

July 29, 2010

Summary of Consolidated Financial Results for the Three Months ended June 30, 2010

Company Name: NGK INSULATORS, LTD. URL: <http://www.ngk.co.jp/english/>
 Listing Code: 5333
 Stock Exchange Listings: Tokyo, Osaka, Nagoya and Sapporo
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 President and Chief Executive Officer

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Date of the Filing of Quarterly Report, "Shihanki Hokokusho"(Scheduled) : August 12, 2010

Notice 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: 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.

(All yen amounts are rounded down to the nearest million.)

1. Consolidated financial results for the three months ended June 30, 2010

(From April 1, 2010 to June 30, 2010)

(1) Consolidated operating results (Millions of yen, except per share data and percentage)

Three months ended June 30,	2010		2009	
	Amount	Change (%)	Amount	Change (%)
Net Sales	58,287	11.6	52,238	(31.1)
Operating Income	9,884	144.4	4,044	(72.6)
Ordinary Income	9,060	138.0	3,806	(74.0)
Net Income	6,372	143.8	2,614	(70.9)
Net Income per share (Yen)	19.51		8.00	
Diluted net income per share (Yen)	19.49		7.99	

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

(2) Consolidated financial position (Millions of yen, except per share data and percentage)

	June 30, 2010	March 31, 2010
Total Assets	474,954	475,847
Total net assets	321,922	319,472
Ratio of net worth to total assets (%)	64.0	63.5
Net worth per share (Yen)	931.30	925.71

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 ¥304,162 million and ¥302,326 million as of June 30, 2010 and March 31, 2010, respectively.

2. Dividend payment

Year ended March 31,	2011	2010
Cash dividends per share (Yen)		
Interim	10.0 (Forecast)	8.0
Year-end	10.0 (Forecast)	8.0
Total (Full-year)	20.0 (Forecast)	16.0

Notes: Revision of cash dividend forecast in this quarter - None.

3. Forecasts of consolidated financial results for the year ending March 31, 2011

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

	Six months ending		Year ending	
	September 30, 2010		March 31, 2011	
	Amount	Change (%)	Amount	Change (%)
Net Sales	125,000	20.9	270,000	14.7
Operating Income	16,000	154.9	34,000	45.0
Ordinary Income	14,000	139.8	34,000	36.8
Net Income	10,000	167.3	25,000	40.4
Net Income per share (Yen)	30.62		76.55	

Notes: Revision of forecasts of consolidated financial results during this period - None.

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) Adoption of simplified accounting methods or special accounting methods for preparing quarterly consolidated financial statements : Yes
Income tax, deferred tax assets and liabilities
Only important tax adjustments are applied to income tax calculation.
- (3) 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
"Accounting Standard for Asset Retirement Obligations" (Accounting Standards Board of Japan[ASBJ] Statement No. 18, March 31, 2008) and "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No. 21, March 31, 2008) are applied from the first quarter beginning April 1, 2010.
The effect of this change on the consolidated financial statements is immaterial.
- ii . Changes other than the above (i) : None
- (4) Number of shares outstanding (Common Shares)

	June 30, 2010	March 31, 2010
Number of shares outstanding at period end including treasury stocks	337,560,196	337,560,196
Number of treasury stocks at period end	10,960,263	10,971,790
<u>Three months ended June 30,</u>	<u>2010</u>	<u>2009</u>
Average number of shares outstanding over period	326,591,970	326,746,196



5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of June 30, 2010	As of March 31, 2010
Assets		
Current assets		
Cash and bank deposits	60,369	75,697
Notes and accounts receivable trade	61,095	62,534
Securities	51,741	36,433
Inventories	68,296	65,377
Other	16,197	14,364
Allowance for doubtful accounts	(121)	(139)
Total current assets	257,578	254,267
Non-current assets		
Tangible assets		
Buildings and structures	49,902	50,407
Machinery and vehicles	49,868	50,803
Other	40,171	37,774
Total tangible assets	139,941	138,985
Total intangible assets	2,031	2,022
Investments and other assets		
Investment securities	46,876	51,458
Other	28,791	29,400
Allowance for doubtful accounts	(266)	(288)
Total investments and other assets	75,402	80,570
Total non-current assets	217,375	221,579
Total assets	474,954	475,847



