

FY2012 Results ***(from April 1, 2012 to March 31, 2013)***

May 16, 2013

This is a translation of materials used for the analyst meeting held in Tokyo, Japan on May 16, 2013

This document contains forward-looking statements that are based on management's expectations, estimates, projection and assumptions that were available and reasonable at the time of release. Actual future results and trends may differ materially from those in the forecasts due to a variety of factors.

Today's Presentation

Summary of Financial Results for FY2012

(Ended March 31, 2013)

Forecast for FY2013

(Ended March 31, 2014)

Medium-term Business Plan

Segment Information

Capital Expenditure / Financial Condition



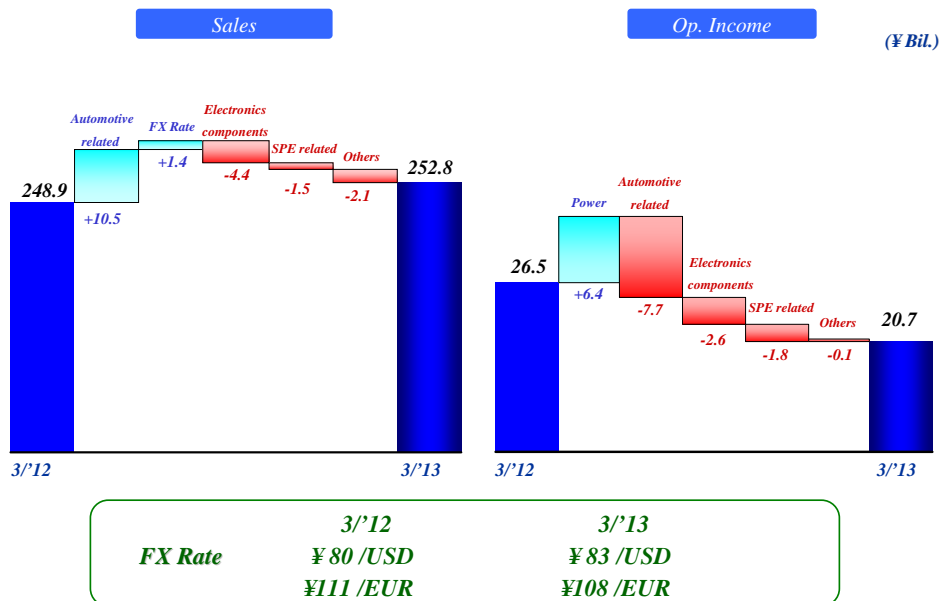
(¥ Bil.)	FY2011		FY2012	Growth ratio
Net Sales	248.9	245.0	252.8	+2 %
Operating Income	26.5	18.0	20.7	-22 %
Ordinary Income	29.1	19.0	22.0	-24 %
Net Income	-35.4	10.0	11.4	—

※ Figures in FY2011 have been retroactively adjusted.

Revised on 1/13

Lower income, but higher sales compared with the previous year. Net Income moved into the black.

- **Ceramics** Although demand for Automotive related products remained strong, Operating income was decreased especially due to advance costs of capital investment.
- Electronics** Tough business environment continued.
- Power** Due to resumption of production, Operating loss of NAS battery business was decreased by half compared with the previous year.
Insulator business moved into the black.
- Even though there was a loss on valuation of investment securities and impairment loss on fixed assets, net income was improved compared with the previous year which recorded extraordinary loss related to NAS battery safety measures.



