

Financial Results for the Fiscal Year Ended March 2014

May 22, 2014

Overview of Financial Results for the FYE March 2014

Overall Both net sales and income increased year on year.

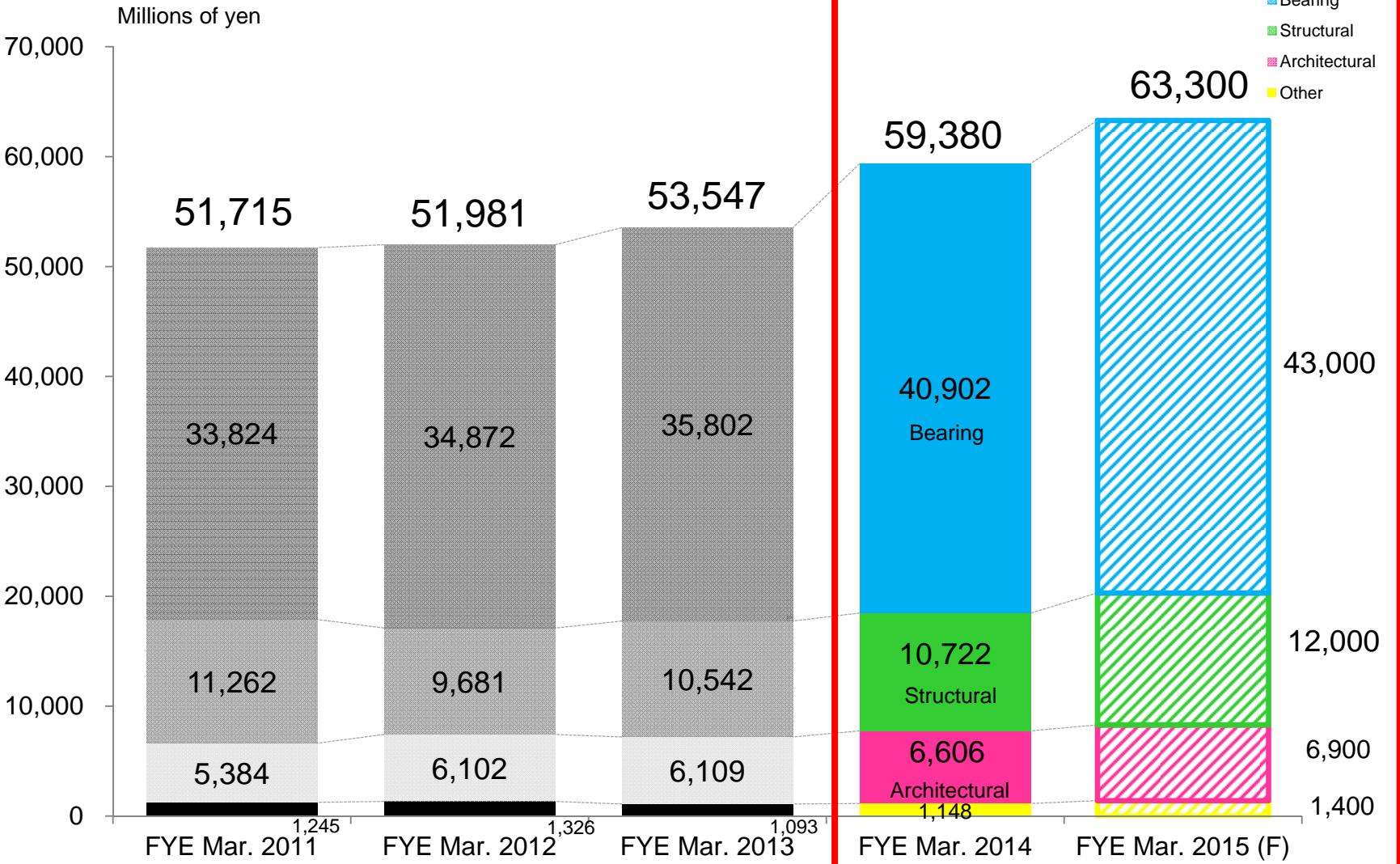
Bearing Sales of automotive products were strong, backed by increased production among Japanese automakers and greater business with overseas automakers.

Sales of products for general industrial machinery recovered to a level exceeding that of the previous fiscal year, despite ongoing harsh conditions with business slow to react to economic recovery.

Structural Sales of seismic isolation devices for buildings were on par with previous year levels, supported by a growing need for seismic isolators.
Sales of products for bridges exceeded previous fiscal year results due to new orders of such products for large structures, and despite ongoing harsh business conditions stemming from factors such as a downturn in new construction and an environment less conducive to new orders.

Architectural Sales in core window operator products trended higher due to continued firm results in building renovations along with business gained up to year-end involving large properties.

Consolidated Net Sales with Forecast



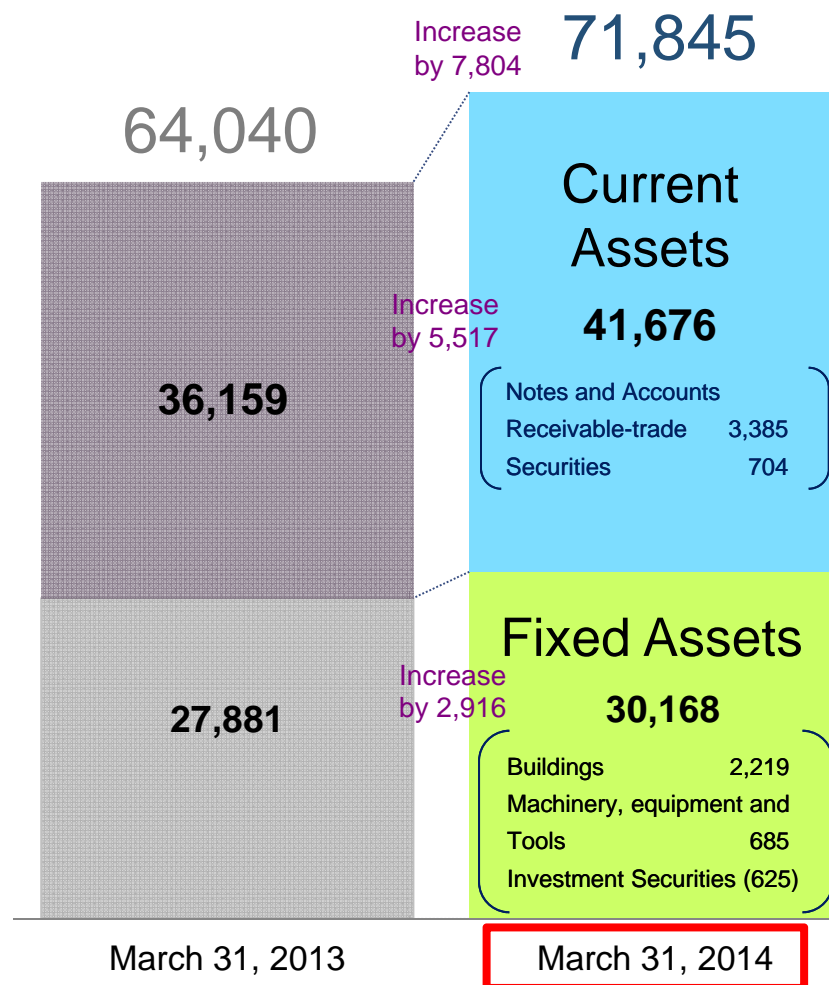
Comparison of Consolidated Statements of Income

