



NOK CORPORATION and Consolidated Subsidiaries

Consolidated Financial Results for Fiscal Year Ended March 31, 2012 (Japanese GAAP)

Date: May 11, 2012

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Scheduled date for the General Shareholders' Meeting: June 27, 2012
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 Schedule for "investor meeting presentation": Yes

(Fractions are rounded down to the nearest million yen.)

1. Consolidated Business Results for Fiscal 2011 (April 1, 2011 to March 31, 2012)

(1) Consolidated operating results (Percentage figures represent year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
FY 2011	495,251	(0.7)	30,012	(14.6)	34,694	7.0	16,016	(4.0)
FY 2010	498,932	20.3	35,134	177.6	32,426	212.9	16,685	-

Note: Comprehensive income: 12,446 million yen, 25.3 % (as of March 31, 2012); 9,933 million yen, -36.6% (as of March 31, 2011)

	Net income per share	Diluted net income per share	Net income to shareholders' equity	Ordinary income to total assets	Operating income to net sales
	yen	yen	%	%	%
FY 2011	93.22	-	6.5	6.6	6.1
FY 2010	97.29	-	7.0	6.0	7.0

Reference: Equity method investment profit: 3,336 million yen (as of March 31, 2012); 3,321 million yen (as of March 31, 2011)

(2) Consolidated financial position

	Total assets	Net assets	Capital ratio	Net assets per share
	million yen	million yen	%	yen
FY 2011	529,431	272,174	47.2	1,453.37
FY 2010	525,553	262,484	45.9	1,404.63

Reference: Shareholders' equity: 249,969 million yen (as of March 31, 2012); 241,112 million yen (as of March 31, 2011)

(3) Consolidated cash flows

	Operating cash flow	Investing cash flow	Financing cash flow	Ending cash and cash equivalents
	million yen	million yen	million yen	million yen
FY 2011	32,026	(28,826)	(12,640)	74,806
FY 2010	58,587	(24,231)	(39,358)	86,205

2. Dividends

	Dividend for the fiscal year					Total dividend (Annual)	Payout ratio (Consolidated)	Dividend to net assets (Consolidated)
	1Q-end	Interim	3Q-end	Final	Full year			
	yen	yen	yen	yen	yen	million yen	%	%
FY 2010	-	7.50	-	7.50	15.00	2,595	15.4	1.1
FY 2011	-	7.50	-	7.50	15.00	2,595	16.1	1.0
FY 2012 (Projection)	-	10.00	-	10.00	20.00		13.0	

3. Projection of Consolidated Financial Results for Fiscal 2012 (April 1, 2012 to March 31, 2013)

(Percentage figures represent year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	
Half year	262,700	10.1	14,800	11.2	16,400	18.9	9,000	30.3	52.24
Full year	564,000	13.9	41,400	37.9	45,000	29.7	26,500	65.5	153.82

* Notes

(1) Changes in significant subsidiaries during the term (changes in “tokutei kogaisha” as defined in Ministry of Finance Ordinance No. 5 of 1973 (as amended) involving changes in the scope of consolidation): None

(2) Changes in accounting policies, changes in accounting estimates, and restatement of revisions

- i) Changes in accounting policies due to amendments to accounting standards, etc.: None
- ii) Changes in accounting policies other than those described in i) above: None
- iii) Changes in accounting estimates: None
- iv) Restatement of revisions: None

(3) Number of issued shares (common stock)

- i) Number of issued shares at the end of the period (including treasury stock)
- ii) Number of shares of treasury stock at the end of the period
- iii) Average number of shares during the period

FY 2011	173,138,537 shares	FY 2010	173,138,537 shares
FY 2011	1,145,524 shares	FY 2010	1,482,218 shares
FY 2011	171,820,378 shares	FY 2010	171,501,690 shares

* Audit procedures

This summary of the consolidated financial results for FY 2011 is not in conformity with the audit procedures as provided for under the Financial Instruments and Exchange Act. As of the date on which this summary of the consolidated financial results for FY 2011 were released as a flash report, the above-mentioned audit procedures were being implemented.