(Millions of yen)

	As of June 30, 2010	As of March 31, 2010
Liabilities		
Current liabilities		
Notes and accounts payable trade	20,983	23,109
Short-term borrowings	7,822	3,321
Current portion of long-term borrowings	4,000	4,000
Income taxes payable	702	4,538
Provision	2,137	-
Other	25,131	27,271
Total current liabilities	60,778	62,241
Long-term liabilities		
Long-term bonds payable	20,000	20,000
Long-term borrowings	44,124	44,132
Liability for employees' retirement benefits	16,703	16,737
Other	11,425	13,263
Total long-term liabilities	92,253	94,133
Total liabilities	153,031	156,374
Net assets		
Shareholders' equity		
Common stock	69,849	69,849
Capital surplus	85,135	85,139
Retained earnings	183,836	180,076
Treasury stock	(14,304)	(14,314)
Total shareholders' equity	324,517	320,750
Valuation and translation adjustments		
Unrealized gain on available-for-sale securities	3,871	6,226
Deferred gain on derivatives under hedge accounting	49	81
Foreign currency translation adjustments	(24,275)	(24,732)
Total valuation and translation adjustments	(20,354)	(18,424)
Stock acquisition rights	621	643
Minority interests	17,138	16,502
Total net assets	321,922	319,472
Total liabilities and net assets	474,954	475,847



Consolidated Financial Statements

(2) Consolidated Statements of Income

(Millions of yen)

	Year ended June 30, 2010	Year ended June 30, 2009
Net sales	58,287	52,238
Cost of sales	37,125	37,179
Gross profit	21,162	15,059
Selling, general and administrative expenses	11,278	11,015
Operating income	9,884	4,044
Non-operating income	2,189	1,241
Interest income	236	345
Dividend income	499	528
Gain on evaluation of derivative	972	-
Other	481	367
Non-operating expenses	3,013	1,479
Interest expense	279	430
Foreign Exchange loss	2,132	-
Equity in loss of unconsolidated subsidiaries and associated companies	374	570
Other	226	479
Ordinary income	9,060	3,806
Extraordinary income	16	23
Gain on sales of fixed assets	16	23
Extraordinary loss	67	78
Loss on sales and disposals of fixed assets	67	78
Income before income taxes and minority interests	9,009	3,751
Income taxes - total	1,974	1,324
Income taxes -current	844	267
Income taxes -deferred	1,130	1,057
Income before minority interests	7,034	-
Minority interests in earnings (loss) of consolidated subsidiaries	661	(186)
Net income	6,372	2,614



6. Note on the Assumption as a Going Concern

Not applicable

7. Segment Information

Year ended June 30, 2010 (Millions of yen)

	Power	Ceramics	Electronics	Total	Elimination or Adjustment	Consolidated
Sales						
Sales to customers	14,040	29,482	14,764	58,287	-	58,287
Intersegment sales	10	100	-	110	(110)	-
Total sales	14,050	29,582	14,764	58,398	(110)	58,287
Segment Income (Operating income)	(145)	7,466	2,561	9,881	2	9,884

Notes:

1. Accounting Standard for Disclosures about Segments of an Enterprise and Related information (ASBJ Statement No. 17 March 27, 2009) and "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20, March 21, 2008) are applied from the first quarter beginning April 1, 2010. The business segments in the above table were categorized in consideration of internal corporate policies.

2. 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

Year ended June 30, 2009 (Millions of yen)

	Power	Ceramics	Electronics	Total	Elimination or Corporate	Consolidated
Sales						
Sales to customers	20,947	21,903	9,388	52,238	-	52,238
Intersegment sales	6	3	-	9	(9)	-
Total sales	20,953	21,906	9,388	52,248	(9)	52,238
Operating income	2,429	2,014	(411)	4,032	11	4,044

8. Significant changes in stockholder's equity

Not applicable