Unit: Millions of yen

	FYE Mar. 2013		FYE Mar. 2014		FYE Mar. 2015 (F)	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Net Sales	53,547	100.0%	59,380	100.0%	63,300	100.0%
Gross Income	18,174	33.9%	21,013	35.4%	22,670	35.8%
SG&A Expenses	13,471	25.2%	14,820	25.0%	15,770	24.9%
Operating Income	4,702	8.8%	6,193	10.4%	6,900	10.9%
Ordinary Income	5,602	10.5%	7,119	12.0%	7,300	11.5%
Net Income	3,332	6.2%	4,203	7.1%	4,300	6.8%

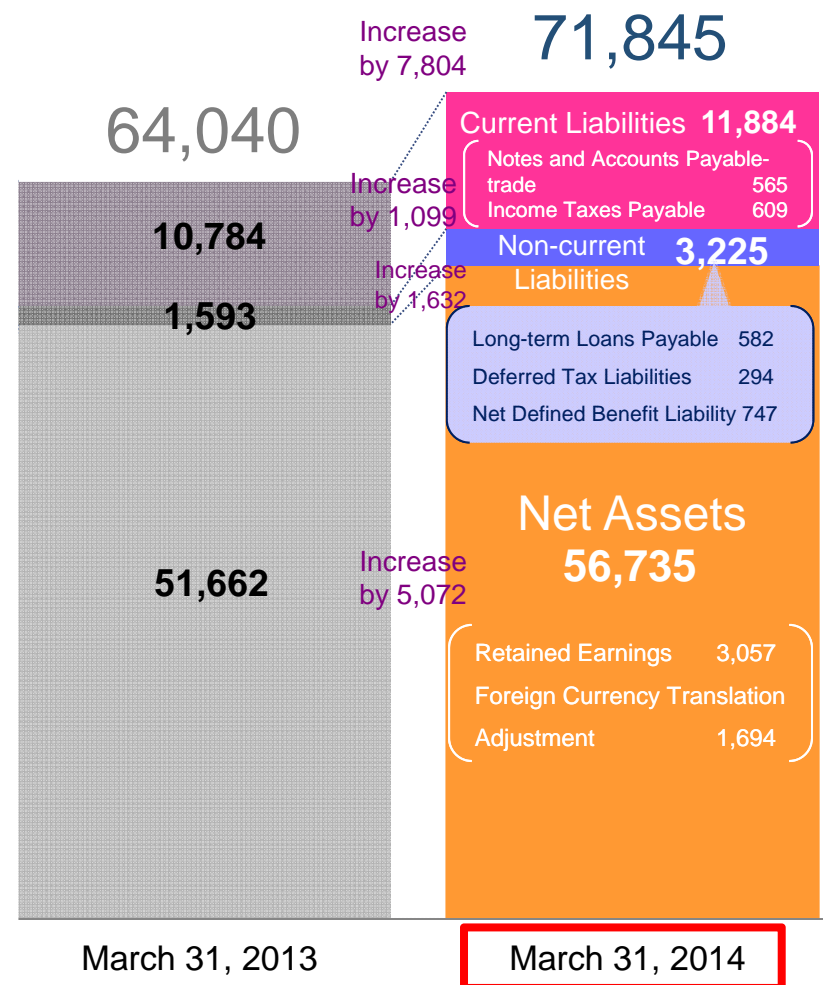
Consolidated Balance Sheets

[Assets]



[Liabilities, Net Assets]