* Proper use of the projections for financial results, and other important matters:

Forward-looking statements such as projections of future financial results and other descriptions concerning our future business included in this document are based on currently available information and certain assumptions that we consider to be reasonable, and no representation or warranty is given with regard to the realization of such projections, etc. Actual financial results may differ significantly due to various factors.

For assumptions, etc., used as the basis for the projections for financial results, please see “Analysis of Operating Results” on page 2 of the attached document.

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1. Operating Results

(1) Analysis of Operating Results

The Japanese economy in the current consolidated fiscal year faced a sudden increase in uncertainty due to factors including a resurgence of financial instability in Europe, appreciation of the yen to historic highs and repercussions from the floods in Thailand, despite the moderate recovery trend seen until summer including speedy recovery from the supply chain disruptions resulting from the Great East Japan Earthquake. Meanwhile, there have been positive signs in the economy including signs of a slowdown in the appreciation of the yen and positive effects from government economic stimulus measures among other factors.

In the automobile industry, while vehicle production plunged due to the impact of the Great East Japan Earthquake at the beginning of the current fiscal year, production later picked up rapidly in an effort to make up for lost production as the supply chain recovered. The latter half of the current fiscal year saw a decline in vehicle production owing to damage related to the floods in Thailand as well as a drop in vehicle sales due to the impact of the European debt crisis, among other incidents. On the whole, vehicle production remained strong on the back of factors including a rebound in vehicle sales in the North American market, strong vehicle sales in emerging markets such as Indonesia, and measures to stimulate new car purchases in Japan with a government subsidy for eco-friendly car purchases.

In the electronic equipment industry, while demand for smartphones and tablet PCs increased, the floods in Thailand had a significant negative impact on the production of hard disc drives (HDD) and digital cameras among other products.

In the office machine industry, overall sales of copiers, etc., remained low owing to a drop in demand as a result of the deterioration of the European economy as well as a decline in competitiveness due to appreciation of the yen, despite a trend toward recovery from the impact of the earthquake.

Under these circumstances, the operating results of the Group by business segment were as follows:

The business covering the production and sales of precision components for HDD and mobile devices has been transferred from NOK Corporation to Nippon Mektron, Ltd., a subsidiary of NOK, effective as of the current consolidated fiscal year. Consequently, the "flexible printed circuit (FPC) business," one of our reportable business segments, has been renamed the "electronic device product business." Regarding business results reporting, the precision component business, which was previously part of the seal business, is included in the electronic device product business. The comparison of business results with the previous consolidated fiscal year reflects the above transfer.

In the seal business, while sales to automobile manufacturers were negatively affected by the decrease in vehicle production resulting from the Great East Japan Earthquake at the beginning of the period, domestic sales rebounded in line with the speedy recovery of the supply chain. In addition, sales to automobile manufacturers increased slightly year on year on the back of strong vehicle production in the U.S. and emerging nations. Meanwhile, sales to manufacturers of general industrial machinery decreased due to a decline in demand for construction machinery caused by the slowdown of infrastructure investment owing to the impact of fiscal tightening by the Chinese government.

As a result, sales increased to 259,143 million yen (up 1.6% year on year). Operating income rose to 26,294 million yen (up 6.4% year on year).

In the electronic device product business, sales increased significantly for smartphones and tablet PCs. Sales were also boosted for digital cameras thanks to strong sales of digital single-lens reflex (DSLR) cameras in spite of the impact of flood damage in Thailand. Meanwhile, sales plunged for HDD owing to the impact of the floods in Thailand and appreciation of the yen. Sales also dropped for digital audio devices reflecting a decline in demand. Costs including personnel expenses increased as some of the Group's production sites in Thailand were affected by the floods and domestic and Chinese production sites were used for alternate production.

As a result, sales declined to 194,112 million yen (down 1.6% year on year). Operating income plunged to 3,633 million yen (down 64.1% year on year) due to factors including the influence of exchange rate fluctuations as well as expenses associated with alternate production due to the impact of the floods in Thailand.

In the roll business, sales plunged due to factors including a decline in demand for copiers owing to the European debt crisis and the associated drop in production of office machines in Asia, such as China, and other emerging countries.

As a result, sales decreased to 29,102 million yen (down 13.9% year on year). An operating loss of 775 million yen was recorded (compared with an operating loss of 573 million yen for the previous consolidated fiscal year).