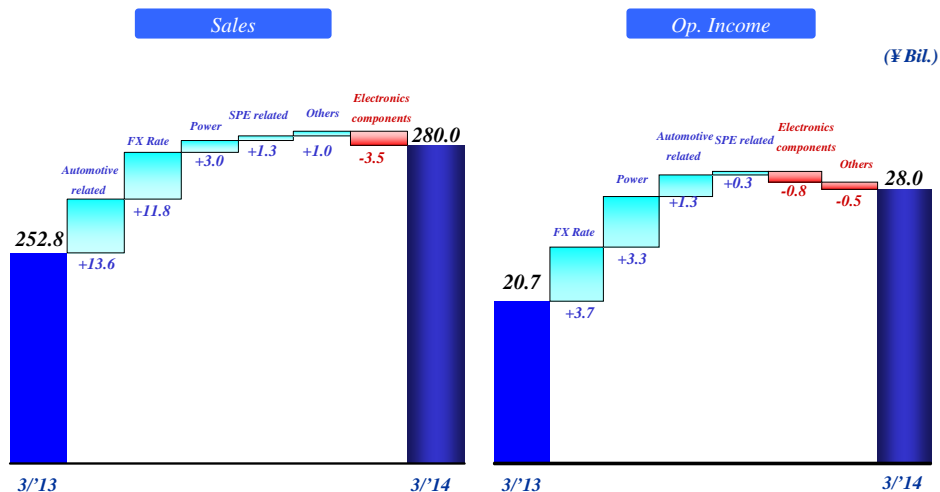
Forecasts for FY2013

(¥ Bil.)	FY2012	FY2013	Growth ratio
Net Sales	252.8	280.0	+11 %
Operating Income	20.7	28.0	+35 %
Ordinary Income	22.0	29.0	+32 %
Net Income	11.4	22.0	+93 %

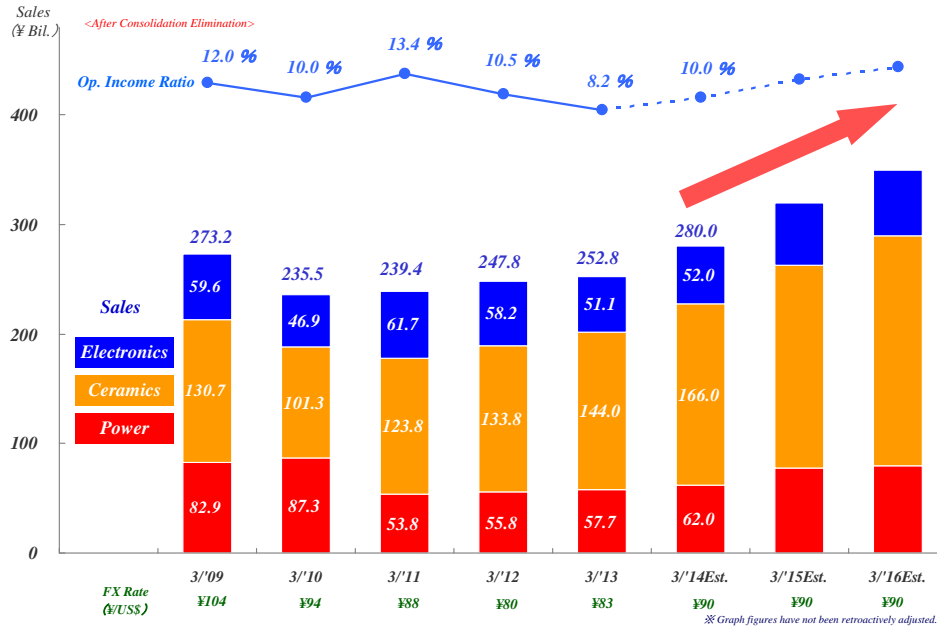
Higher income and higher sales compared with the previous year. Net income improves significantly.

- Ceramics** Automotive related products increases Operating income due to steady demand and lower yen.
- Power** Insulator business remains stagnant in China. NAS battery business expects overseas sales and decreases Operating loss significantly.
- Electronics** Specialty metal & SPE business expects market recovery. Electronic components business continues to fall due to demand decline.

Change Analysis for FY2013



	3/13	3/14
FX Rate	¥ 83 /USD ¥108 /EUR	¥ 90 /USD ¥120 /EUR



Creation of new products and new business

- ▶ Commercialize wafer products
- ▶ Accelerate research of new products

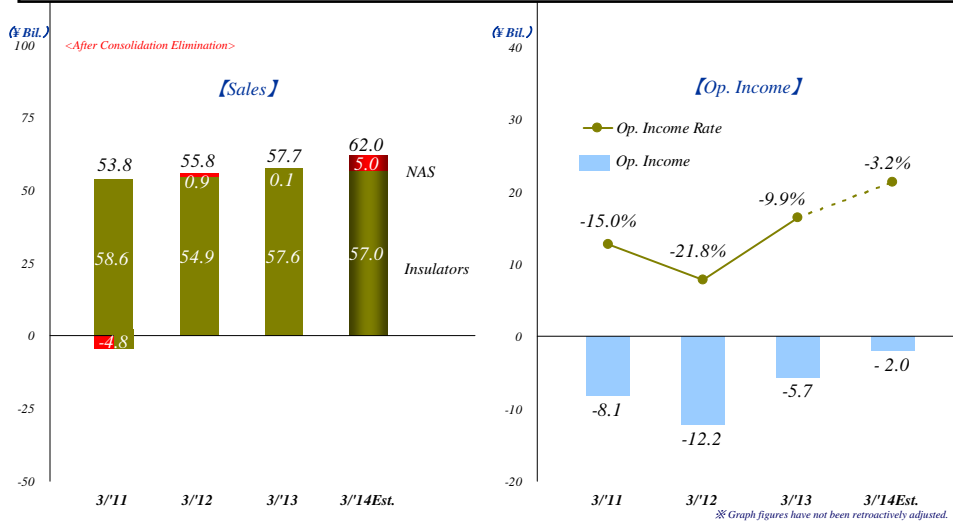
Strengthen profitability of existing business