Unit: Millions of yen

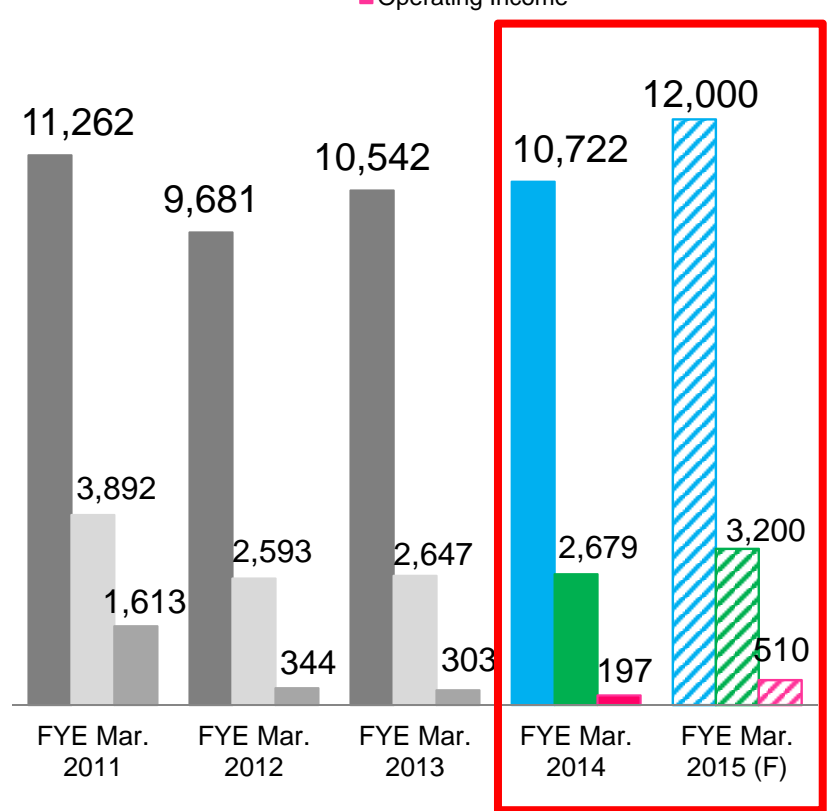
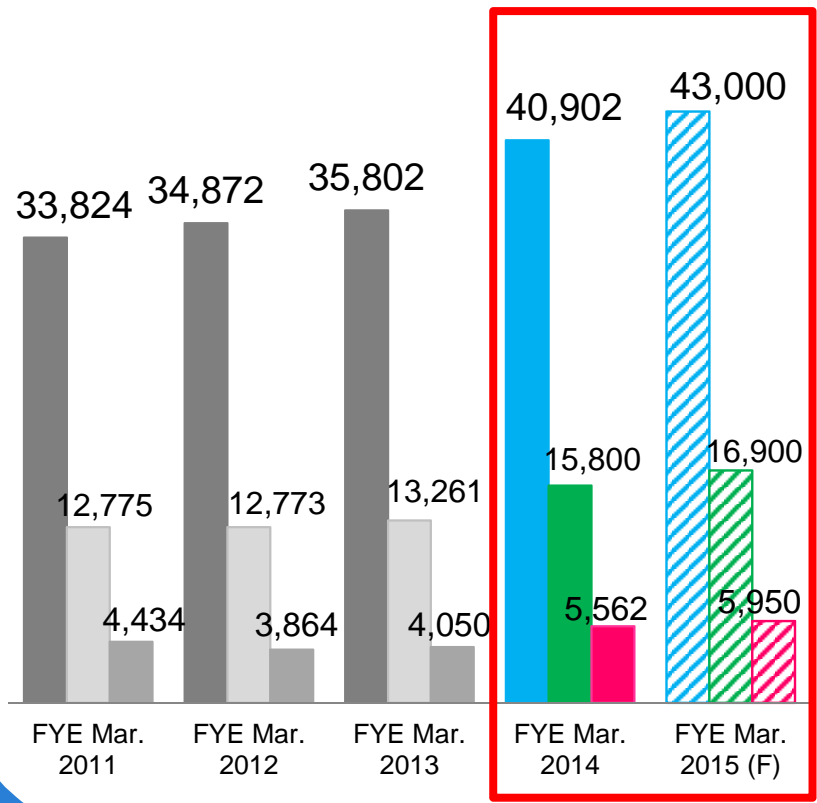
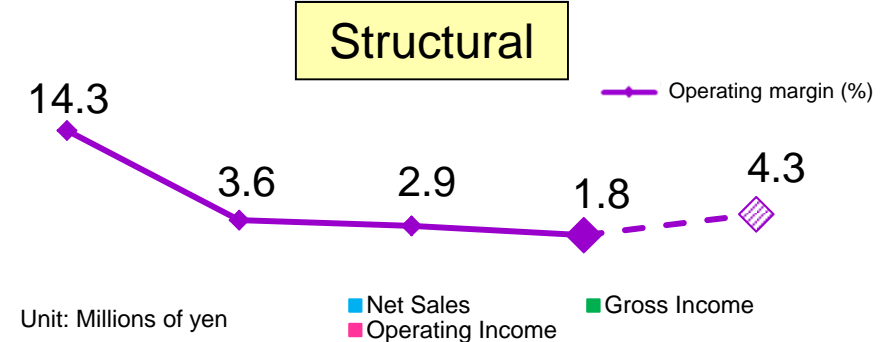
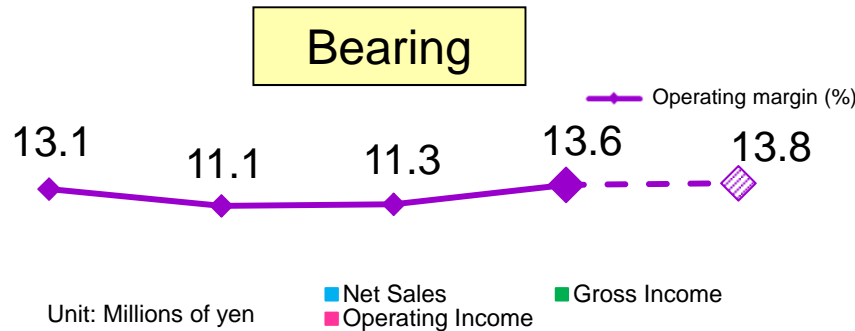


