010 results	2H FY2010 results	1H FY2011 plan	1H FY2011 results	YoY	vs. Plan
Seal Business	135.2	135.4	125.2	125.9	-9.2 93%	+0.7 101%
Electric Device Product Business	90.3	91.4	91.3	90.9	+0.6 101%	-0.4 100%
Roll Business	17.1	16.7	15.2	15.1	-2.0 88%	-0.1 99%
Other Business	6.6	6.3	6.8	6.7	+0.1 102%	-0.1 99%
Total	249.1	249.8	238.5	238.6	-10.6 96%	+0.1 100%

※ Data for FY2010 reflects segment results prior to reclassification

Seal Business

**1H FY2011 Result: ¥125.9 billion (-¥9.2 billion, -7% YoY)
(guidance +¥0.7 billion, +1%)**

- The Precision Components Department was transferred from the seal business to the electric device product business (1H FY2011 results approximately ¥6.5 billion)
98% YoY prior to the aforementioned transfer
- Dramatic drop in four-wheel vehicle production in the 1Q due mainly to the impact of the Great East Japan Earthquake; recovery in production in the 2Q
(1Q: 4,883,000 units ⇒ 3,562,000 units) (-27% YoY)
(2Q: 5,066,000 units ⇒ 5,179,000 units) (+2% YoY)
(1H: 9,949,000 units ⇒ 8,741,000 units) (-12% YoY)
- Increased sales in Europe/US via module suppliers
- Firm production of construction machinery

Electric Device Product Business

**1H FY2011 result: ¥90.9 billion (+¥0.6 billion, +1% YoY)
(guidance -¥0.4 billion, 0%)**

- The Precision Components Department was transferred from the seal business to the electric device product business (1H FY2011 results approximately ¥6.5 billion)
- Strong demand for use in overseas smart phones and tablet PCs
- Slump in sales to conventional mobile phones both in and outside Japan
- Decrease in portable audio production
- Slight decrease in HDD production volume; decline in FPC sales due mainly to a drop in unit prices
- Results substantially impacted by the strong yen

Roll Business

**1H FY2011 result: ¥15.1 billion (-¥2.0 billion, -12% YoY)
(guidance -¥0.1 billion, -1%)**

- Drop in office equipment production and inventory adjustments by manufacturers as a result of the earthquake disaster
- Impact of fluctuations in foreign currency exchange rates
- Additional impact from the drop in customer sales

FY2011 Sales Forecast: Overview

Consolidated Sales

1H: ¥238.6 billion (-4% YoY)
(guidance 0%)

2H: ¥256.0 billion (+2% YoY)
(guidance -6%)

FY: ¥494.6 billion (-1% YoY)
(guidance -3%)

Seal Business

1H: ¥125.9 billion (-7% YoY) (guidance +1%)

2H: ¥134.2 billion (-1% YoY) (guidance -4%)

FY: ¥260.1 billion (-4% YoY) (guidance -2%)

Electric Device Product Business

1H: ¥90.9 billion (+1% YoY) (guidance 0%)

2H: ¥101.1 billion (+11% YoY) (guidance -7%)

FY: ¥192.0 billion (+6% YoY) (guidance -4%)

Roll Business

1H: ¥15.1 billion (-12% YoY) (guidance -1%)

2H: ¥13.6 billion (-18% YoY) (guidance -19%)

FY: ¥28.7 billion (-15% YoY) (guidance -10%)

Other Business

1H: ¥6.7 billion (+2% YoY) (guidance -1%)

2H: ¥7.1 billion (+14% YoY) (guidance -1%)

FY: ¥13.8 billion (+7% YoY) (guidance -1%)

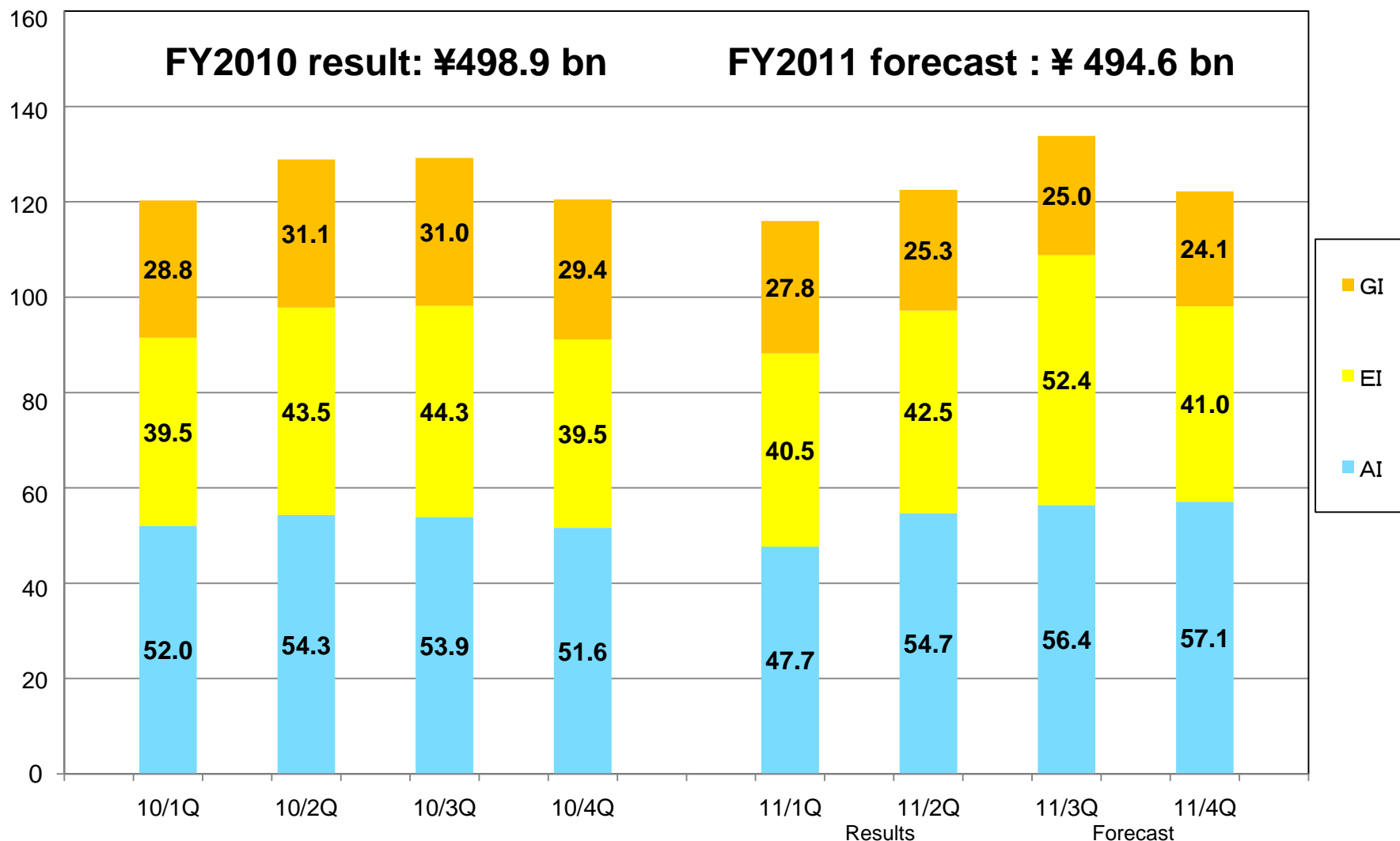
Variance with plans established at the beginning of the period and the impact of flood damage