In other businesses including specialty lubricants, sales rose to 12,892 million yen (up 0.3% year on year) on the back of the recovery in automobile production after the Great East Japan Earthquake among other factors. Operating income increased to 868 million yen (up 0.7% year on year).

In summary, the Group's operating results for the current consolidated fiscal year were as follows: Net sales totaled 495,251 million yen (down 0.7% year on year); operating income dropped to 30,012 million yen (down 14.6% year on year); ordinary income was 34,694 million yen (up 7.0% year on year); and net income amounted to 16,016 million yen (down 4.0% year on year).

(2) Analysis of Financial Position

i. Assets, liabilities and net assets

Total assets as of March 31, 2012 equaled 529,431 million yen, an increase of 3,877 million yen compared with the previous fiscal year-end. This mainly reflected an increase in notes and accounts receivable-trade as a result of a rise in sales compared with the previous fourth quarter, in addition to the impact on the fair value of investment securities of the recovery of the stock market.

Total liabilities as of March 31, 2012 amounted to 257,256 million yen, a decrease of 5,812 million yen compared with the previous fiscal year-end. This was principally due to the repayment of long-term loans payable.

Net assets totaled 272,174 million yen as of March 31, 2012, an increase of 9,690 million yen compared with the previous fiscal year-end. This mainly reflected an increase in retained earnings resulting from higher net income, despite a drop in foreign currency translation adjustment due to the appreciation of the yen.

ii. Cash flows

Cash and cash equivalents (hereinafter, "cash") as of the end of fiscal 2011 amounted to 74,806 million yen. This represented a decrease in cash of 11,398 million yen compared with the previous fiscal year-end. Cash flows during fiscal 2011 are summarized below.

[Cash flows from operating activities]

Net cash provided by operating activities totaled 32,026 million yen, down 45.3% year-on-year. This was primarily attributable to increases in notes and accounts receivable-trade and income taxes paid, despite higher income before income taxes and minority interests.

[Cash flows from investment activities]

Net cash used in investment activities, which mainly consisted of acquisitions of property, plant and equipment and investment securities, amounted to 28,826 million yen, up 19.0% year-on-year.

[Cash flows from financing activities]

Net cash expended in financing activities amounted to 12,640 million yen, down 67.9% year-on-year. This mainly reflected the payment of long-term loans payable.

The trend of cash flow indicators is as follows:

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Capital ratio (%)	51.4	44.4	43.0	45.9	47.2
Market capitalization to total assets (%)	66.2	28.4	44.1	48.1	58.5
Interest-bearing liabilities to cash flow (annualized)	1.5	4.8	4.5	2.1	3.5
Interest coverage ratio (multiple)	21.1	11.2	8.8	17.1	11.9

Capital ratio = Shareholders' equity / Total assets

Market capitalization to total assets = Market capitalization / Total assets

Interest-bearing liabilities to cash flow = Interest-bearing liabilities / Cash flow

Interest coverage ratio = Cash flows / Interest payments

Notes:

1. All indices above are calculated based on consolidated financial statements.
2. Market capitalization is calculated on the basis of the number of issued and outstanding shares excluding treasury stock.
3. Operating cash flow is used as "cash flow" in the above calculation.
4. Interest-bearing liabilities represent all liabilities on the consolidated balance sheet on which we pay interest.

(3) Principal Policy on Dividends and Dividend Distribution for this Fiscal Year and the Next Fiscal Year

As to dividend payment to our shareholders, it is our basic policy to continue a certain stable level of dividend corresponding to the medium- to long-term business performance. Meanwhile, saving a reasonable portion for internal reserve is also critical in preparation for our future business development and reinforcement of financial position. We will, therefore, determine the dividend by taking all these factors into consideration.

Taking into full consideration the aforementioned basic dividend distribution policy along with the level of net income for fiscal 2011, we propose to pay an annual dividend of 15 yen per share for fiscal 2011 (a 7.5-yen interim dividend plus a 7.5-yen term-end dividend).

Based on the aforementioned policy and our earnings projections for fiscal 2012, we plan to pay an annual dividend of 20 yen per share for fiscal 2012 (a 10-yen interim dividend plus a 10-yen term-end dividend).