Consolidated Statements of Cash Flows

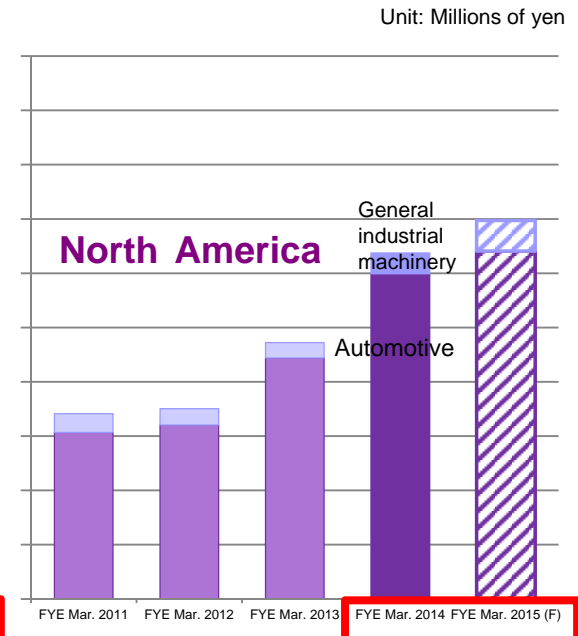
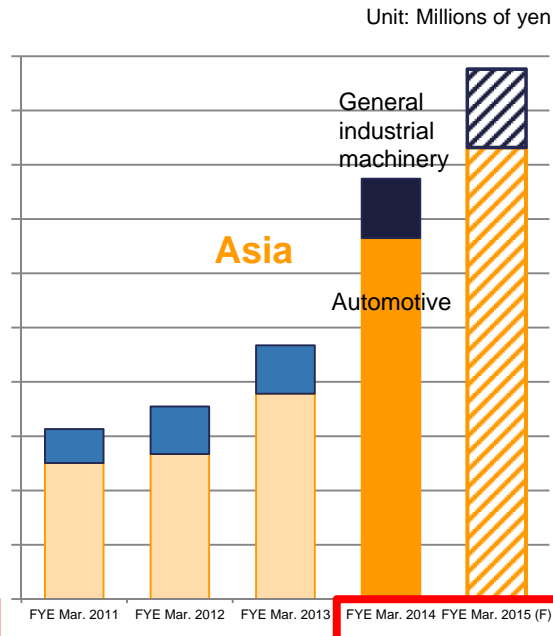
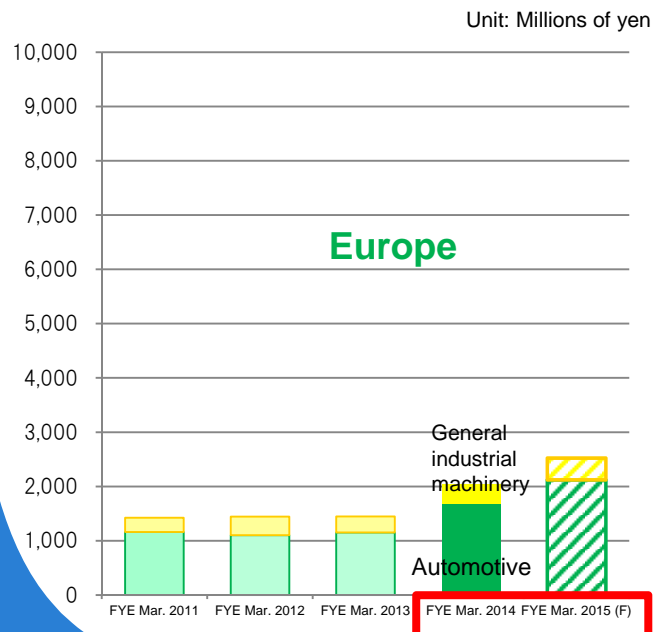
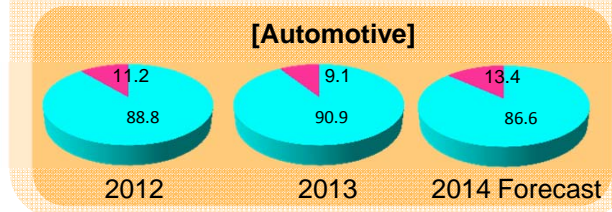
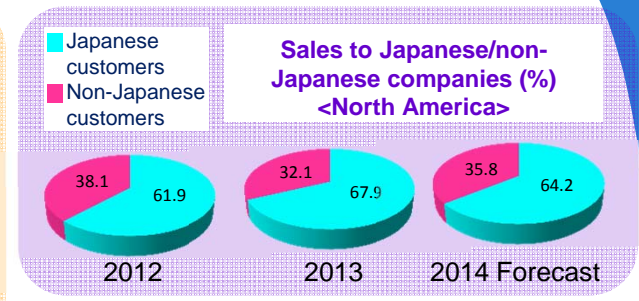
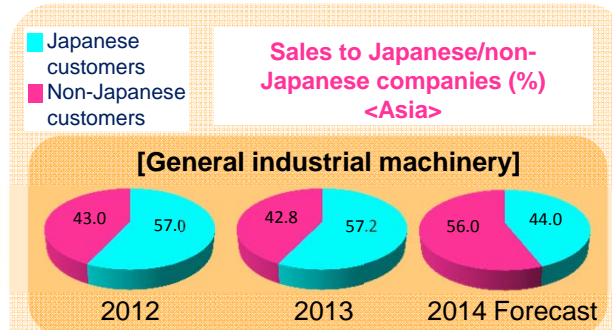
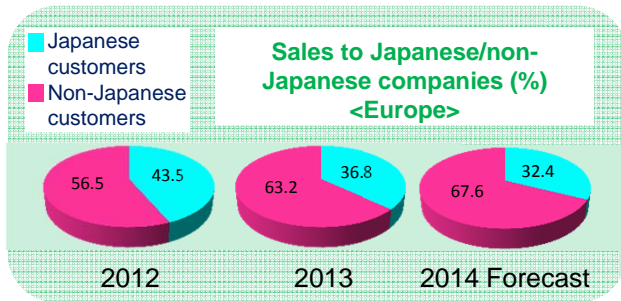
Unit: Millions of yen

Item	FYE Mar. 2013	FYE Mar. 2014	
		Amount	Main reasons
Cash and Cash Equivalents at Beginning of the Period	12,280	11,603	
Cash Flows from Operating Activities	6,347	4,407	Income before Income Tax 6,892 Depreciation and Amortization 2,751 Provision for Retirement Benefits (328) Net Defined Benefit Liability 375 Decrease in Notes and Accounts Receivable-Trade (2,872) Increase in Inventories (451) Corporate Taxes (1,703)
Cash Flows from Investing Activities	(4,332)	(4,227)	Tangible Fixed Assets (4,819) Intangible Fixes Assets (288) Investment Securities 1,000
Free Cash Flows	2,015	180	Operating Activities C/F + Investing Activities C/F
Cash Flows from Financing Activities	(3,034)	(508)	Dividends (1,146) Long-term Loans Payable 583
Effect of Exchange Rate Changes on Cash and Cash Equivalents	341	616	
Increase (decrease) in Cash and Cash Equivalents	(677)	286	
Cash and Cash Equivalents at End of the Period	11,603	11,890	