Seal Business	vs. initial plan -¥4.9 billion Attributable to flood damage -¥3.8 billion (Thailand -¥2.0 billion; Japan -¥1.8 billion) Attributable to overseas economic deterioration -¥1.1 billion
Electric Device Product Business	vs. initial plan -¥8.0 billion Attributable to flood damage -¥8.5 billion Attributable to an increase (decrease) in other demand +¥0.5 billion
Roll Business	vs. initial plan -¥3.3 billion Attributable to flood damage -¥1.6 billion Attributable to fluctuations in foreign currency exchange rates -¥0.7 billion Attributable to the drop in demand -¥1.0 billion
Other Business	vs. initial plan -¥0.2 billion Attributable to flood damage -¥0.2 billion

Consolidated Sales by Industry Sector

(FY2010-FY2011 quarterly results and forecast)

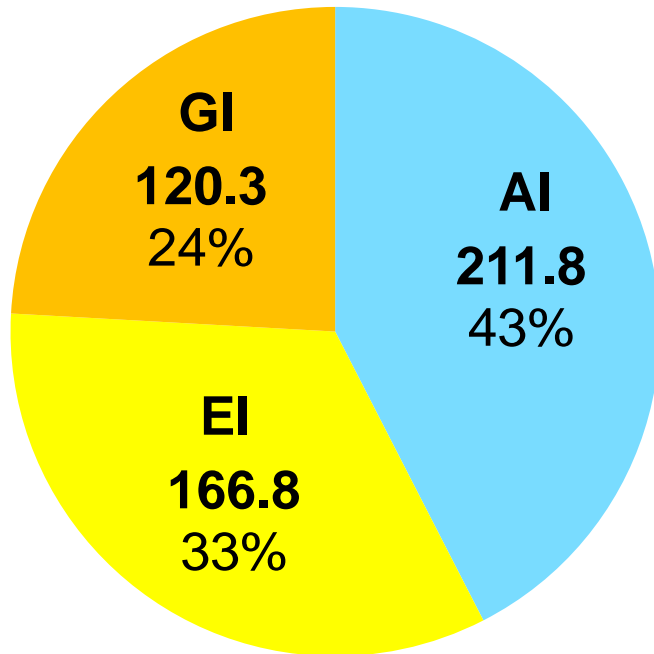
(Billions of yen)



Consolidated Sales Forecast Breakdown (Industry sector)

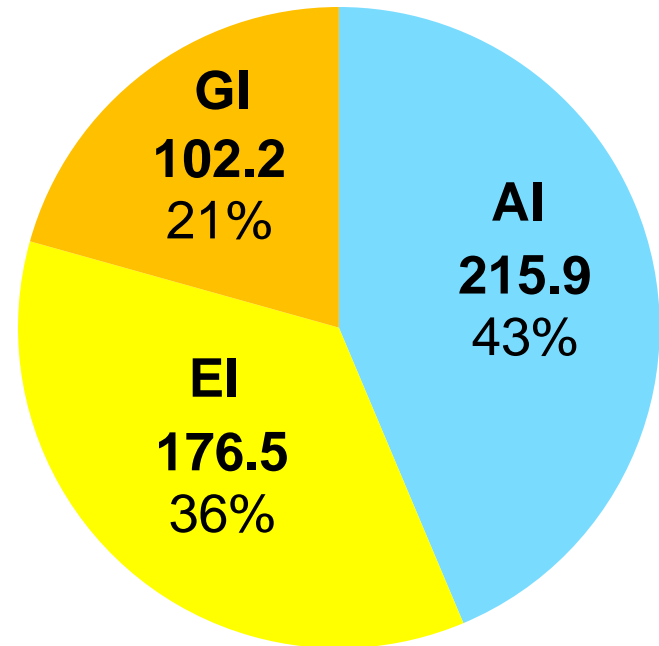
FY2010 net sales **(cons.)**

(Billions of yen, %)



FY2011 net sales forecast **(cons.)**

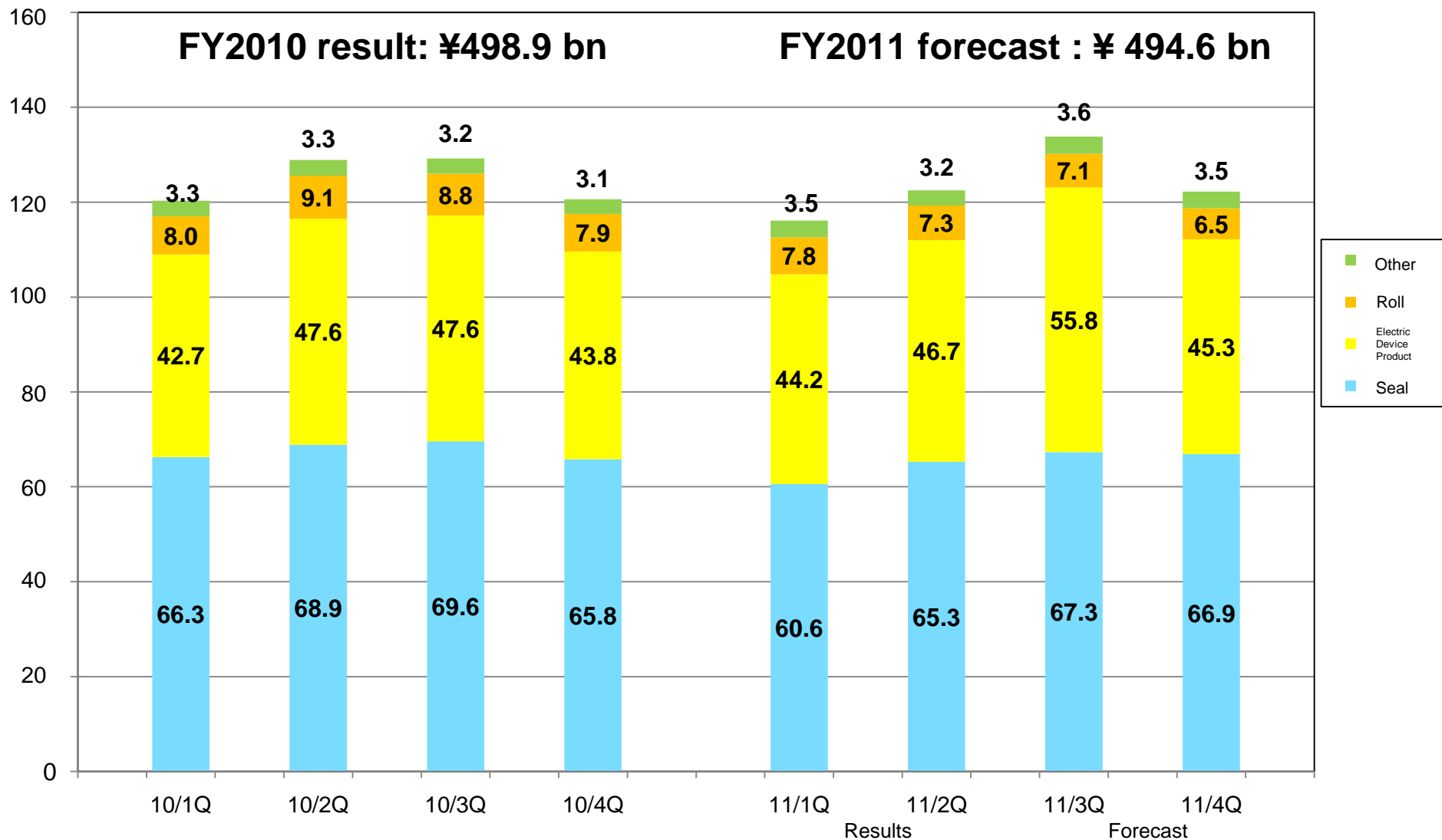
(Billions of yen, %)



