



May 12, 2009

**Summary of Consolidated Financial Results for the Year Ended March 31, 2009**

Company Name: NGK INSULATORS, LTD. URL: <http://www.ngk.co.jp/english/>  
Listing Code: 5333  
Stock Exchange Listings: Tokyo, Osaka, Nagoya and Sapporo  
Representative: Shun Matsushita (Mr.)  
President and Chief Executive Officer  
Contact: Susumu Sakabe (Mr.)  
Vice President  
(TEL: +81-52-872-7230)  
Date for the Annual Shareholders' Meeting (Scheduled) : June 26, 2009  
Date for the Filing of Securities Report "Yuka Shoken Hokokusho" (Scheduled) : June 26, 2009  
Date of Year-end Dividend Payment (Scheduled) : June 29, 2009

Notes 1: The following summary of the business results that NGK INSULATORS, LTD. submitted to the Tokyo Stock Exchange is unaudited by an independent auditor and for reference only.

2: All yen amounts are rounded down to the nearest million.

**1. Consolidated financial results for the year ended March 31, 2009**

(From April 1, 2008 to March 31, 2009)

Year ended March 31,	(Millions of yen, except per share data and percentage)			
	2009		2008	
	Amount	Change (%)	Amount	Change (%)
Net Sales	273,211	(25.1)	364,888	+14.0
Operating Income	32,809	(52.7)	69,377	+33.4
Ordinary Income	31,488	(54.6)	69,324	+37.8
Net Income	24,467	(46.8)	45,951	+56.2
Net Income per share (Yen)	73.66		136.36	
Diluted net income per share (Yen)	73.57		136.22	
Ratio of net income to net worth (%)	8.1		15.3	
Ratio of ordinary income to total assets (%)	6.3		12.9	
Ratio of operating income to net sales (%)	12.0		19.0	

Notes 1: The percentage figures represent the percentage of increase or decrease against the same period of the previous year.

2: Net worth used for the calculation is Total net assets excluding both Stock acquisition rights and Minority interests.

3: "Equity in earnings of unconsolidated subsidiaries and associated companies" were ¥1,127 million and ¥59 million for the year ended March 31, 2009 and March 31, 2008, respectively.

As of March 31,	(Millions of yen, except per share data and percentage)	
	2009	2008
Total Assets	444,202	557,389
Total net assets	301,424	337,513
Ratio of net worth to total assets (%)	63.8	57.0
Net worth per share (Yen)	867.15	942.94

Notes 1: Net worth used for the calculation is Total net assets excluding both Stock acquisition rights and Minority interests.

2: The net worth were ¥283,344 million and ¥317,594 million as of March 31, 2009 and March 31, 2008, respectively.



(3) Consolidated Cash flows (Millions of yen)

Year ended March 31,	2009	2008
Net cash provided by operating activities	32,671	66,659
Net cash provided by investing activities	(21,552)	(16,685)
Net cash provided by financing activities	(36,123)	(10,116)
Cash & cash equivalents, end of year	76,508	119,795

## 2. Dividend payment

(Millions of yen, except per share data and percentage)

Year ended March 31,	2009	2008
Cash dividends per share (Yen)		
Interim	11.0	11.0
Year-end	11.0 (Scheduled)	11.0
Total (Full-year)	22.0	22.0
Total amounts of dividends	7,243	7,411
Dividend payout ratio (%)	29.9	16.1
Ratio of dividends to net worth (%)	2.4	2.5

Notes Net worth used for the calculation is Total equity excluding both Stock acquisition rights and Minority interests

## 3. Forecasts of consolidated financial results for the year ending March 31, 2010

(Millions of yen, except per share data and percentage)

	Six months ending September 30, 2009		Year ending March 31, 2010	
	Amount	Change (%)	Amount	Change (%)
Net Sales	99,000	(35.0)	230,000	(15.8)
Operating Income	2,500	(91.4)	15,000	(54.3)
Ordinary Income	1,000	(96.5)	16,000	(49.2)
Net Income	500	(97.3)	11,000	(55.0)
Net Income per share (Yen)	1.53		33.66	
Cash dividends per share (Yen)	8.00		16.00	

### – Forward Looking Statement –

The section above contains forward-looking statements that are based on management's expectations, estimates, projection and assumptions that were available and reasonable at the date of the release of the forecasts on May12, 2009. Actual future results and trends may differ materially from those in the forecasts due to a variety of factors.