2. Management Policy

(1) Principal Management Policy

It is our basic philosophy that a firm is the common asset of its shareholders, employees, and society. At the same time, the goal of NOK is to become an entity in which all of its stakeholders including customers, suppliers, and financial institutions can take pride. For such purposes, we concentrate our efforts to create a vigorous, highly profitable corporate group through “manufacturing and distributing unique and useful products with high technical capabilities throughout the world and at appropriate prices.” This is the main policy under which NOK conducts its business.

(2) Medium- to Long-Term Management Strategies and Challenges

The future operating environment surrounding the NOK Group includes the challenge of securing stable supplies of resources amid increasing concerns over unresolved issues related to power supply in Japan (negative impact on production due to power shortages and an increase in costs resulting from a rise in electricity rates) as well as a surge in the price of raw materials owing to turmoil in oil-producing nations. Moreover, unpredictable conditions are likely to persist with considerable uncertainty regarding the economic outlook including the ripple effects from European financial instability on the real economy and foreign exchange risks, among others.

In the automobile industry, the expansion of demand in emerging countries and the recovery of demand in North America are likely to continue and we expect that domestic sales of new cars will be boosted by the government subsidy for eco-friendly car purchases. However, there is some concern regarding a possible slowdown of the global economy and a plunge in domestic sales of automobiles once the subsidy for eco-friendly car purchases finishes.

In the electronic equipment industry, while continued demand from manufacturers of smartphones, tablet PCs, etc., can be expected, there is a concern over future product price erosion due to fiercer competition. With regard to the NOK Group’s production facilities which sustained damage from the floods in Thailand, most recovery efforts have been completed and production has resumed in accordance with plan.

In the office machine industry, although demand for office equipment has picked up reflecting the recovery of the economy, existing trends will continue in terms of shrinkage of the market for replacement parts associated with rising durability.

Amid this persistent, uncertain and severe operating environment, the NOK Group will continue to work on the three-year plan (FY 2011 to FY 2013) based on the following policies by stepping up efforts across the group with the aim of achieving further sustainable growth.

[Slogan]

“Building Foundations for Sustainable Growth”

— Ensuring Success in the Next Decade —

[Policies]

1. Improving global management capacity
2. Developing our people
3. Enhancing manufacturing competence
4. Achieving unrivalled quality
5. Sowing the seeds of new products to blossom in the next decade

3. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(million yen)

	FY 2010 (as of March 31, 2011)	FY 2011 (as of March 31, 2012)
Assets		
Current assets		
Cash and deposits	86,703	75,545
Notes and accounts receivable-trade	124,623	137,023
Merchandise and finished goods	18,654	21,096
Work in process	21,769	24,964
Raw materials and supplies	12,799	12,761
Deferred tax assets	5,705	4,575
Other	12,118	13,631
Allowance for doubtful accounts	(948)	(800)
Total current assets	281,426	288,798
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	131,584	131,260
Accumulated depreciation	(65,119)	(69,936)
Buildings and structures, net	66,465	61,324
Machinery, equipment and vehicles	227,655	230,139
Accumulated depreciation	(166,634)	(173,268)
Machinery, equipment and vehicles, net	61,020	56,871
Tools, furniture and fixtures	55,019	55,615
Accumulated depreciation	(46,272)	(47,601)
Tools, furniture and fixtures, net	8,746	8,014
Land	18,133	17,745
Lease assets	2,387	2,232
Accumulated depreciation	(989)	(959)
Lease assets, net	1,397	1,272
Construction in progress	1,363	4,181
Total property, plant and equipment	157,127	149,410
Intangible assets		
Goodwill	206	102
Other	1,108	1,543
Total intangible assets	1,314	1,645
Investments and other assets		
Investment securities	59,089	66,534
Long-term loans receivable from employees	7,116	6,683
Deferred tax assets	5,679	1,787
Other	14,020	14,889
Allowance for doubtful accounts	(220)	(319)
Total investments and other assets	85,685	89,576
Total noncurrent assets	244,127	240,633
Total assets	525,553	529,431

(million yen)