Consolidated Sales by Business Sector

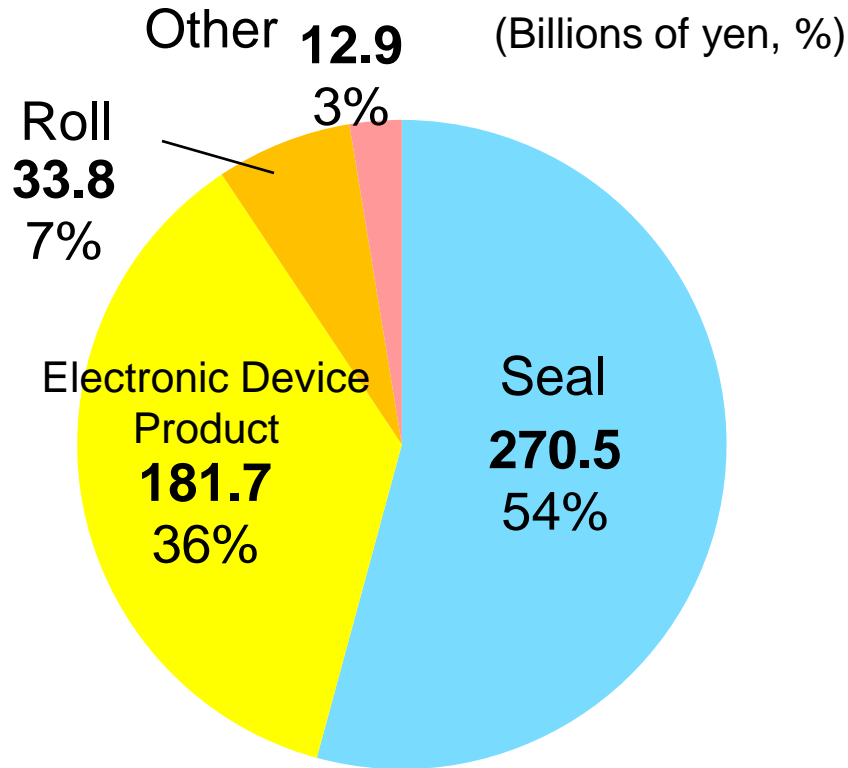
(FY2010-FY2011 quarterly results and forecast)

(Billions of yen)

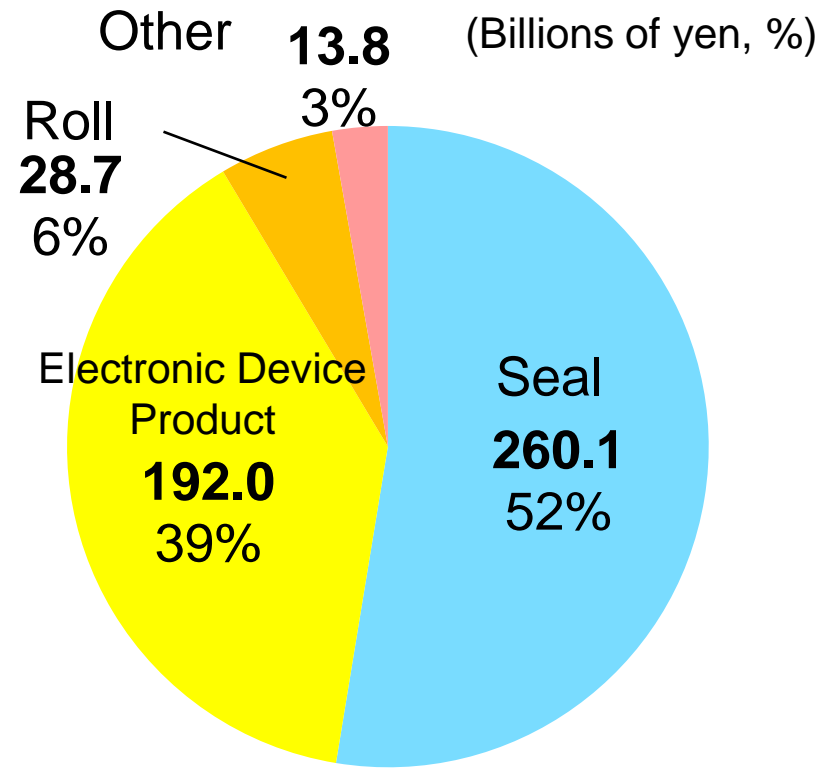


Consolidated Sales Forecast Breakdown (Business sector)

FY2010 net sales
(cons.)



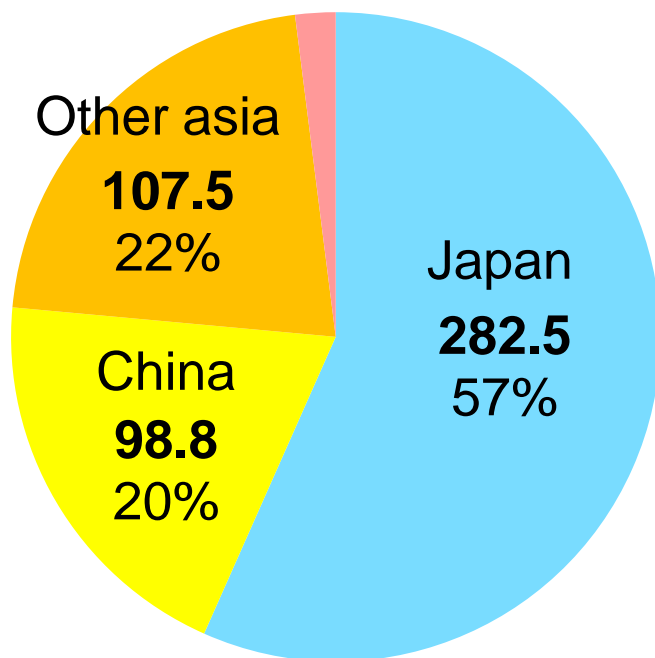
FY2011 net sales forecast
(cons.)