#### 4. Others

(1) Significant changes in subsidiaries during this period (changes in specified subsidiaries, "tokutei kogaisha" defined in the "Cabinet Office Ordinance on Disclosure of Corporate Information, etc.", involving a change of the scope of consolidation during this period) : None

(2) Changes of accounting principles, procedures and presentation when preparing consolidated financial statements (changes in major basic items for preparing consolidated financial statements)

i . Changes due to revisions of accounting standards : Yes

ii . Changes other than the above ( i ) : None

(3) Number of shares outstanding (Common Shares)

	<u>March 31, 2009</u>	<u>March 31, 2008</u>
Number of shares outstanding at year end including treasury stocks	337,560,196	337,560,196
Number of treasury stocks at year end	10,808,134	748,140



**【Additional information】**

**1. Non-consolidated financial results for the year ended March 31, 2009**

(From April 1, 2008 to March 31, 2009)

(1) Non-consolidated operating results	(Millions of yen, except per share data and percentage)				
	Year ended March 31,	2009		2008	
		Amount	Change (%)	Amount	Change (%)
Net Sales		175,396	(19.2)	217,128	(2.5)
Operating Income		13,277	(63.7)	36,589	19.6
Ordinary Income		15,048	(60.1)	37,680	6.8
Net Income		4,030	(82.2)	22,646	(0.5)
Net Income per share (Yen)		12.13		67.19	
Diluted net income per share (Yen)		12.12		67.11	

(2) Non-consolidated financial position	(Millions of yen, except per share data and percentage)		
	As of March 31,	2009	2008
Total Assets		360,312	423,417
Total net assets		235,055	261,603
Ratio of net worth to total assets (%)		65.1	61.7
Net assets per share (Yen)		717.78	775.34

Notes 1: Net worth used for the calculation is Total net assets excluding Stock acquisition rights.

2: The net worth were ¥234,536 million and ¥261,145 million as of March 31, 2009 and March 31, 2008, respectively.

**2. Forecasts of Non-consolidated financial results for the year ending March 31, 2010**

(Millions of yen, except per share data and percentage)

	Six months ending September 30, 2009		Year ending March 31, 2010	
	Amount	Change (%)	Amount	Change (%)
Net Sales	70,000	(28.3)	165,000	(5.9)
Operating Income	500	(96.6)	6,500	(51.0)
Ordinary Income	2,500	(84.5)	9,500	(36.9)
Net Income	1,500	(85.1)	5,500	36.5
Net Income per share (Yen)	4.59		16.83	

**— Forward Looking Statement —**

The above section contains forward-looking statements that are based on management's expectations, estimates, projection and assumptions that were available and reasonable at the date of the release of the forecasts on May 12, 2009. Actual future results and trends may differ materially from those in the forecasts due to a variety of factors.



## 5. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2009	As of March 31, 2008
<b>Assets</b>		
Current assets		
Cash and bank deposits	49,751	63,854
Notes and accounts receivable trade	46,116	81,955
Securities	32,335	68,916
Inventories	78,575	77,237
Deferred tax assets	9,647	9,468
Other	8,373	11,728
Allowance for doubtful accounts	(188)	(189)
<b>Total current assets</b>	<b>224,610</b>	<b>312,972</b>
Non-current assets		
Tangible assets		
Buildings and structures	46,471	51,884
Machinery and vehicles	55,092	75,393
Tools and equipment	4,241	5,612
Land	18,929	18,714
Construction in progress	12,841	5,646
<b>Total tangible assets</b>	<b>137,575</b>	<b>157,251</b>
Intangible assets		
Software	1,443	1,864
Goodwill	-	680
Other	397	570
<b>Total intangible assets</b>	<b>1,840</b>	<b>3,115</b>
Investments and other assets		
Investment securities	47,032	50,390
Long-term loans receivable	127	469
Deferred tax assets	5,669	3,584
Prepaid Pension Expenses	24,316	-
Other	3,315	29,960
Allowance for doubtful accounts	(284)	(354)
<b>Total investments and other assets</b>	<b>80,176</b>	<b>84,051</b>
<b>Total non-current assets</b>	<b>219,592</b>	<b>244,417</b>
<b>Total assets</b>	<b>444,202</b>	<b>557,389</b>