- ▶ Move unprofitable business into the black (NAS, Electronics Components)
- ▶ Improve strong business much further (Honeycomb, DPF)

Intensive elimination of “waste” ~ pursuing low cost structure

- ▶ Asset compression (Inventory compression, investment optimizing)
- ▶ Cost cutting of manufacturing and back office departments

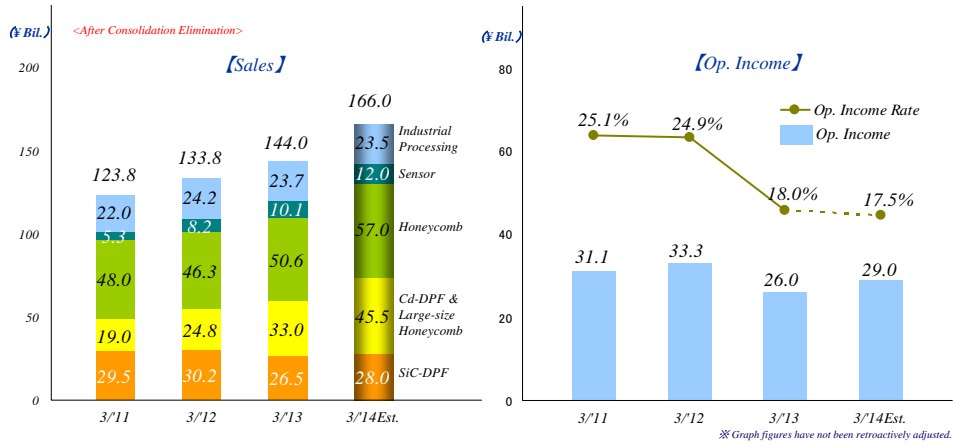
- **Insulator**
 - Replacement demand gradually increased, but power companies maintain lower capital expenditure in Japan. Competition got tougher and demands remained weak in China.
 - Pursuing to secure replacement demand in domestic market, develop global production system and improve profitability.
- **NAS**
 - Implement safety measures to restore confidence. Secure power stabilization demand that has partially emerged overseas.



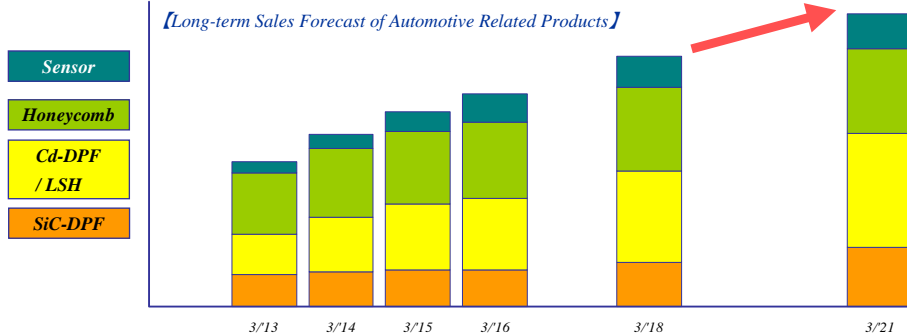
- Reached agreement on a basic contract with Terna (a power major in Italy) (Max 70 MW)
- Revised contract with ADWEA (Abu Dhabi Water & Electricity Authority) (300 MW ⇒ 60 MW)

Market	Target	Use
Overseas	Europe	Transmission & Distribution Company
	Middle East	Power Company
	Others	Generation Company & Transmission Company
Domestic	Power Company	Absorption of Surplus Power
	Generation Company, Power Company & Local Government	Frequency and Output Adjustment
	Heavy User of Electricity	Load Leveling & Emergency