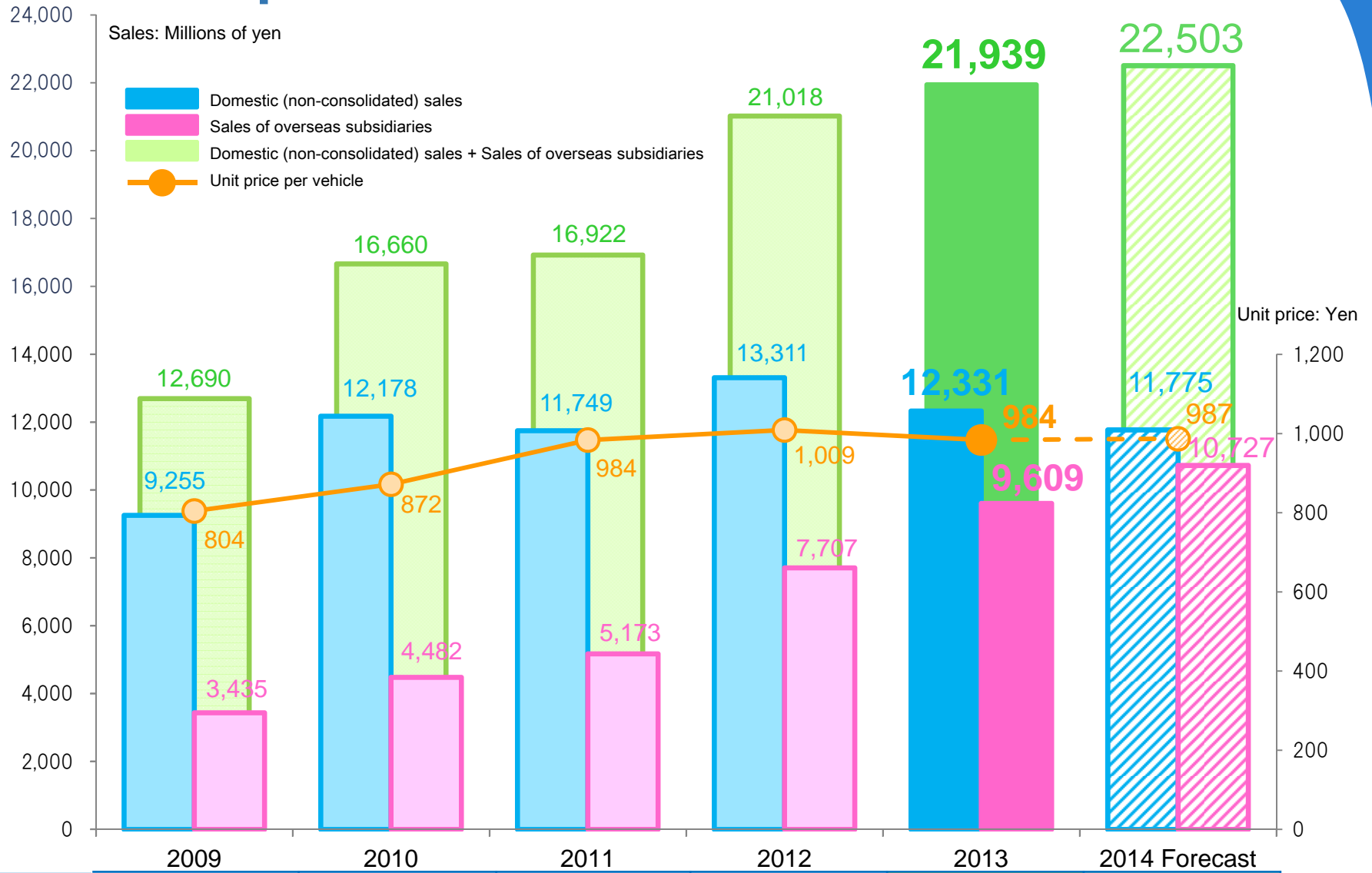
Income by Segment with Forecast (Bearing / Structural)



Sales Trends by Overseas Region



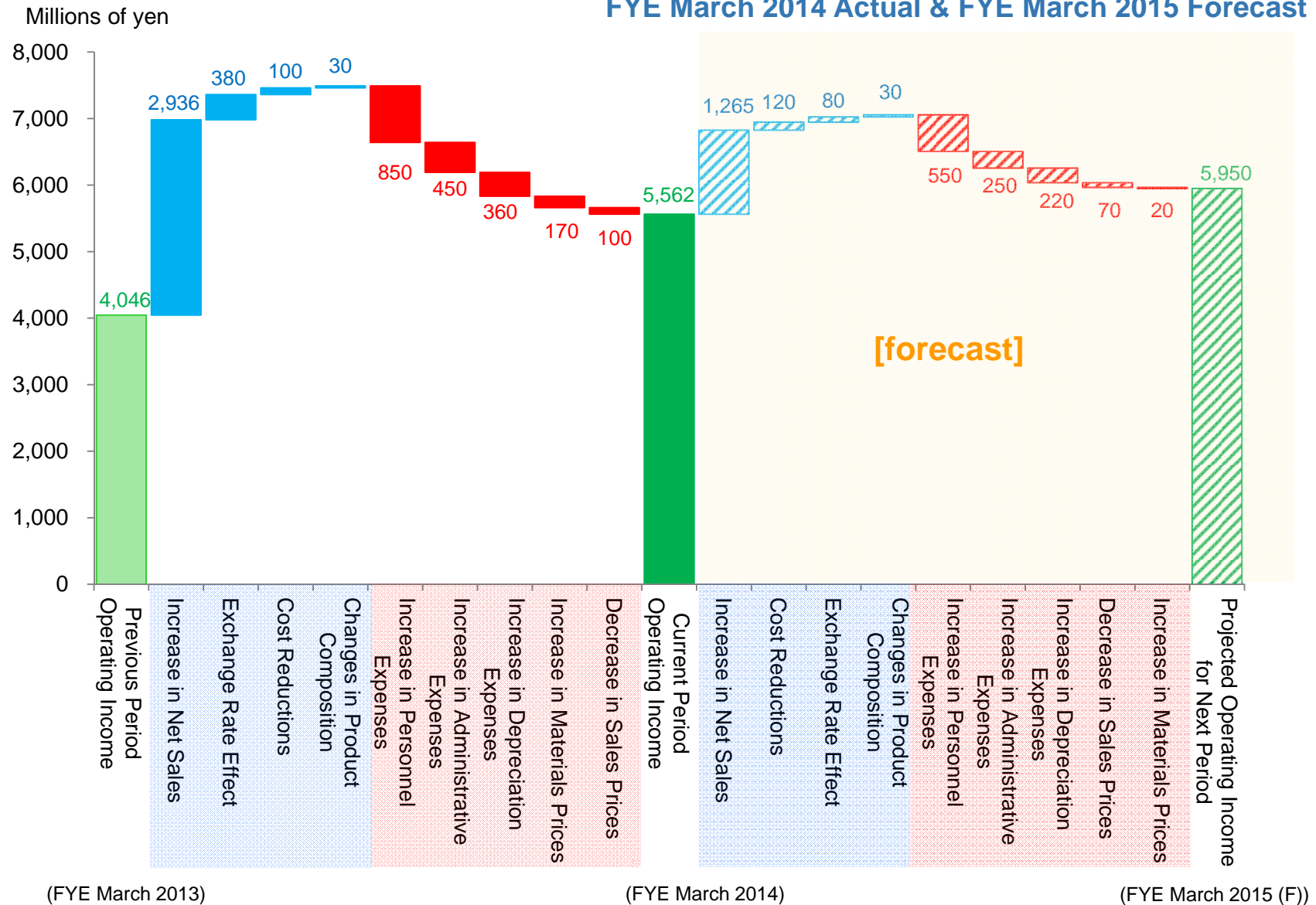
Sales to Japanese Automakers



Number of units produced	2009	2010	2011	2012	2013	2014 Forecast
	15,779	19,108	17,205	20,834	22,302	22,801