Consolidated Sales by Geographic Area (Overall)

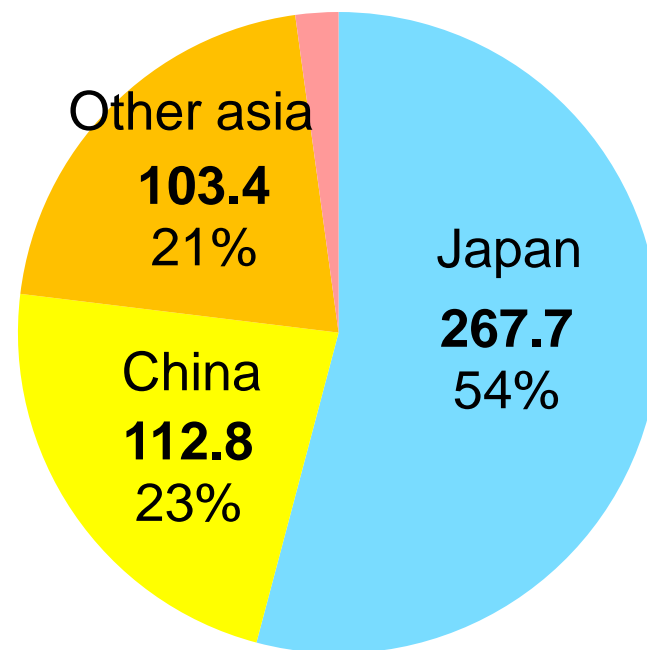
FY2010 net sales **(cons.)**

(Billions of yen, %)



FY2011 net sales forecast **(cons.)**

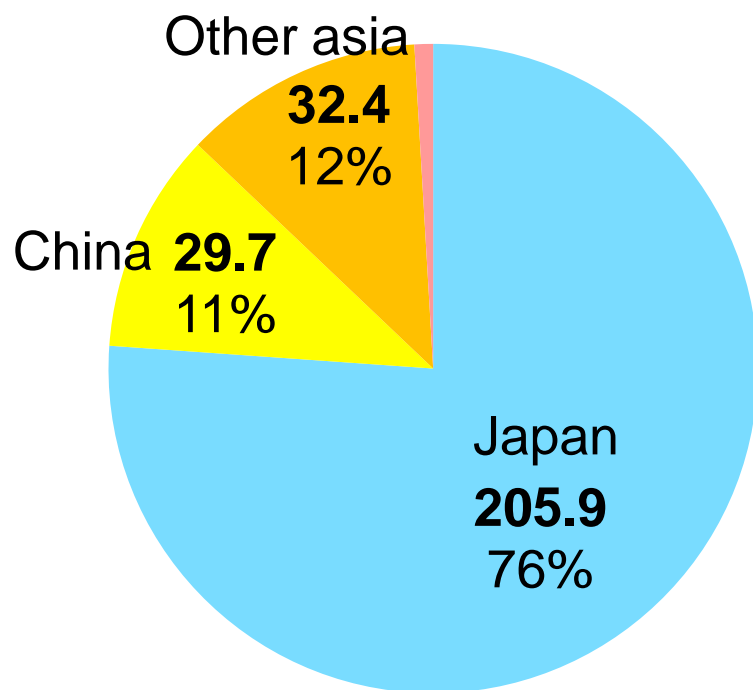
(Billions of yen, %)



Consolidated Sales by Geographic Area (Seal business)

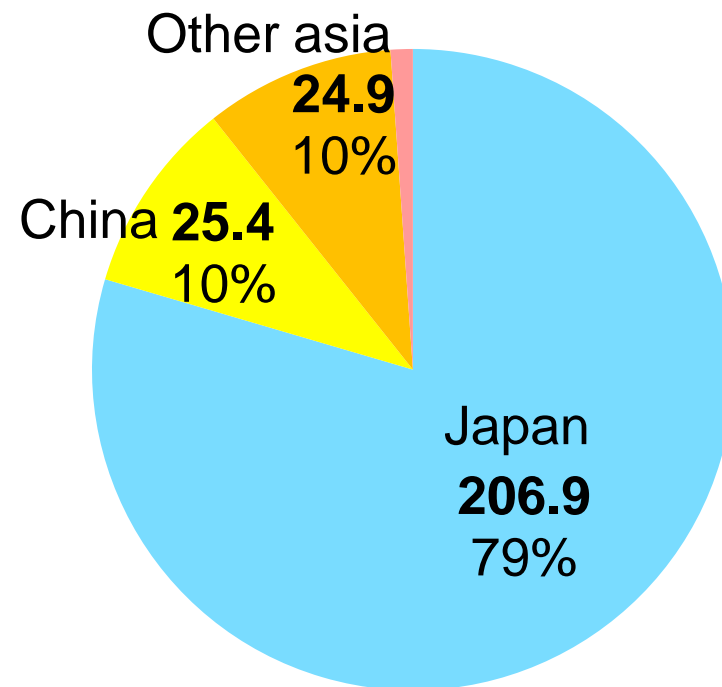
FY2010 net sales **(cons.)**

(Billions of yen, %)



FY2011 net sales forecast **(cons.)**

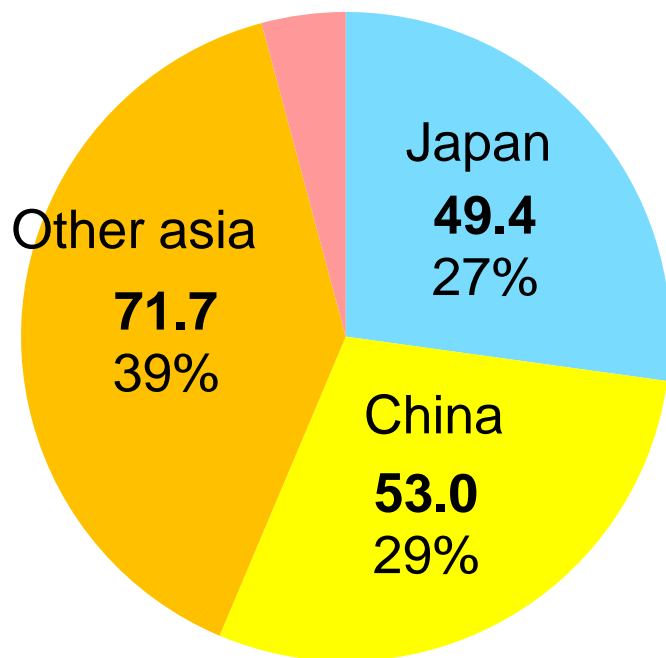
(Billions of yen, %)



Consolidated Sales by Geographic Area (Electric Device Product business)

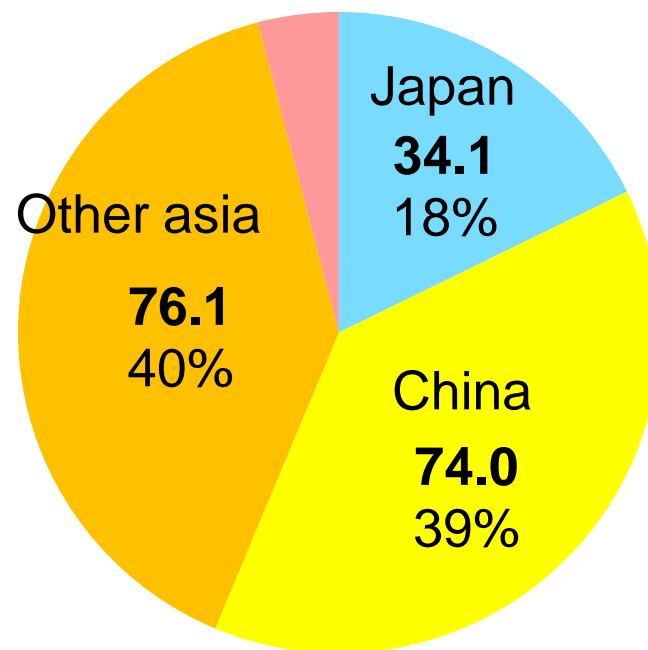
FY2010 net sales **(cons.)**

(Billions of yen, %)



FY2011 net sales forecast **(cons.)**

(Billions of yen, %)

