



January 29, 2010

Summary of Consolidated Financial Results for the Nine Months ended December 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
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Date of the filing of Quarterly Report, "Shihanki Hokokusho"(Scheduled) : February 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 nine months ended December 31, 2009

(1) Consolidated operating results	(Millions of yen, except per share data and percentage)				
	Nine months ended December 31,	2009		2008	
		Amount	Change (%)	Amount	Change (%)
Net Sales		160,406	(25.8)	216,192	-
Operating Income		13,444	(61.9)	35,286	-
Ordinary Income		12,458	(62.7)	33,425	-
Net Income		8,476	(53.0)	18,026	-
Net Income per share (Yen)		25.94		54.00	
Diluted net income per share (Yen)		25.91		53.94	

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)	
	December 31, 2009	March 31, 2009
Total Assets	459,794	444,202
Total net assets	306,584	301,424
Ratio of net worth to total assets (%)	63.0	63.8
Net worth per share (Yen)	886.45	867.15

- 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 ¥289,529 million and ¥283,344 million as of December 31, 2009 and March 31, 2009 respectively.



2. Dividend payment

Year ended March 31,	2010	2009
Cash dividends per share (Yen)		
Interim	8.0	11.0
Year-end	8.0 (Forecast)	11.0
Total (Full-year)	16.0 (Forecast)	22.0

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

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

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

April 1, 2009 - March 31, 2010	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per share (Yen)
Previous Forecast (A) (announced on October 29, 2009)	225,000	17,000	18,000	12,500	38.26
Revised Forecast (B)	232,000	22,000	23,000	17,000	52.04
Increase or Decrease (B - A)	7,000	5,000	5,000	4,500	-
Percentage Change	3.1%	29.4%	27.8%	36.0%	-
[For Reference] Results of Fiscal year 2008 (year ended March 31, 2009)	273,211	32,809	31,488	24,467	73.66

[For Reference] Non-consolidated

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

April 1, 2009 - March 31, 2010	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per share (Yen)
Previous Forecast (A) (announced on October 29, 2009)	160,000	8,000	11,000	7,000	21.42
Revised Forecast (B)	164,000	10,000	13,000	8,000	24.49
Increase or Decrease (B - A)	4,000	2,000	2,000	1,000	-
Percentage Change	2.5%	25.0%	18.2%	14.3%	-
[For Reference] Results of Fiscal year 2008 (year ended March 31, 2009)	175,396	13,277	15,048	4,030	12.13



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
- i . Valuation of inventories
The carrying amount of inventories is reduced to estimated net selling value only where there is an obvious decrease in profitability.
- ii . 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 quarterly consolidated financial statements)
- i . Changes due to revisions of accounting standards : Yes
"Accounting Standard for Construction Contracts" (Accounting Standards Board of Japan[ASBJ] Statement No. 15, December 27, 2007) and "Guidance on Accounting Standard for Construction Contracts" (ASBJ Guidance No. 18, December 27, 2007) are applied from the first quarter beginning April 1, 2009.
The effect of this change on the consolidated financial statements was immaterial.
- ii . Changes other than the above (i) : None
- (4) Number of shares outstanding (Common Shares)

	<u>December 31, 2009</u>	<u>March 31, 2009</u>
Number of shares outstanding at period end including treasury stocks	337,560,196	337,560,196
Number of treasury stocks at period end	10,942,023	10,808,134
<u>Nine months ended December 31,</u>	<u>2009</u>	<u>2008</u>
Average number of shares outstanding over period	326,719,514	333,797,464



5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2009	As of March 31, 2009
Assets		
Current assets		
Cash and bank deposits	50,184	49,751
Notes and accounts receivable trade	47,673	46,116
Securities	57,441	32,335
Inventories	70,558	78,575
Other	14,815	18,020
Allowance for doubtful accounts	(128)	(188)
Total current assets	240,545	224,610
Non-current assets		
Tangible assets		
Buildings and structures	47,202	46,471
Machinery and vehicles	51,246	55,092
Other	40,580	36,012
Total tangible assets	139,029	137,575
Intangible assets	1,943	1,840
Investments and other assets		
Investment securities	47,953	47,032
Other	30,634	33,428
Allowance for doubtful accounts	(312)	(284)
Total investments and other assets	78,274	80,176
Total non-current assets	219,248	219,592
Total assets	459,794	444,202