	FY 2010 (as of March 31, 2011)	FY 2011 (as of March 31, 2012)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	50,552	51,847
Short-term loans payable	46,659	56,061
Income taxes payable	5,339	6,019
Provision for bonuses	8,522	8,192
Provision for business structure improvement	346	–
Provision for loss on disaster	1,463	1,138
Deposits received from employees	16,046	16,173
Other	25,255	29,291
Total current liabilities	154,185	168,723
Noncurrent liabilities		
Long-term loans payable	58,885	39,920
Provision for retirement benefits	45,496	44,023
Other	4,501	4,588
Total noncurrent liabilities	108,883	88,532
Total liabilities	263,069	257,256
Net assets		
Shareholders' equity		
Capital stock	23,335	23,335
Capital surplus	22,450	22,450
Retained earnings	206,956	220,432
Treasury stock	(1,845)	(1,417)
Total shareholders' equity	250,897	264,801
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14,228	16,332
Foreign currency translation adjustment	(24,012)	(31,164)
Total accumulated other comprehensive income	(9,784)	(14,831)
Minority interests	21,371	22,205
Total net assets	262,484	272,174
Total liabilities and net assets	525,553	529,431

(2) Consolidated Income Statement and Consolidated Comprehensive Income Statement
Consolidated Income Statement

(million yen)

	FY 2010 (April 1, 2010 to March 31, 2011)	FY 2011 (April 1, 2011 to March 31, 2012)
Net sales	498,932	495,251
Cost of sales	403,829	402,607
Gross profit	95,103	92,643
Selling, general and administrative expenses	59,968	62,630
Operating income	35,134	30,012
Non-operating income		
Interest income	395	487
Dividends income	660	744
Foreign exchange gains	–	924
Equity in earnings of affiliates	3,321	3,336
Rent income	933	971
Other	1,357	1,586
Total non-operating income	6,669	8,051
Non-operating expenses		
Interest expenses	3,417	2,743
Foreign exchange losses	5,229	–
Other	730	626
Total non-operating expenses	9,377	3,369
Ordinary income	32,426	34,694
Extraordinary income		
Gain on sales of noncurrent assets	1,657	740
Insurance income	–	1,500
Other	244	397
Total extraordinary income	1,901	2,637
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	719	536
Loss on disaster	2,083	2,777
Other	583	225
Total extraordinary loss	3,386	3,538
Income before income taxes and minority interests	30,942	33,793
Income taxes-current	8,055	9,989
Income taxes-deferred	3,187	5,223
Total income taxes	11,243	15,212
Income before minority interests	19,698	18,580
Minority interests in income	3,012	2,564
Net income	16,685	16,016

Consolidated Comprehensive Income Statement

(million yen)

	FY 2010 (April 1, 2010 to March 31, 2011)	FY 2011 (April 1, 2011 to March 31, 2012)
Income before minority interests	19,698	18,580
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,390)	1,788
Foreign currency translation adjustment	(6,713)	(7,411)
Share of other comprehensive income of associates accounted for using equity method	(1,661)	(511)
Total other comprehensive income	(9,764)	(6,134)
Comprehensive income	9,933	12,446
(Detail)		
Comprehensive income attributable to owners of the parent	7,600	10,663
Comprehensive income attributable to minority interests	2,333	1,783

(3) Consolidated Statement of Changes in Net Assets

(million yen)

	FY 2010 (April 1, 2010 to March 31, 2011)	FY 2011 (April 1, 2011 to March 31, 2012)
Shareholders' Equity		
Capital stock		
Balance at the beginning of current period	23,335	23,335
Changes of items during the period		
Total changes of items during the period	–	–
Ending balance	23,335	23,335
Capital surplus		
Balance at the beginning of current period	22,450	22,450
Changes of items during the period		
Total changes of items during the period	–	–
Ending balance	22,450	22,450
Retained earnings		
Balance at the beginning of current period	192,427	206,956
Changes of items during the period		
Dividends from surplus	(2,143)	(2,576)
Net income	16,685	16,016
Change of scope of equity method affiliates	(13)	35
Total changes of items during the period	14,529	13,475
Ending balance	206,956	220,432
Treasury stock		
Balance at the beginning of current period	(2,221)	(1,845)
Changes of items during the period		
Purchase of treasury stock	(0)	(0)
Disposal of treasury stock	376	428
Total changes of items during the period	375	428
Ending balance	(1,845)	(1,417)
Total shareholders' equity		
Balance at the beginning of current period	235,992	250,897
Changes of items during the period		
Dividends from surplus	(2,143)	(2,576)
Net income	16,685	16,016
Purchase of treasury stock	(0)	(0)
Disposal of treasury stock	376	428
Change of scope of equity method affiliates	(13)	35
Total changes of items during the period	14,904	13,903
Ending balance	250,897	264,801