	(Millions of yen)	
	As of March 31, 2009	As of March 31, 2008
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable trade	26,708	37,709
Short-term borrowings	4,744	3,508
Current portion of long-term bonds payable	-	10,000
Current portion of long-term borrowings	29,391	13,327
Accounts payable others	9,655	12,826
Income taxes payable	589	15,743
Accrued expenses	8,230	11,848
Provision for restructuring costs	531	1,126
Other	5,304	7,502
<b>Total current liabilities</b>	<b>85,155</b>	<b>113,592</b>
Long-term liabilities		
Long-term borrowings	28,000	61,026
Deferred tax liabilities	8,078	22,640
Liability for employees' retirement benefits	17,677	18,937
Liability for retirement benefits for directors and corporate auditors	-	213
Liabilities from application of equity method	2,194	1,737
Other	1,672	1,726
<b>Total long-term liabilities</b>	<b>57,623</b>	<b>106,283</b>
<b>Total liabilities</b>	<b>142,778</b>	<b>219,875</b>
<b>Net assets</b>		
Shareholders' equity		
Common stock	69,849	69,849
Capital surplus	85,135	85,135
Retained earnings	168,360	150,400
Treasury stock	(13,986)	(598)
<b>Total shareholders' equity</b>	<b>309,358</b>	<b>304,786</b>
Valuation and translation adjustments		
Unrealized gain on available-for-sale securities	2,507	12,535
Deferred loss on derivatives under hedge accounting	(108)	(4)
Foreign currency translation adjustments	(28,413)	277
<b>Total valuation and translation adjustments</b>	<b>(26,014)</b>	<b>12,807</b>
Stock acquisition rights	519	458
Minority interests	17,560	19,460
<b>Total net assets</b>	<b>301,424</b>	<b>337,513</b>
<b>Total liabilities and net assets</b>	<b>444,202</b>	<b>557,389</b>



## Consolidated Financial Statements

### (2) Consolidated Statements of Income

(Millions of yen)

	Year ended March 31, 2009	Year ended March 31, 2008
<b>Net sales</b>	<b>273,211</b>	<b>364,888</b>
Cost of sales	192,522	241,745
<b>Gross profit</b>	<b>80,688</b>	<b>123,142</b>
Selling, general and administrative expenses	47,879	53,765
<b>Operating income</b>	<b>32,809</b>	<b>69,377</b>
<b>Non-operating income</b>	<b>6,065</b>	<b>6,239</b>
Interest income	2,950	3,047
Dividend income	714	799
Gain on evaluation of derivative	-	1,399
Equity in earnings of unconsolidated subsidiaries and associated companies	1,127	-
Other	1,271	993
<b>Non-operating expenses</b>	<b>7,386</b>	<b>6,292</b>
Interest expense	2,668	2,773
Foreign Exchange loss	3,444	2,538
Other	1,272	980
<b>Ordinary income</b>	<b>31,488</b>	<b>69,324</b>
<b>Extraordinary income</b>	<b>537</b>	<b>10,984</b>
Gain on sales of fixed assets	158	179
Gain on sales of stocks of an associated company	-	10,050
Gain on sales of business of noise-control system	-	458
Gain on reversal of provision for restructuring costs	378	297
<b>Extraordinary loss</b>	<b>11,028</b>	<b>2,152</b>
Loss on sales and disposals of fixed assets	1,553	834
Write-down of investment securities	-	252
Restructuring costs	-	518
Impairment loss	952	-
Loss on liquidation of business	7,912	362
Compensation for damage	-	185
Other	609	-
<b>Income before income taxes and minority interests</b>	<b>20,997</b>	<b>78,156</b>
<b>Income taxes - total</b>	<b>(2,619)</b>	<b>31,363</b>
Income taxes -current	6,983	26,265
Income taxes -deferred	(9,602)	5,098
<b>Minority interests in earnings (loss) of consolidated subsidiaries</b>	<b>(850)</b>	<b>840</b>
<b>Net income</b>	<b>24,467</b>	<b>45,951</b>