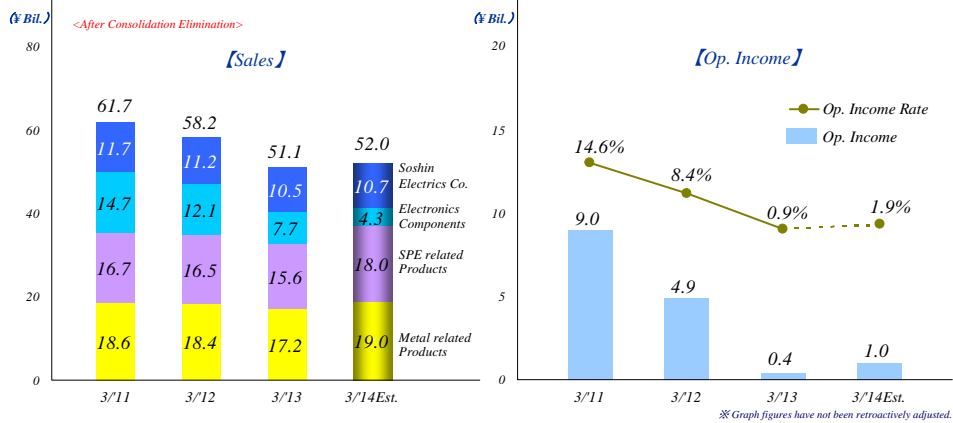
- **Automotive related**
 - Sales of passenger cars in US and emerging markets remains strong. Trends for tighter emission regulations continue and demand for off-road vehicles expand.
 - Secure demand for off-road vehicles and orders from emerging markets, and optimize global production system.
 - Establish technological advantages for emission regulations and improve profitability.
- **Industrial processing**
 - Slow capital expenditure for electronics markets. Release new products and expand overseas business.

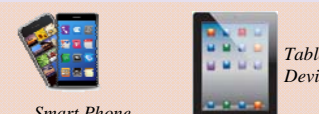



	2012	2013	2014	2015	2016	2017	2018	2019	2020	
Light Vehicle	Japan	PNLT					PPNLT			
	US	Tier2 / Bin5						(Tier3)		
	Europe	Euro5						Euro6		(Euro7)
	China	Euro4			Euro5			(Euro6)		
	India	Euro4 (13Cities), Euro3 (Others)					Euro4			
Truck Bus	Japan	PNLT					PPNLT			
	US	US10						(US16)		
	Europe	Euro V			Euro VI			(Euro VII)		
	China	Euro III			Euro IV			(Euro V)		
	India	Euro IV (13Cities), Euro III (Others)					Euro IV			
Off-Road	Japan	JP11					JP14			
	US	Tier4a			Tier4b			(Tier5)		
	Europe	Step3		Step4			(Step4b)			