(million yen)

	FY 2010 (April 1, 2010 to March 31, 2011)	FY 2011 (April 1, 2011 to March 31, 2012)
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	15,613	14,228
Changes of items during the period		
Net changes of items other than shareholders' equity	(1,384)	2,104
Total changes of items during the period	(1,384)	2,104
Ending balance	14,228	16,332
Foreign currency translation adjustment		
Balance at the beginning of current period	(16,311)	(24,012)
Changes of items during the period		
Net changes of items other than shareholders' equity	(7,701)	(7,152)
Total changes of items during the period	(7,701)	(7,152)
Ending balance	(24,012)	(31,164)
Total accumulated other comprehensive income		
Balance at the beginning of current period	(698)	(9,784)
Changes of items during the period		
Net changes of items other than shareholders' equity	(9,085)	(5,047)
Total changes of items during the period	(9,085)	(5,047)
Ending balance	(9,784)	(14,831)
Minority interests		
Balance at the beginning of current period	21,209	21,371
Changes of items during the period		
Net changes of items other than shareholders' equity	162	834
Total changes of items during the period	162	834
Ending balance	21,371	22,205
Total net assets		
Balance at the beginning of current period	256,503	262,484
Changes of items during the period		
Dividends from surplus	(2,143)	(2,576)
Net income	16,685	16,016
Purchase of treasury stock	(0)	(0)
Disposal of treasury stock	376	428
Change of scope of equity method affiliates	(13)	35
Net changes of items other than shareholders' equity	(8,923)	(4,213)
Total changes of items during the period	5,981	9,690
Ending balance	262,484	272,174

(4) Consolidated Cash Flow Statement

(million yen)

	FY 2010 (April 1, 2010 to March 31, 2011)	FY 2011 (April 1, 2011 to March 31, 2012)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	30,942	33,793
Depreciation and amortization	33,666	31,126
Increase (decrease) in allowance for doubtful accounts	(1,134)	(40)
Increase (decrease) in provision for bonuses	3,204	(290)
Increase (decrease) in provision for retirement benefits	(218)	(1,180)
Increase (decrease) in provision for business structure improvement	(3,368)	(346)
Interest and dividends income	(1,056)	(1,232)
Interest expenses	3,417	2,743
Foreign exchange losses (gains)	1,472	(280)
Equity in (earnings) losses of affiliates	(3,321)	(3,336)
Loss (gain) on sales and retirement of property, plant and equipment	(860)	(132)
Decrease (increase) in notes and accounts receivable-trad	(6,674)	(16,833)
Decrease (increase) in inventories	(5,007)	(7,015)
Increase (decrease) in notes and accounts payable-trade	7,948	7,105
Other, net	2,826	(1,120)
Subtotal	61,835	42,959
Interest and dividends income received	4,243	1,642
Interest expenses paid	(3,421)	(2,697)
Income taxes paid	(4,070)	(9,877)
Net cash provided by (used in) operating activities	58,587	32,026
Net cash provided by (used in) investment activities		
Decrease (increase) in time deposits	(233)	(259)
Purchase of investment securities	(2,409)	(4,324)
Purchase of investments in capital of subsidiaries	(803)	(316)
Purchase of property, plant and equipment	(22,378)	(24,818)
Proceeds from sales of property, plant and equipment	1,728	1,283
Purchase of intangible assets	(132)	(687)
Other, net	(1)	295
Net cash provided by (used in) investment activities	(24,231)	(28,826)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(15,037)	10,790
Proceeds from long-term loans payable	1,210	952
Repayment of long-term loans payable	(21,077)	(20,395)
Repayment of finance lease obligations	(1,172)	(1,115)
Cash dividends paid	(2,144)	(2,573)
Cash dividends paid to minority shareholders	(1,513)	(727)
Other, net	375	428
Net cash provided by (used in) financing activities	(39,358)	(12,640)
Effect of exchange rate change on cash and cash equivalents	(1,621)	(1,958)
Net increase (decrease) in cash and cash equivalents	(6,623)	(11,398)
Cash and cash equivalents at beginning of period	92,829	86,205
Cash and cash equivalents at end of period	86,205	74,806

(5) Notes Concerning the Going Concern Assumption

None.