**(3) Consolidated Statements of Changes in Equity**

(Millions of yen)

Year ended March 31, 2009	Shareholders' Equity					Valuation and translation adjustments				Stock acquisition rights	Minority interests	Total Net Assets
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Unrealized gain on available- for-sale securities	Deferred loss on derivatives under hedge accounting	Foreign currency translation adjustments	Total valuation and translation adjustments			
Balance as of March 31, 2008	69,849	85,135	150,400	(598)	304,786	12,535	(4)	277	12,807	458	19,460	337,513
Effect of changes in accounting policies applied to foreign subsidiaries	-	-	2,341	-	2,341	-	-	-	-	-	-	2,341
Changes during the period												
Cash dividends	-	-	(7,354)	-	(7,354)	-	-	-	-	-	-	(7,354)
Net income	-	-	24,467	-	24,467	-	-	-	-	-	-	24,467
Net decrease due to liability for retirement benefits of foreign subsidiaries	-	-	(1,161)	-	(1,161)	-	-	-	-	-	-	(1,161)
Change of scope of consolidation	-	-	(256)	-	(256)	-	-	-	-	-	-	(256)
Repurchase of treasury stock	-	-	-	(13,732)	(13,732)	-	-	-	-	-	-	(13,732)
Disposal of treasury stock	-	(76)	-	344	267	-	-	-	-	-	-	267
Transfer of loss on disposal of treasury stock	-	76	(76)	-	-	-	-	-	-	-	-	-
Net changes other than shareholders' equity	-	-	-	-	-	(10,027)	(104)	(28,690)	(38,822)	60	(1,899)	(40,661)
Total changes during the period	-	-	17,960	(13,388)	4,572	(10,027)	(104)	(28,690)	(38,822)	60	(1,899)	(36,089)
Balance as of March 31, 2009	69,849	85,135	168,360	(13,986)	309,358	2,507	(108)	(28,413)	(26,014)	519	17,560	301,424



(Millions of yen)

Year ended March 31, 2008	Shareholders' Equity					Valuation and translation adjustments				Stock acquisition rights	Minority interests	Total Net Assets
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Unrealized gain on available- for-sale securities	Deferred loss on derivatives under hedge accounting	Foreign currency translation adjustments	Total valuation and translation adjustments			
Balance as of March 31, 2007	69,849	85,151	126,387	(15,502)	266,185	20,960	(411)	(1,965)	18,583	231	19,345	304,345
Changes during the period												
Cash dividends	-	-	(6,740)	-	(6,740)	-	-	-	-	-	-	(6,740)
Net income	-	-	45,951	-	45,951	-	-	-	-	-	-	45,951
Net decrease due to liability for retirement benefits of foreign subsidiaries	-	-	24	-	24	-	-	-	-	-	-	24
Repurchase of treasury stock	-	-	(50)	(612)	(663)	-	-	-	-	-	-	(663)
Disposal of treasury stock	-	9	-	20	29	-	-	-	-	-	-	29
Retirement of treasury stock	-	(15,196)	-	15,196		-	-	-	-	-	-	-
Transfer of loss on disposal of treasury stock	-	15,171	(15,171)	-	-	-	-	-	-	-	-	-
Net changes other than shareholders' equity	-	-	-	-	-	(8,424)	406	2,242	(5,775)	226	115	(5,433)
Total changes during the period	-	(15)	24,013	14,603	38,601	(8,424)	406	2,242	(5,775)	226	115	33,167
Balance as of March 31, 2008	69,849	85,135	150,400	(598)	304,786	12,535	(4)	277	12,807	458	19,460	337,513



**(4) Consolidated Statements of Cash Flows**

(Millions of yen)