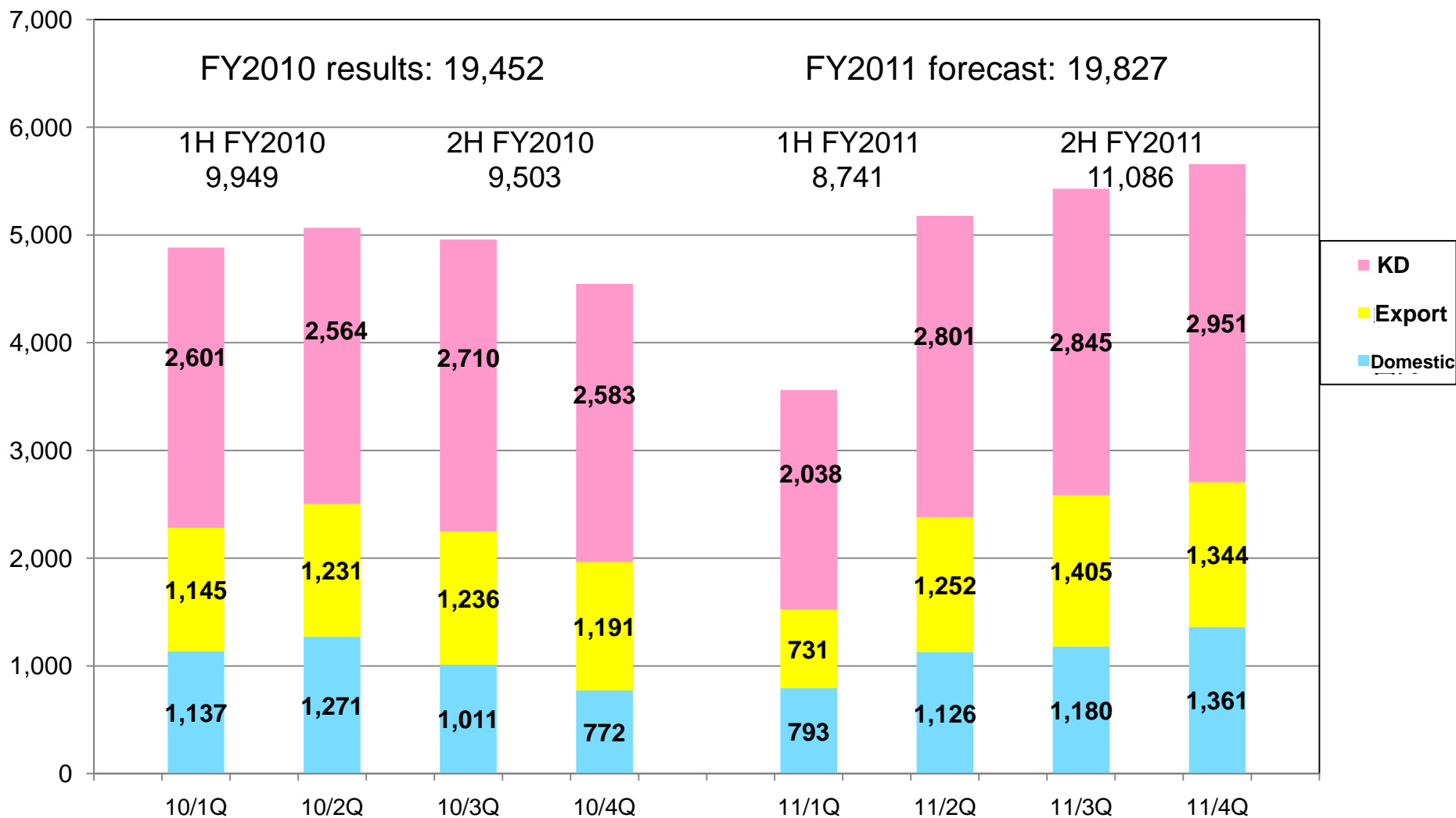


Trends in Motor Vehicle Production

(FY2010-FY2011 quarterly results and forecast)

(Thousands of units)

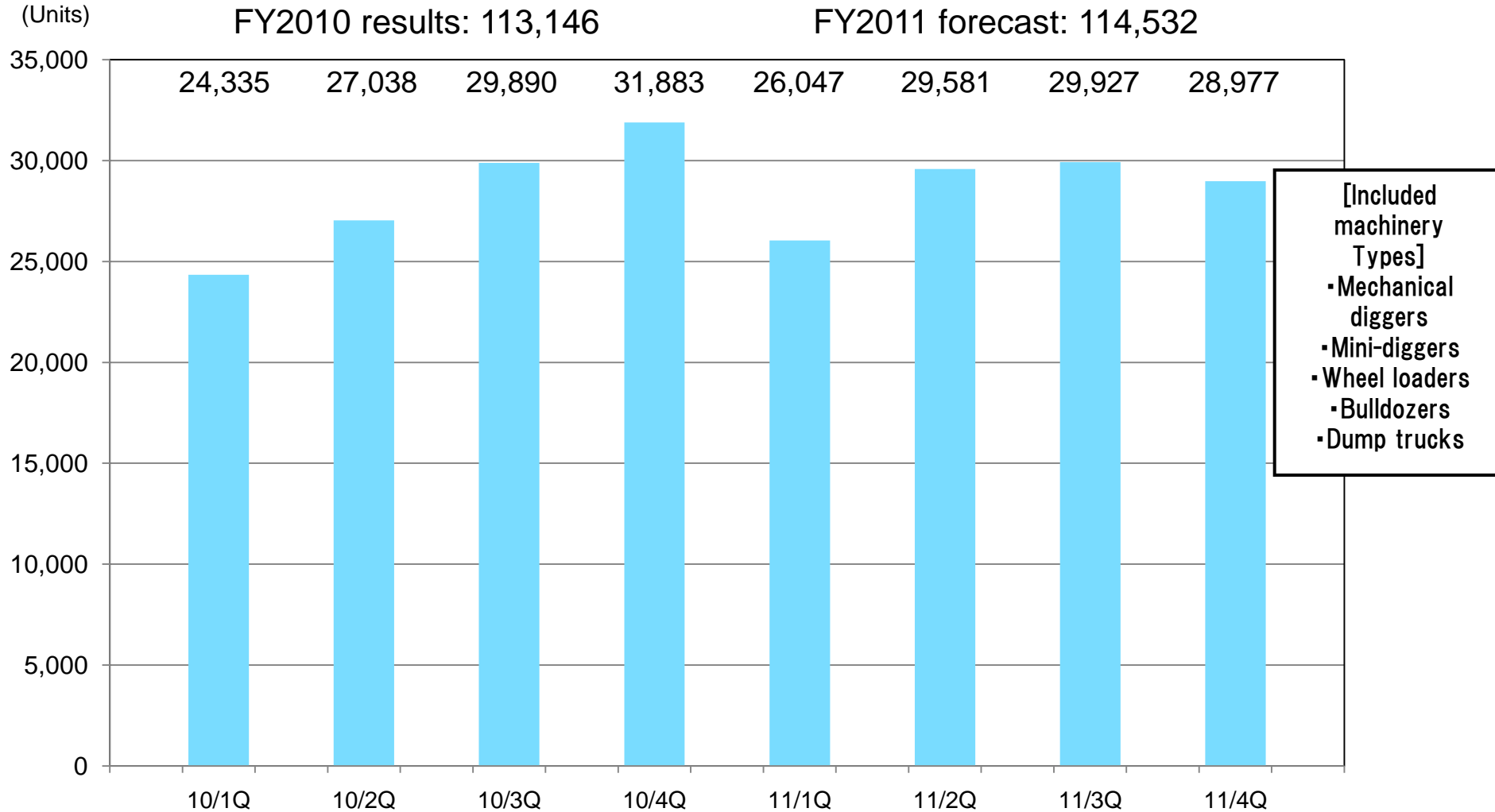
Source: NOK research



Construction Machinery Output <Top 2 Makers>

(FY2010-FY2011 quarterly results and forecast)