(6) Additional Information

(Application of accounting standard for accounting changes and error corrections)

With regard to the accounting changes and past error corrections to be made effective from the beginning of the current consolidated fiscal year, the Company has adopted the Accounting Standard for Accounting Changes and Error Corrections (Accounting Standards Board of Japan (hereinafter, "ASBJ") Statement No.24, December 4, 2009) and the Guidance on Accounting Standard for Accounting Changes and Error Corrections (ASBJ Guidance No.24, December 4, 2009).

(Revision of the amount of deferred tax assets and deferred tax liabilities due to the influence of change in corporate tax rate)
The "Act for Partial Revision of the Income Tax Act, etc., to Construct a Tax System Responding to Changes in Economic and Social Structures" (Act No. 114 of 2011) and the "Act on Special Measures for Securing Financial Resources Necessary to Implement Measures for Reconstruction following the Great East Japan Earthquake" (Act No. 117 of 2011) were promulgated on December 2, 2011. In accordance with this, the corporate tax rate will be reduced and the Special Reconstruction Corporate Tax will be newly imposed on companies effective for consolidated fiscal years starting on April 1, 2012 and after. As a result, the statutory effective tax rate used to calculate deferred tax assets and deferred tax liabilities will decrease from the current rate of 40.1% to 37.5% for temporary differences expected to be reversed during the period between the consolidated fiscal year starting on April 1, 2012 and the consolidated fiscal year starting on April 1, 2014, and to 35.1% for temporary differences expected to be reversed during the consolidated fiscal year starting on April 1, 2015 and the period after that.

NOK Corporation's deferred tax assets (after deducting deferred tax liabilities) decreased 794 million yen and income taxes-deferred increased 2,049 million yen and valuation difference on available-for-sale securities increased 1,255 million yen, respectively, due to the change in tax rates.

(7) Notes Concerning the Consolidated Financial Statements
(Segment Information)

1. Outline of reportable segment information

NOK's reportable segments are constituents of NOK for which separate financial information is available, and which the Board of Directors reviews on a regular basis in order to evaluate business results and determine the best distribution of management resources.

The NOK Group classifies business segments by taking into consideration the product series and the similarities of markets. Each department controlling the relevant segments establishes comprehensive business strategies concerning the products and services to develop the respective business activities.

The business covering the production and sales of precision components for HDD and mobile devices has been transferred from NOK Corporation to Nippon Mektron, Ltd., a subsidiary of NOK, effective as of the current consolidated fiscal year. Consequently, the "flexible printed circuit (FPC) business," one of our reportable business segments, has been renamed the "electronic device product business." Regarding business results reporting, the precision component business, which was previously part of the seal business, is included in the electronic device product business.

The businesses of the NOK Group consist of four reportable segments: "Seal business," "Electronic device product business," "Roll business" and "Other businesses."

In the "Seal business," NOK is the main company in the Group to manufacture and sell seal products for manufacturers of automobile, construction machinery and general industrial machinery. In the "electronic device product business," Nippon Mektron, Ltd. is the Group's leader in the manufacture and sale of electronic parts, etc., mainly for the electronic equipment industry. In the "Roll business," Synztec Co., Ltd. manufactures and sells roll products, etc., mainly for the office machine industry. In the "Other businesses," NOK and NOK Klueber Co., Ltd. are Group leaders in the manufacture and sale of specialty lubricants, etc.

2. Calculation method for sales, income (loss), assets and other items by reportable segment

The principles and procedures of the accounting method for reportable business segments are the same as those used in the preparation of consolidated financial statements."

Reportable segment income represents the amount of operating income.

Inter-segment sales and transfers are based on current market prices.