	Year ended March 31, 2009	Year ended March 31, 2008
<b>Cash flows from operating activities</b>		
Income before income taxes and minority interests	20,997	78,156
Depreciation and amortization	26,237	26,260
Impairment loss	952	-
Decrease in liability for employees' retirement benefits	(559)	(227)
Increase in prepaid pension cost	-	(3,617)
Reversal of provision for restructuring costs	(399)	(345)
Interest and dividend income	(3,665)	(3,846)
Interest expense	2,668	2,773
Foreign exchange losses	2,522	-
Equity in gain of unconsolidated subsidiaries and associated companies	(1,127)	-
Write-down of inventories	3,530	182
Loss on sales and disposals of fixed assets	1,394	655
Gain on sales of stocks of an associated company	-	(10,050)
Loss on liquidation of business	7,912	-
Decrease in notes and accounts receivable	12,406	3,368
Increase in inventories	(21,345)	(7,076)
Decrease (Increase) in other current assets	653	(2,555)
Increase in trade payables	6,094	400
Increase (decrease) in other current liabilities	(4,145)	2,195
Other, net	531	911
Sub-total	54,659	87,185
Interest and dividends received	3,726	3,838
Interest paid	(2,565)	(2,792)
Compensation for damages paid	(131)	-
Income taxes paid	(23,017)	(21,571)
Net cash provided by operating activities	32,671	66,659
<b>Cash flows from investing activities</b>		
Purchases of marketable securities	(10,038)	(11,270)
Proceeds from sales and redemption of marketable securities	16,934	5,602
Purchases of property, plant and equipment	(29,325)	(20,289)
Proceeds from sales of property, plant and equipment	254	705
Purchases of intangible assets	(665)	(738)
Purchases of investment securities	(1,967)	(6,724)
Proceeds from sales and redemption of investment securities	1,436	1,072
Proceeds from sales of stocks of an associated company	-	11,300
Net decrease in time deposits	2,765	3,391
Other, net	(947)	264
Net cash used in investing activities	(21,552)	(16,685)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	3,296	(2,252)
Repayment of long-term borrowings	(8,496)	-
Redemption of bonds	(10,000)	-
Purchase of treasury stock	(13,732)	(570)
Cash dividends paid	(7,354)	(6,740)
Other, net	164	(552)
Net cash provided by (used in) financing activities	(36,123)	(10,116)
<b>Foreign currency translation adjustments on cash and cash equivalents</b>	<b>(14,073)</b>	<b>1,653</b>
<b>Net increase in cash and cash equivalents</b>	<b>(39,077)</b>	<b>41,510</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>119,795</b>	<b>78,285</b>
<b>Decrease in cash and cash equivalents resulting from change of scope of consolidation</b>	<b>(4,210)</b>	<b>-</b>
<b>Cash and cash equivalents, end of year</b>	<b>76,508</b>	<b>119,795</b>

## 6. Segment Information

### (1) Business segments

Year ended March 31, 2009

(Millions of yen)

	Power	Ceramics	Electronics	Total	Elimination or Corporate	Consolidated
<b>Sales</b>						
Sales to customers	82,905	130,710	59,594	273,211	-	273,211
Intersegment sales	34	92	-	126	(126)	-
Total sales	82,939	130,802	59,594	273,337	(126)	273,211
Operating Expenses	75,358	108,633	56,563	240,556	(154)	240,401
Operating income	7,581	22,169	3,031	32,781	28	32,809
Total Assets	92,672	167,176	64,432	324,281	119,920	444,202
Depreciation	4,968	16,827	4,442	26,237	-	26,237
Impairment loss	-	-	952	952	-	952
Capital Expenditures	5,616	19,387	3,573	28,577	1,775	30,352

Notes: Main products by business segment

Business Segment	Main products
Power	Insulators, hardware for insulator assemblies, current limiting arching horn, bushing shells, fuse cut-outs, APM, line arrester and NAS (sodium-sulfur) batteries
Ceramics	Automotive ceramics for exhaust gas purification, corrosion-resistant ceramic apparatuses for chemical industries, gas analyzer, industrial heating systems, refractory products and radioactive waste treatment systems
Electronics	Beryllium copper wrought products, molds and ceramic components for electronics and semiconductor manufacturing equipment

Note: The "engineering Segment" mentioned previously as a segment of NGK group ceased to be a segment of NGK group from the first quarter of the fiscal year ended March 31, 2009, because of the exclusion from the scope of consolidation of a consolidated subsidiary, NGK Water Environment Systems, Ltd., which covered most of that segment's business, as a result of its merger with Fuji Electric Water Environmental Systems Co., Ltd., a former consolidated subsidiary of Fuji Electric Holdings Co., Ltd.. Accordingly, some of the products previously included in the engineering segment such as radioactive waste treatment systems are included in the ceramics segment. As a result, compared with the previous method, net sales for the ceramics segment increased by 4,025 million yen and its operating income rose by 796 million yen.