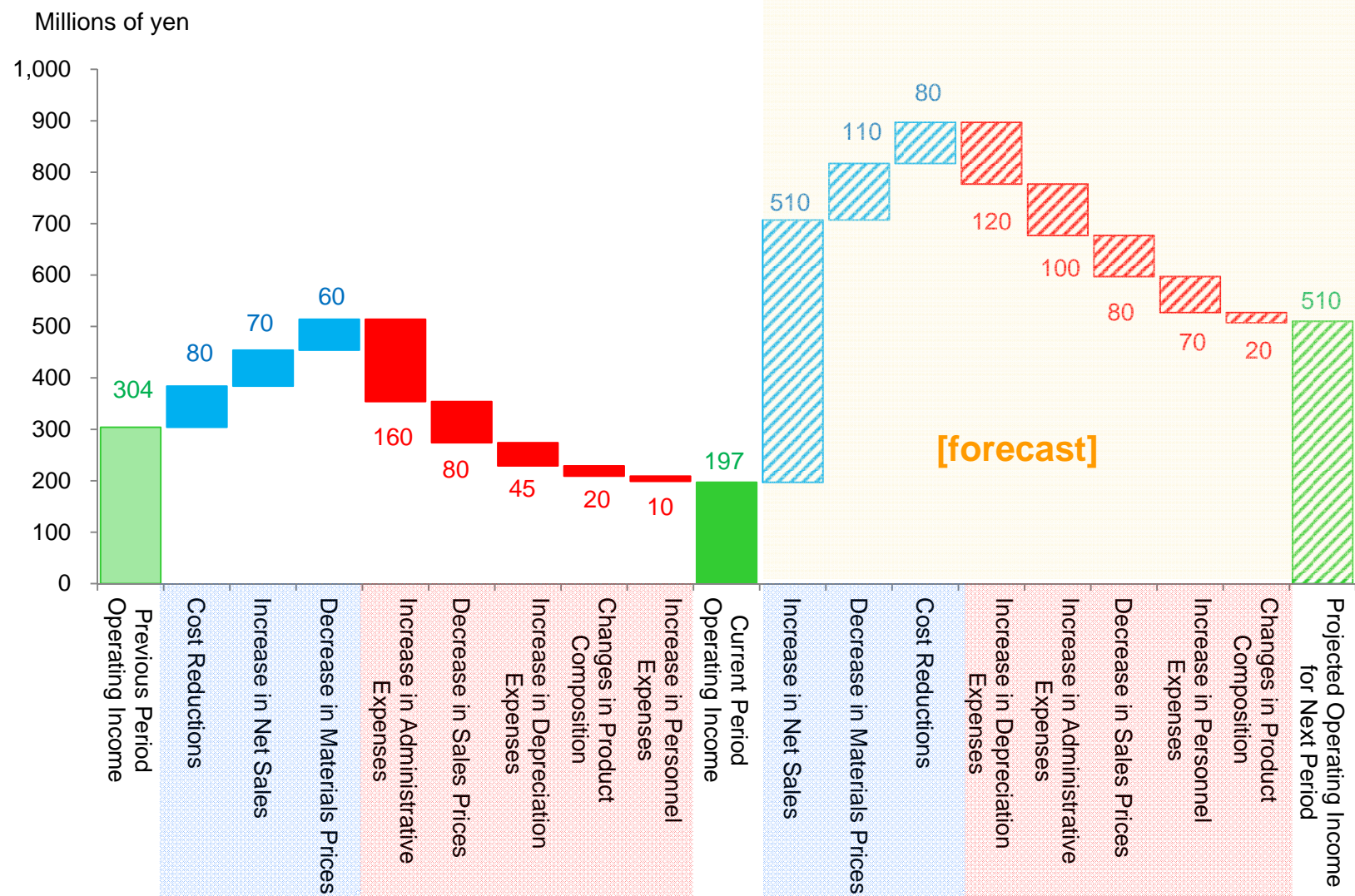
Causes of Changes in Consolidated Operating Income Over Last Fiscal Year (Bearing)

FYE March 2014 Actual & FYE March 2015 Forecast



Causes of Changes in Consolidated Operating Income Over Last Fiscal Year (Structural)