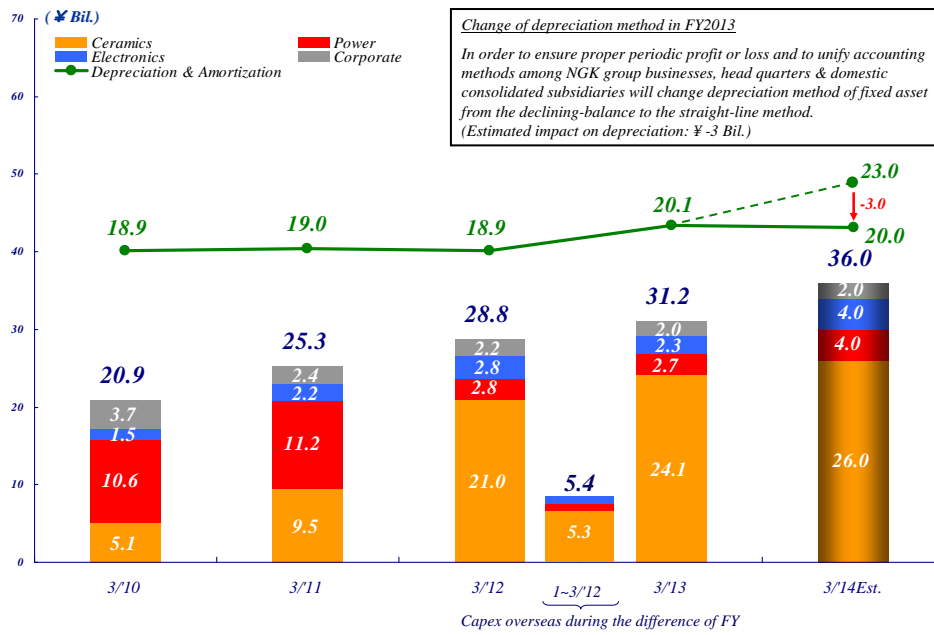


- **Semiconductor Production Equipment Related (SPE related Products)**
• Gradual market recovery is expected. Expand business through utilization of thermal spray technology and aluminum electrostatic chucks.
- **Beryllium Copper (Metal related Products)**
• Chinese and Indian markets expand. Expand business through developing new market and use.
- **Electronics Components**
• Demand for components of inkjet printers remains weak due to tough competition. Aiming for re-growth by creation of value added new products.

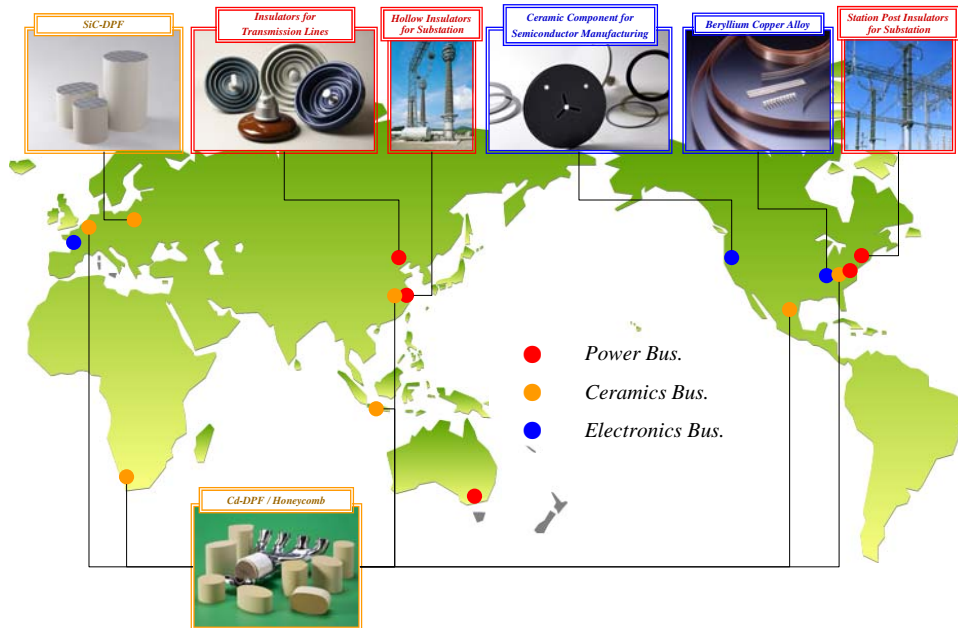


	Bonded Wafer	Gallium Nitride (GaN) Wafer
Features	By bonding wafers made from different materials, you can manufacture high functional telecommunication devices at low cost, which enables communication with less noise and almost no disconnections.	GaN wafers have low defect density and colorless transparency over the whole wafer surface. This wafer enables the creation of ultra high brightness LEDs which reduce power consumption by more than 50%.
Devices	<ul style="list-style-type: none"> • Temperature compensated SAW filter for LTE • RF antenna switch • Power amplifier for cell base station 	<ul style="list-style-type: none"> • Ultra bright blue and green LEDs • High-power blue and green laser • Next generation power semiconductor
Final Product	 <p>Smart Phone Tablet Device</p>	 <p>Projector for business use Head Light Home Appliance Electric Vehicle</p>
Market (2017)	¥20.0 Bil.	¥22.0 Bil.