Year ended March 31, 2008

(Millions of yen)

	Power	Ceramics	Electronics	Engineering	Total	Elimination or Corporate	Consolidated
<b>Sales</b>							
Sales to customers	81,299	162,028	77,502	44,057	364,888	-	364,888
Intersegment sales	1,233	233	2,158	-	3,626	(3,626)	-
Total sales	82,532	162,262	79,661	44,057	368,514	(3,626)	364,888
Operating expenses	73,807	118,447	66,161	40,848	299,264	(3,753)	295,510
Operating income	8,725	43,815	13,500	3,209	69,249	127	69,377
Total Assets	95,090	203,144	77,749	33,126	409,111	148,277	557,389
Depreciation	4,425	17,140	4,262	437	26,266	(6)	26,260
Capital Expenditures	5,697	8,764	3,675	1,239	19,376	2,006	21,382

**(2) Geographical segments**
**Year ended March 31, 2009**

(Millions of yen)

	Japan	North America	Europe	Other areas	Total	Elimination or Corporate	Consolidated
Sales							
Sales to customers	162,407	34,762	54,256	21,784	273,211	-	273,211
Intersegment sales	34,507	11,118	1,552	12,246	59,426	(59,426)	-
Total sales	196,915	45,881	55,808	34,031	332,637	(59,426)	273,211
Operating expenses	181,680	42,645	46,338	31,484	302,149	(61,747)	240,401
Operating income	15,235	3,235	9,470	2,546	30,488	2,321	32,809
Total Assets	264,207	34,088	64,478	49,857	412,632	31,570	444,202

**Year ended March 31, 2008**

(Millions of yen)

	Japan	North America	Europe	Other areas	Total	Elimination or Corporate	Consolidated
Sales							
Sales to customers	233,823	51,238	55,729	24,096	364,888	-	364,888
Intersegment sales	48,274	10,528	4,036	15,516	78,355	(78,355)	-
Total sales	282,097	61,767	59,766	39,612	443,243	(78,355)	364,888
Operating expenses	239,345	54,340	46,496	33,901	374,084	(78,573)	295,510
Operating income	42,751	7,426	13,270	5,710	69,159	218	69,377
Total Assets	297,623	41,059	91,808	52,471	482,962	74,427	557,389

*Notes: Main countries or areas :*
*North America : the United States of America, Canada and Mexico*
*Europe : Germany, Belgium, France, Poland etc.*
*Other areas : Indonesia, China, Australia, Thailand, South Africa etc.*
**(3) Sales to foreign customers**
**Year ended March 31, 2009**

(Millions of yen, except percentage)

	North America	Europe	Asia	Other areas	Total
Sales to foreign customers	36,527	49,699	28,028	29,016	143,271
Consolidated sales					273,211
Ratio of overseas sales to consolidated net sales (%)	13.4	18.2	10.3	10.6	52.4

**Year ended March 31, 2008**

(Millions of yen, except percentage)

	North America	Europe	Asia	Other areas	Total
Sales to foreign customers	52,326	52,729	35,449	39,320	179,827
Consolidated sales					364,888
Ratio of overseas sales to consolidated net sales (%)	14.3	14.5	9.7	10.8	49.3

*Notes:*
*1. Main countries or areas :*
*North America : the United States of America, Canada and Mexico*
*Europe : Germany, Belgium, France, Poland etc.*
*Asia : Korea, China, Thailand etc.*
*Other areas : South Africa, Saudi Arabia etc.*
*2. Sales to foreign customers represent the Company's and consolidated subsidiaries' sales in the countries or area other than Japan.*