3. Information on sales, income (loss), assets, liabilities and other items by reportable segments

I FY 2010 (April 1, 2010 to March 31, 2011)

(million yen)

	Reportable segments				Total	Adjustments (Note 1)	Amount included in the consolidated financial statement (Note 2)
	Seal	Electronic device product	Roll	Other			
Sales							
Sales to external customers	255,050	197,232	33,794	12,854	498,932	–	498,932
Inter-segment sales/transfers	3,026	–	–	737	3,763	(3,763)	–
Total	258,077	197,232	33,794	13,591	502,696	(3,763)	498,932
Segment income (loss)	24,716	10,122	(573)	862	35,127	7	35,134
Segment assets	219,410	165,421	26,654	7,822	419,308	106,244	525,553
Other items							
Depreciation and amortization	20,345	11,712	1,450	158	33,666	–	33,666
Increase in property, plant and equipment and intangible assets	11,799	10,587	1,193	32	23,613	–	23,613

Notes:

1. Adjustments are as shown below:

(1) The amount of 7 million yen in Adjustments of segment income represents the result of elimination in the inter-segment transactions.

(2) The amount of 106,244 million yen in Adjustments of segment assets includes 111,846 million yen in corporate assets which are not allocated to individual reportable segments and (5,602) million yen in offset elimination of inter-segment claims and debts.

2. Segment income (loss) is adjusted with operating income stated in consolidated financial statements.

II FY 2011 (April 1, 2011 to March 31, 2012)

(million yen)

	Reportable segments				Total	Adjustments (Note 1)	Amount included in the consolidated financial statement (Note 2)
	Seal	Electronic device product	Roll	Other			
Sales							
Sales to external customers	259,143	194,112	29,102	12,892	495,251	–	495,251
Inter-segment sales/transfers	3,273	10	–	719	4,003	(4,003)	–
Total	262,416	194,123	29,102	13,611	499,254	(4,003)	495,251
Segment income (loss)	26,294	3,633	(775)	868	30,021	(8)	30,012
Segment assets	230,966	171,887	23,101	8,220	434,176	95,254	529,431
Other items							
Depreciation and amortization	18,402	11,339	1,242	143	31,126	–	31,126
Increase in property, plant and equipment and intangible assets	16,099	10,012	839	207	27,158	–	27,158

Notes:

1. Adjustments are as shown below:

(1) The amount of (8) million yen in Adjustments of segment loss represents the result of elimination in the inter-segment transactions.

(2) The amount of 95,254 million yen in Adjustments of segment assets includes 101,284 million yen in corporate assets which are not allocated to individual reportable segments and (6,030) million yen in offset elimination of inter-segment claims and debts.

2. Segment income (loss) is adjusted with operating income stated in consolidated financial statements.

(Per Share Information)

FY 2010 (April 1, 2010 to March 31, 2011)		FY 2011 (April 1, 2011 to March 31, 2012)	
Net assets per share:	1,404.63 yen	Net assets per share:	1,453.37 yen
Net income per share:	97.29 yen	Net income per share:	93.22 yen
Diluted net income per share is not shown as there are no residual securities.		Diluted net income per share is not shown as there are no residual securities.	

Notes:

1. The basis of the computation of net assets per share is as shown below:

	FY 2010 (April 1, 2010 to March 31, 2011)	FY 2011 (April 1, 2011 to March 31, 2012)
Total net assets (million yen)	262,484	272,174
Deductions from total net assets (million yen)	21,371	22,205
(Minority interests)	[21,371]	[22,205]
Net assets at the end of current period attributable to common stock (million yen)	241,112	249,969
Number of shares at the end of current period (1,000 shares)	171,656	171,993

2. The basis of the computation of net income per share is as shown below:

	FY 2010 (April 1, 2010 to March 31, 2011)	FY 2011 (April 1, 2011 to March 31, 2012)
Net income (million yen)	16,685	16,016
Amount not attributable to common stock (million yen)	-	-
Net income attributable to common stock (million yen)	16,685	16,016
Average number of shares during the period (1,000 shares)	171,501	171,820

3. Shares of the Company held by the Employee Stock Ownership Plan Trust (ESOP Trust) account have been deducted from the "Number of shares at the end of current period" and the "Average number of shares during the period."

(Significant subsequent events)

None.