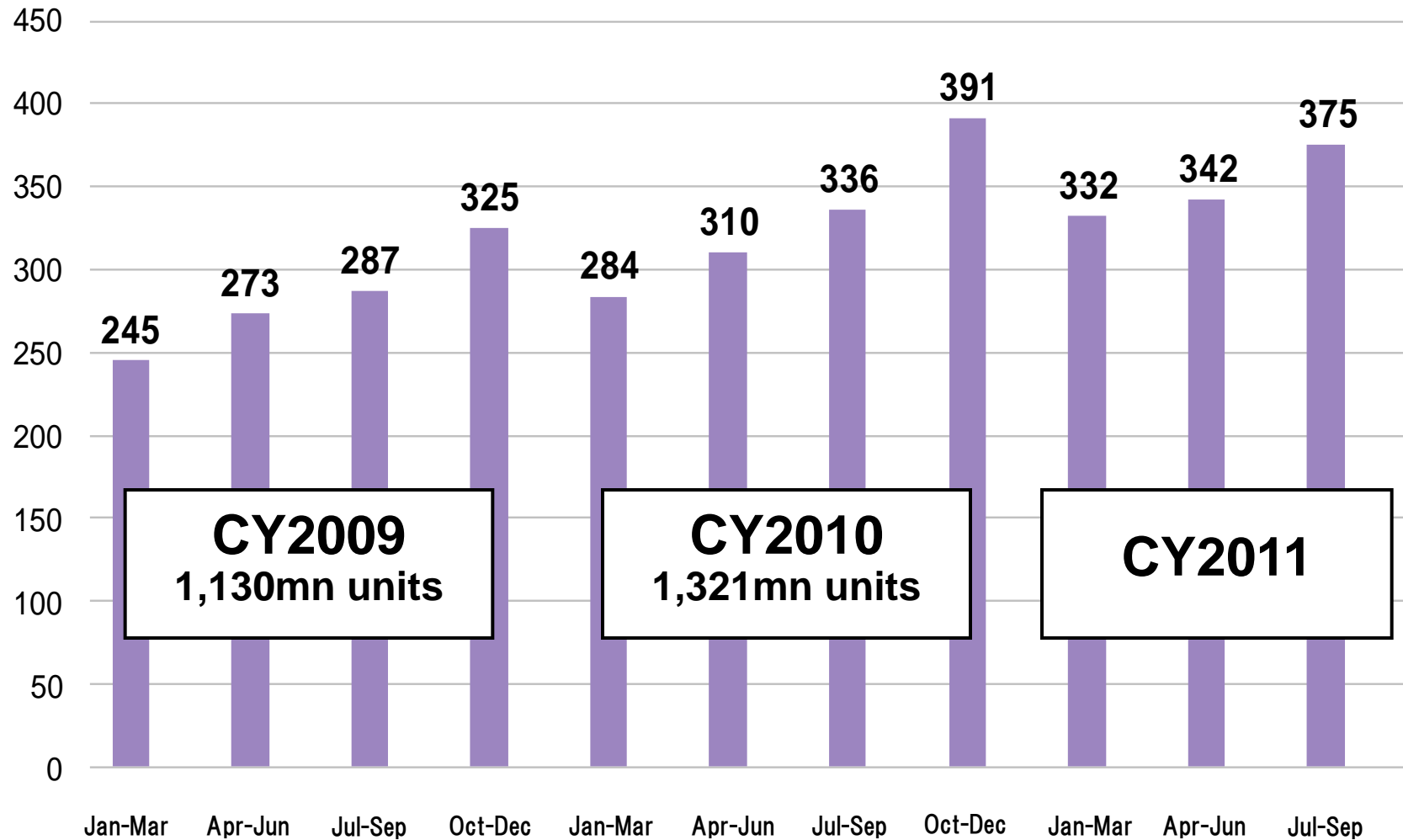
Source: NOK research



Global Mobile Phone Shipments

Sources: EM Data Service etc.

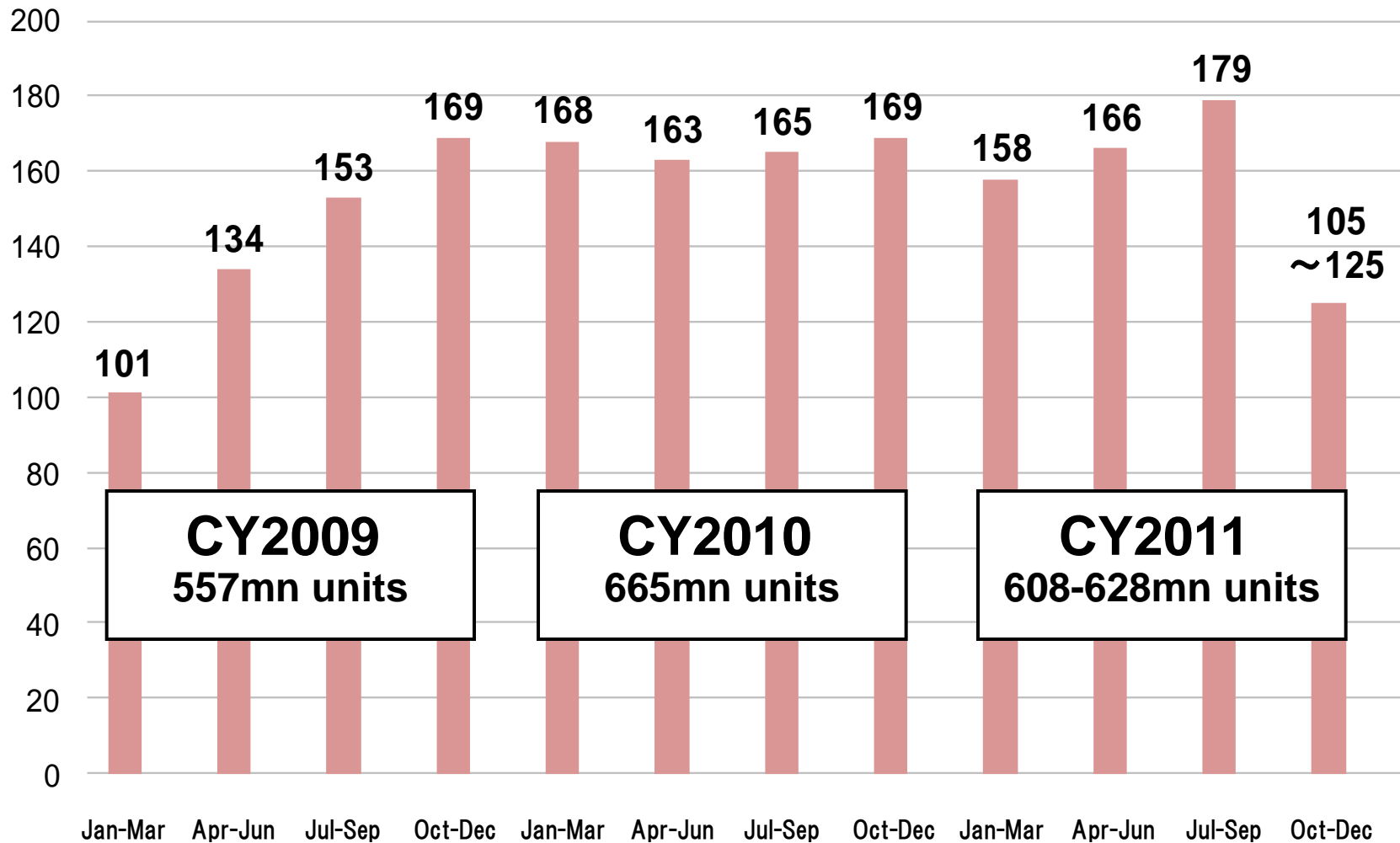
(Millions of units)