FYE March 2014 Actual & FYE March 2015 Forecast

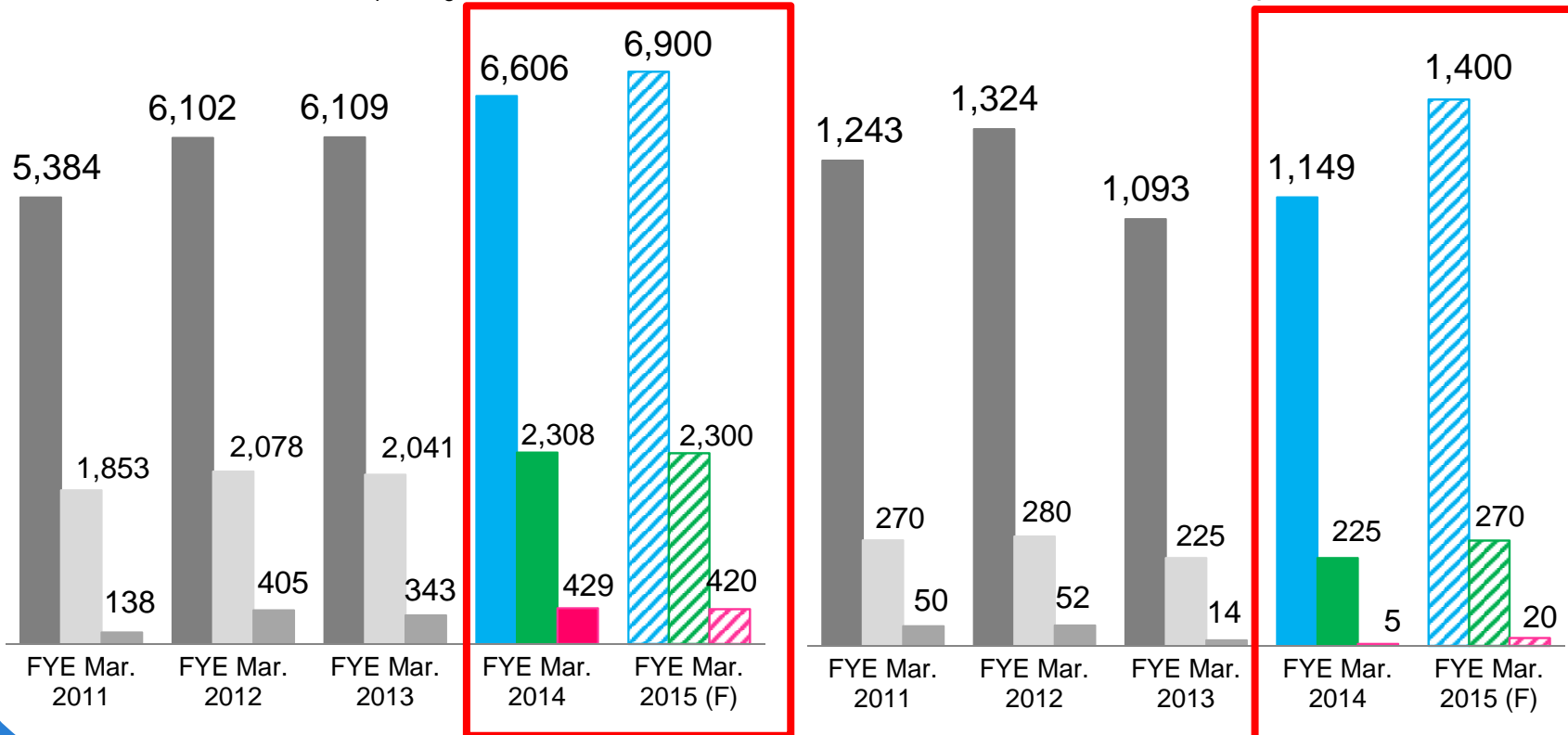
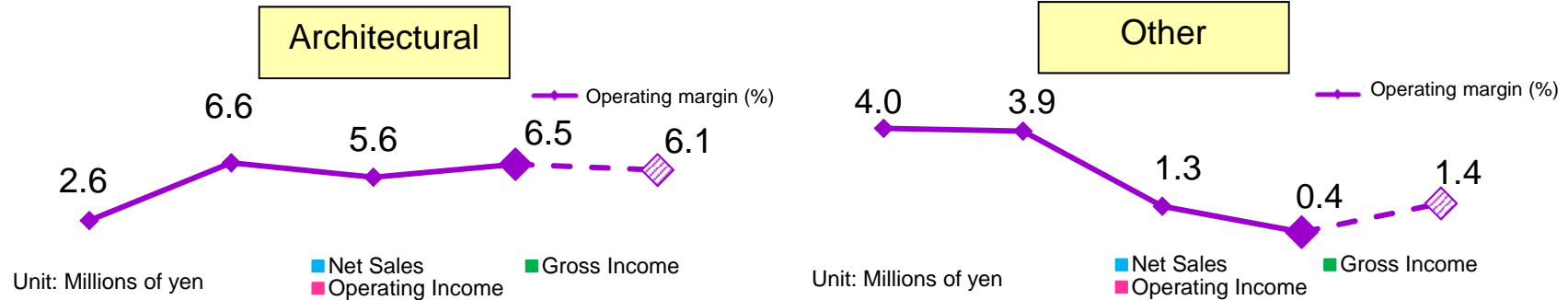


(FYE March 2013)

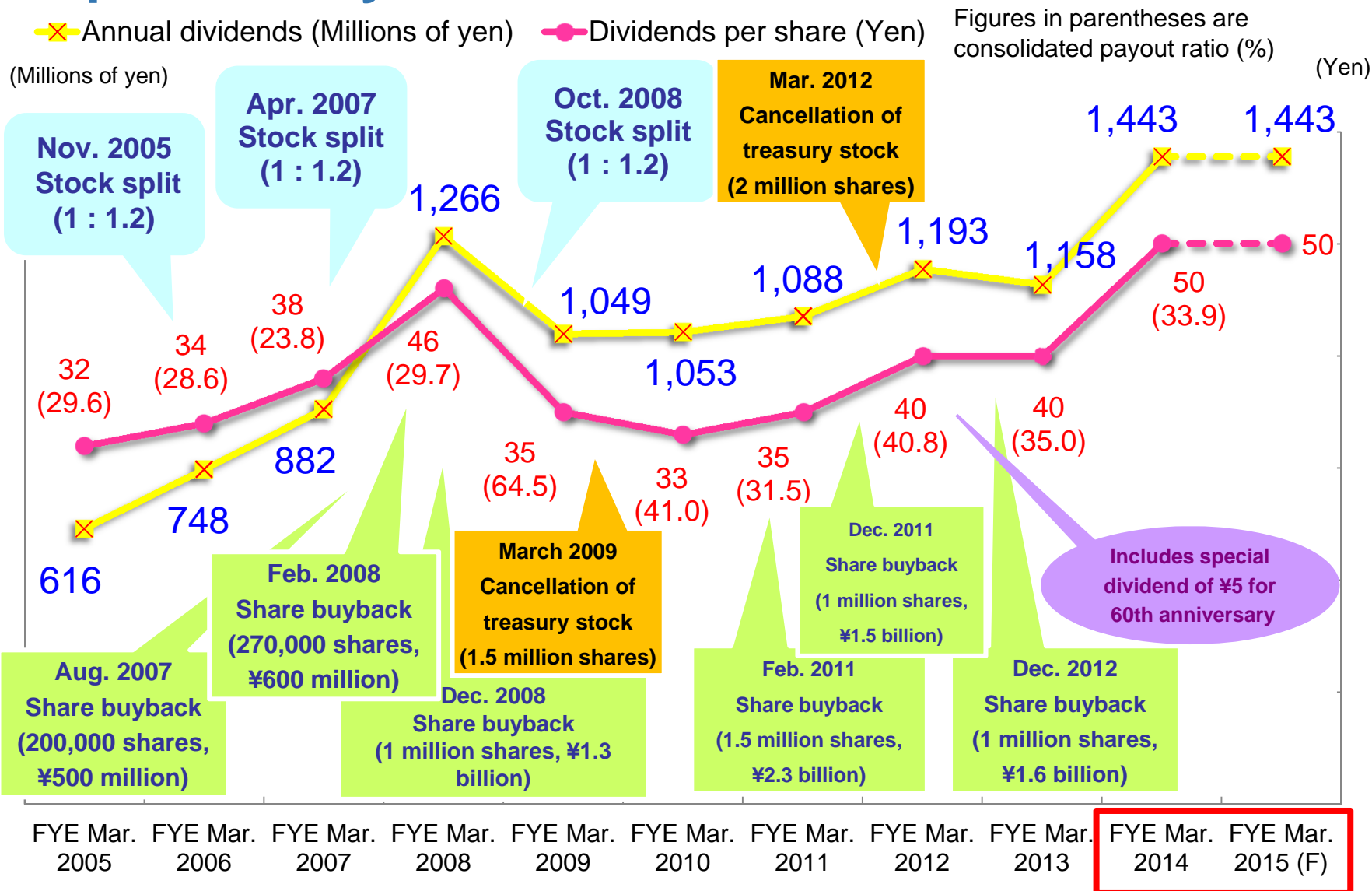
(FYE March 2014)