(Millions of yen)

	As of December 31, 2009	As of March 31, 2009
Liabilities		
Current liabilities		
Notes and accounts payable trade	14,239	26,708
Short-term borrowings	4,564	4,744
Current portion of long-term borrowings	14,000	29,391
Income taxes payable	1,176	589
Provision	3,890	1,866
Other	21,439	21,854
Total current liabilities	59,310	85,155
Long-term liabilities		
Long-term bonds payable	20,000	-
Long-term borrowings	44,000	28,000
Liability for employees' retirement benefits	17,141	17,677
Other provision	326	391
Other	12,430	11,554
Total long-term liabilities	93,898	57,623
Total liabilities	153,209	142,778
Net assets		
Shareholders' equity		
Common stock	69,849	69,849
Capital surplus	85,138	85,135
Retained earnings	170,629	168,360
Treasury stock	(14,252)	(13,986)
Total shareholders' equity	311,364	309,358
Valuation and translation adjustments		
Unrealized gain on available-for-sale securities	4,912	2,507
Deferred gain (loss) on derivatives under hedge accounting	115	(108)
Foreign currency translation adjustments	(26,862)	(28,413)
Total valuation and translation adjustments	(21,835)	(26,014)
Stock acquisition rights	643	519
Minority interests	16,412	17,560
Total net assets	306,584	301,424
Total liabilities and net assets	459,794	444,202

Consolidated Financial Statements

(2) Consolidated Statements of Income

(Millions of yen)

	Nine months ended December 31, 2009	Nine months ended December 31, 2008
Net sales	160,406	216,192
Cost of sales	114,781	144,797
Gross profit	45,625	71,394
Selling, general and administrative expenses	32,180	36,108
Operating income	13,444	35,286
Non-operating income	2,838	6,521
Interest income	839	2,394
Dividend income	708	675
Gain on evaluation of derivative	-	2,520
Other	1,290	930
Non-operating expenses	3,824	8,382
Interest expense	1,006	1,839
Foreign Exchange loss	-	4,381
Equity in loss of unconsolidated subsidiaries and associated companies	971	-
Other	1,845	2,161
Ordinary income	12,458	33,425
Extraordinary income	87	374
Gain on sales of fixed assets	87	35
Gain on reversal of provision for restructuring costs	-	338
Extraordinary loss	1,287	7,399
Loss on sales and disposals of fixed assets	329	1,167
Impairment loss	-	915
Restructuring costs	-	5,064
Provision for loss on liquidation of subsidiaries and affiliates	957	-
Other	-	251
Income before income taxes and minority interests	11,258	26,400
Income taxes - total	3,534	8,969
Income taxes -current	2,544	6,866
Income taxes -deferred	989	2,102
Minority interests in earnings (loss) of consolidated subsidiaries	(751)	(595)
Net income	8,476	18,026



6. Segment Information

【Business segments】

Nine months ended December 31, 2009

(Millions of yen)

	Power	Ceramics	Electronics	Total	Elimination or Corporate	Consolidated
Sales						
Sales to customers	57,931	69,942	32,532	160,406	-	160,406
Intersegment sales	41	86	-	128	(128)	-
Total sales	57,972	70,029	32,532	160,534	(128)	160,406
Operating income	5,728	7,484	217	13,430	14	13,444

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

Nine months ended December 31, 2008

(Millions of yen)

	Power	Ceramics	Electronics	Total	Elimination or Corporate	Consolidated
Sales						
Sales to customers	54,795	110,786	50,610	216,192	-	216,192
Intersegment sales	28	10	-	39	(39)	-
Total sales	54,824	110,797	50,610	216,232	(39)	216,192
Operating income	4,259	24,377	6,629	35,266	19	35,286