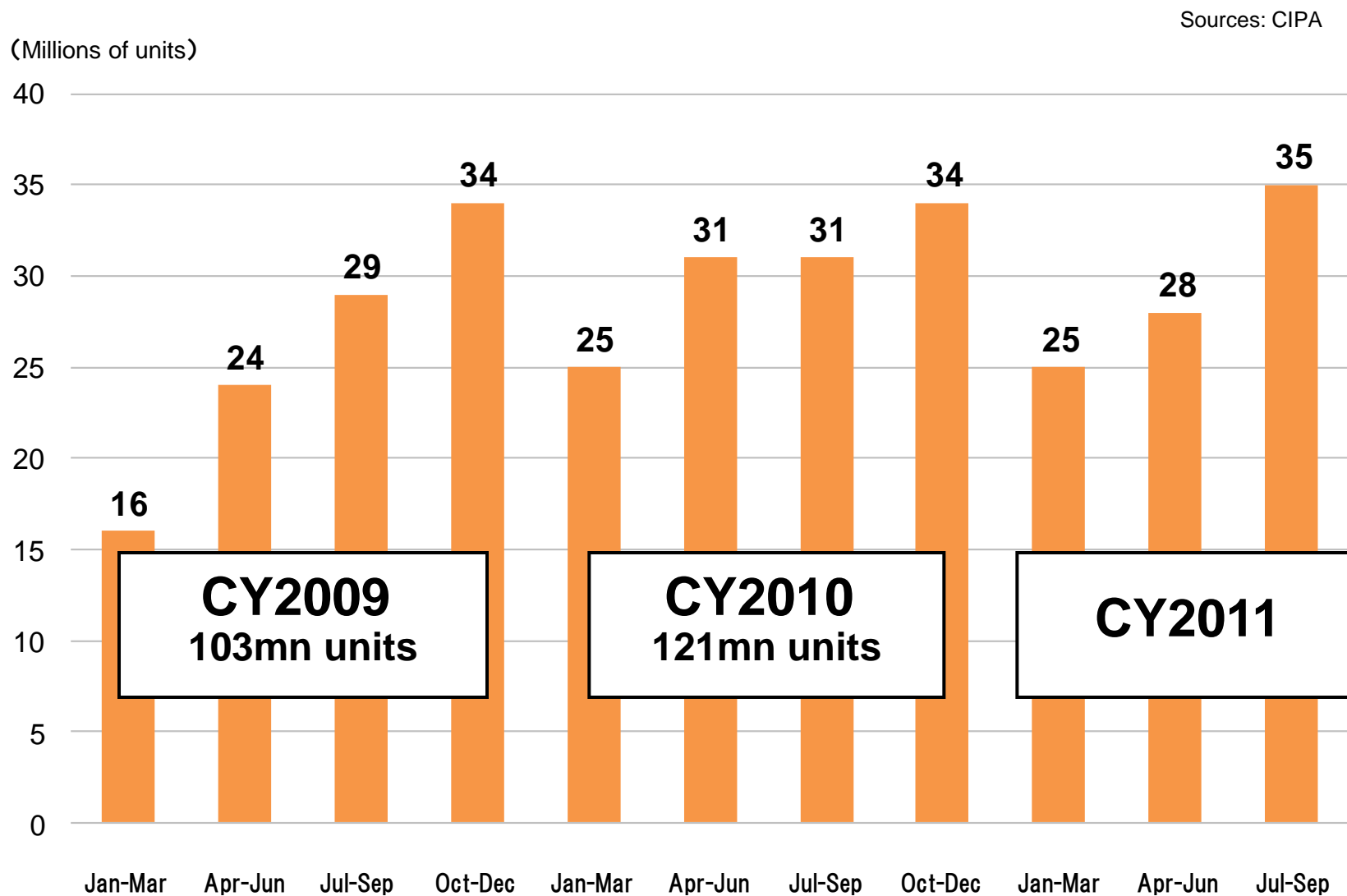
HDD Production

Source: NOK research

(Millions of units)



Digital Camera Shipments



Accounts Overview

Akira Watanabe, Senior Operating Officer

Business Segments [1]

(Billions of yen)		1H FY2010 results	1H FY2011 results	Change	
Seal Business	External Sales	135.2	125.9	(-6.8%)	-9.2
	Operating Income	13.9	12.0	(-13.6%)	-1.9
Electronic Device Product Business	External Sales	90.3	90.9	(0.7%)	0.6
	Operating Income	4.5	1.2	(-73.7%)	-3.3
Roll Business	External Sales	17.1	15.1	(-11.7%)	-2.0
	Operating Income	-0.2	-0.3	(—)	-0.1
Other Business	External Sales	6.6	6.7	(1.4%)	0.1
	Operating Income	0.4	0.5	(15.7%)	0.1
Total	Net Sales	249.1	238.6	(-4.2%)	-10.6
	Operating Income	18.6	13.3	(-28.5%)	-5.3

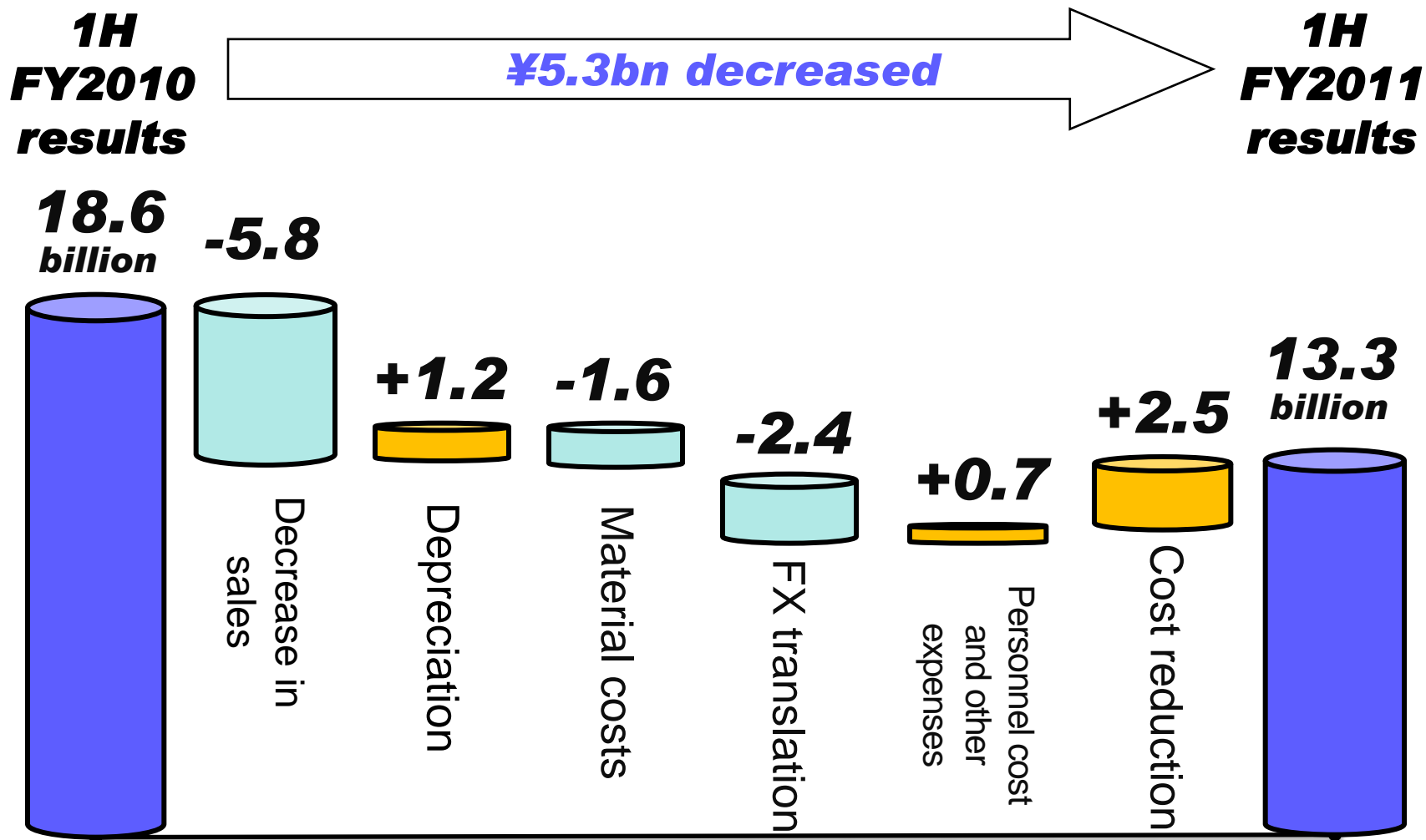
※ Data for FY2010 reflects segment results prior to reclassification