Capital Expenditure

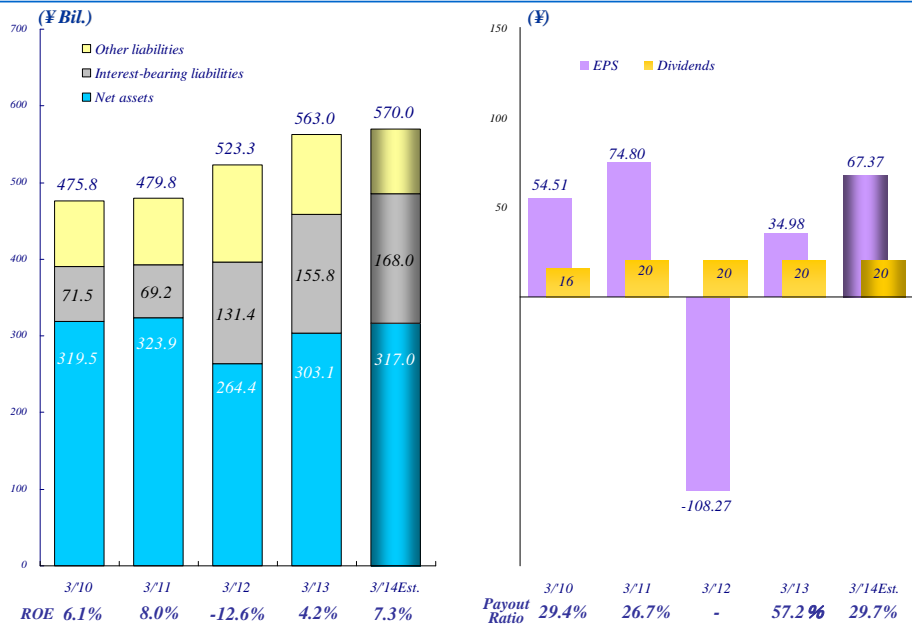


Overseas Manufacturing Companies



(¥ Bil.)

	3/12	3/13	3/14Est.
<i>Operating Activities</i>	13.9	3.7	4.0
<i>Investing Activities</i>	-45.4	-0.6	-28.0
<i>Financing Activities</i>	56.6	12.4	6.0
<i>Effect of exchange rate change</i>	-2.9	2.9	-
<i>Net Change in Cash & Eq.</i>	22.1	18.4	-18.0
<i>Effect of changing the FY period (1~3/'12)</i>	-	-0.7	-
<i>Cash & Eq. at the End of Year</i>	85.1	102.8	84.8



Sales by Product (annual)

<After consolidation elimination>

(¥Bil.)

	March '11	March '12	March '13	March '14 Est.
Insulators	58.6	54.9	57.6	57.0
NAS	-4.8	0.9	0.1	5.0
Power Business	53.8	55.8	57.7	62.0
Honeycomb Ceramics	48.0	46.3	50.6	57.0
SiC-DPF	29.5	30.2	26.5	28.0
Cd-DPF / LSH	19.0	24.8	33.0	45.5
Sensor	5.3	8.2	10.1	12.0
Industrial Processing	22.0	24.2	23.7	23.5
Ceramics Business	123.8	133.8	144.0	166.0
Metal related	18.6	18.4	17.2	19.0
SPE related	16.7	16.5	15.6	18.0
Electric related	14.7	12.1	7.7	4.3
Soshin Electric Co.	11.7	11.2	10.5	10.7
Electronics Business	61.7	58.2	51.1	52.0
Total	239.4	247.8	252.8	280.0

※ Table figures have not been retroactively adjusted.

Sales by Product (semi-annual)

<After Consolidation Elimination>

(¥Bil.)

	March '13		March '14 Est.	
	1 st . Half	2 nd . Half	1 st . Half	2 nd . Half
Insulators	26.7	30.9	29.0	28.0
NAS	0.0	0.1	0.0	5.0
Power Business	26.7	31.0	29.0	33.0
Honeycomb Ceramics	24.7	25.9	29.0	28.0
SiC-DPF	13.0	13.5	14.0	14.0
Cd-DPF / LSH	16.0	17.0	21.0	24.5
Sensor	4.7	5.4	5.5	6.5
Industrial Processing	10.1	13.6	10.5	13.0
Ceramics Business	68.5	75.5	80.0	86.0
Metal related	8.7	8.5	9.5	9.5
SPE related	8.0	7.6	9.0	9.0
Electric related	4.5	3.2	2.3	2.0
Soshin Electric Co.	5.3	5.2	5.2	5.5
Electronics Business	26.5	24.6	26.0	26.0
Total	121.7	131.1	135.0	145.0

The figures included in this brief, including the business performance targets and figures, are all projected data based on the information currently available to the NGK Group, and are subject to variable factors such as economic conditions, competitive environments and future demands.

Accordingly, please be advised that the actual results of business performance may differ substantially from the projections described here.



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