Business Segments [2]

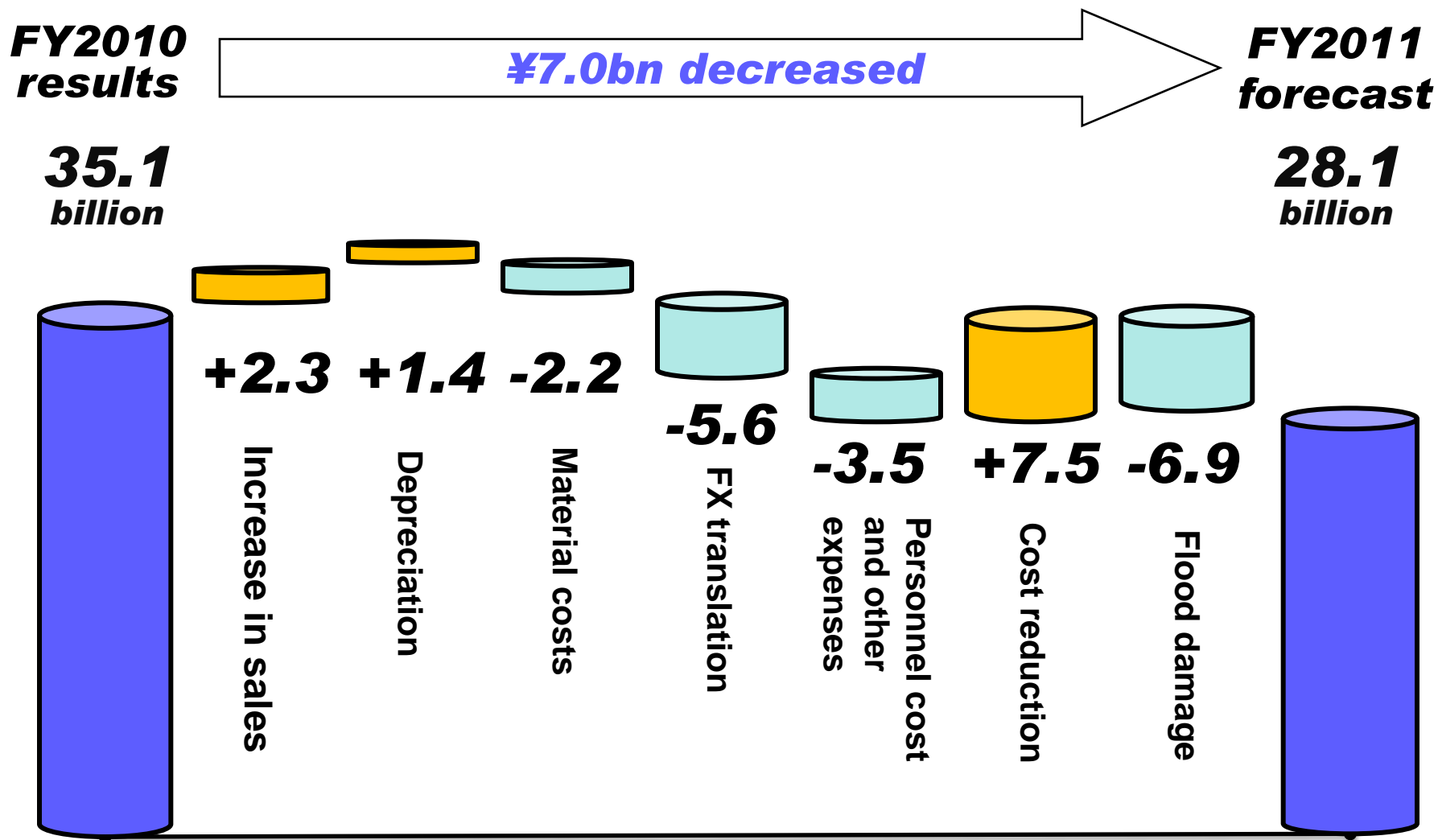
(Billions of yen)		<i>FY2010 Full-year results</i>	<i>FY2011 Full-year initial forecast</i>	<i>FY2011 Full-year revised forecast</i>	Change	
Seal Business	External Sales	270.6	265.0	260.1	(-3.9%)	-10.5
	Operating Income	27.2	27.4	24.0	(-11.8%)	-3.2
Electronic Device Product Business	External Sales	181.7	200.0	192.0	(5.7%)	10.3
	Operating Income	7.6	6.5	3.5	(-54.2%)	-4.1
Roll Business	External Sales	33.8	32.0	28.7	(-15.1%)	-5.1
	Operating Income	-0.6	0.4	-0.3	(—)	0.3
Other Business	External Sales	12.9	14.0	13.8	(7.4%)	0.9
	Operating Income	0.9	0.9	0.9	(4.4%)	0
Total	Net Sales	498.9	511.0	494.6	(-0.9%)	-4.3
	Operating Income	35.1	35.2	28.1	(-20.0%)	-7.0

※ Data for FY2010 reflects segment results prior to reclassification

Operating Income Change Factors



Operating Income Change Factors



Capital Expenditure/Depreciation

(Billions of yen)

		FY2008	FY2009	FY2010	FY2011
		Results	Results	Results	Forecast
Capital expenditure	Japan	29.8	11.0	12.5	16.4
	Asia	27.3	6.9	11.0	18.1
	Europe and the U.S	0.5	0.4	0.1	0.1
	Total	57.6	18.4	23.6	34.7
Depreciation	Japan	27.0	23.8	20.5	19.6
	Asia	13.6	12.9	12.9	12.6
	Europe and the U.S	0.4	0.3	0.3	0.3
	Total	40.9	37.0	33.7	32.5



NOK CORPORATION