(FYE March 2015 (F))

Income by Segment with Forecast (Architectural / Other)



Capital Policy



New Medium- to Long-Term Plan

New Long-Term Group Management Policy

(FY 2014 to FY 2022)

Management Concept

We are determined to become a world leader as a general manufacturer of oil-less bearings and serve society through technology

Long-term vision

Take the Challenge to Be a Global Excellent Company

**Establish the Oiles brand in global markets
Master technologies involving tribology (friction, wear and lubrication) and damping (vibration control)
Build a corporate group that achieves sustained growth**

New Medium-Term Group Management Policy

Phase 1
FY 2014 - FY 2016
Innovation

Phase 2
FY 2017 - FY 2019
Growth

Phase 3
FY 2020 - FY 2022
Significant Progress

Business expansion & sales strategy	Technological development & product strategy	Structural enhancement
Restructure business strategy through collaboration in manufacturing, sales and technology	Establish a development framework geared toward conceiving world-first, world-best products	Improve asset efficiency Develop workforce capabilities
Establish a business platform encompassing target markets, manufacturers and other companies, drawing on business resources (Selection and strategic focus)	Forge new areas of business	Fortify the revenue structure
Achieve top rankings in global markets	Hasten innovation through efforts involving core technologies	Build competitive strengths

Quantitative Group Objectives

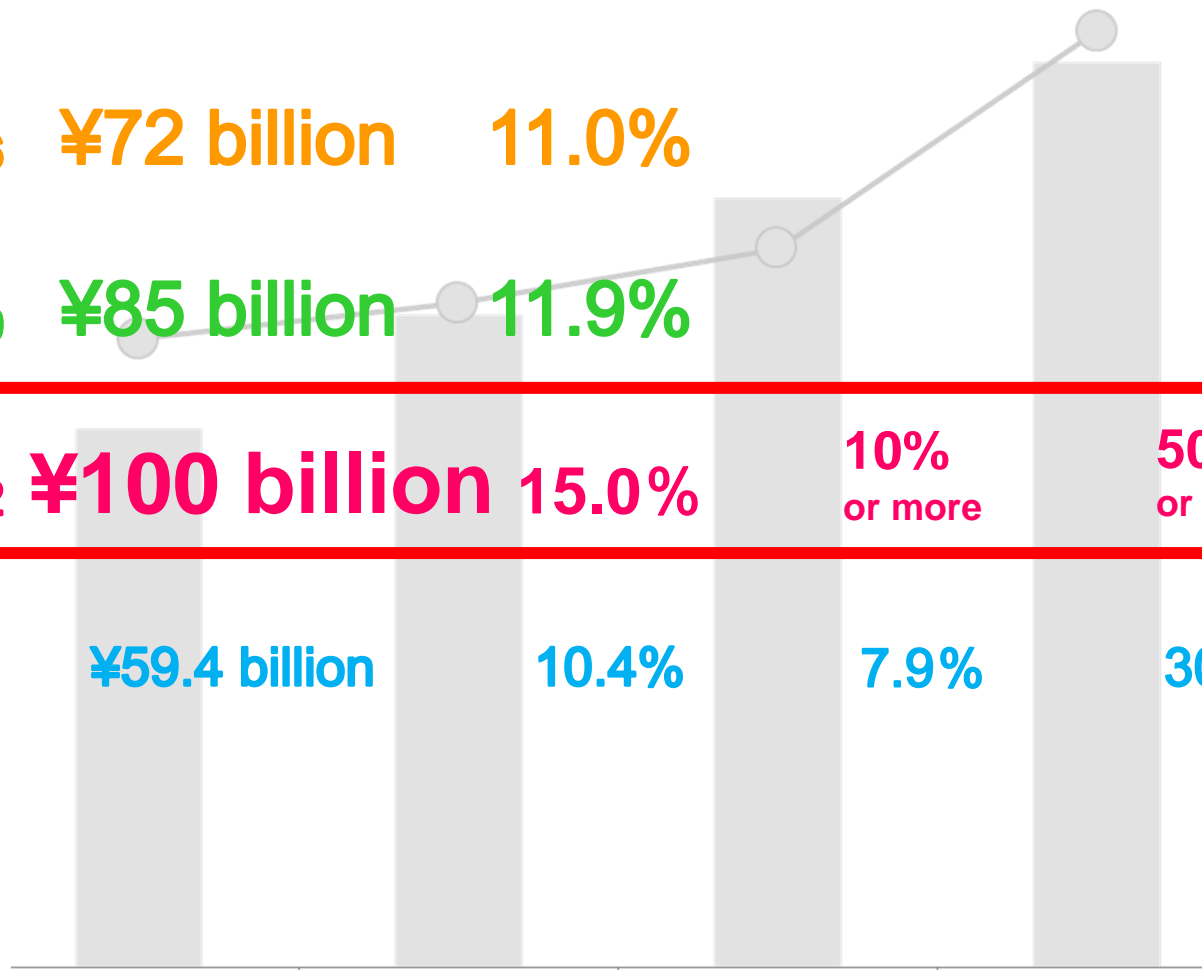
Net Sales	Operating margin	ROE	Ratio of overseas sales
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Phase 1
FY 2014 to FY 2016 **¥72 billion** **11.0%**

Phase 2
FY 2017 to FY 2019 **¥85 billion** **11.9%**

Phase 3
FY 2020 to FY 2022 **¥100 billion** **15.0%** **10% or more** **50% or more**

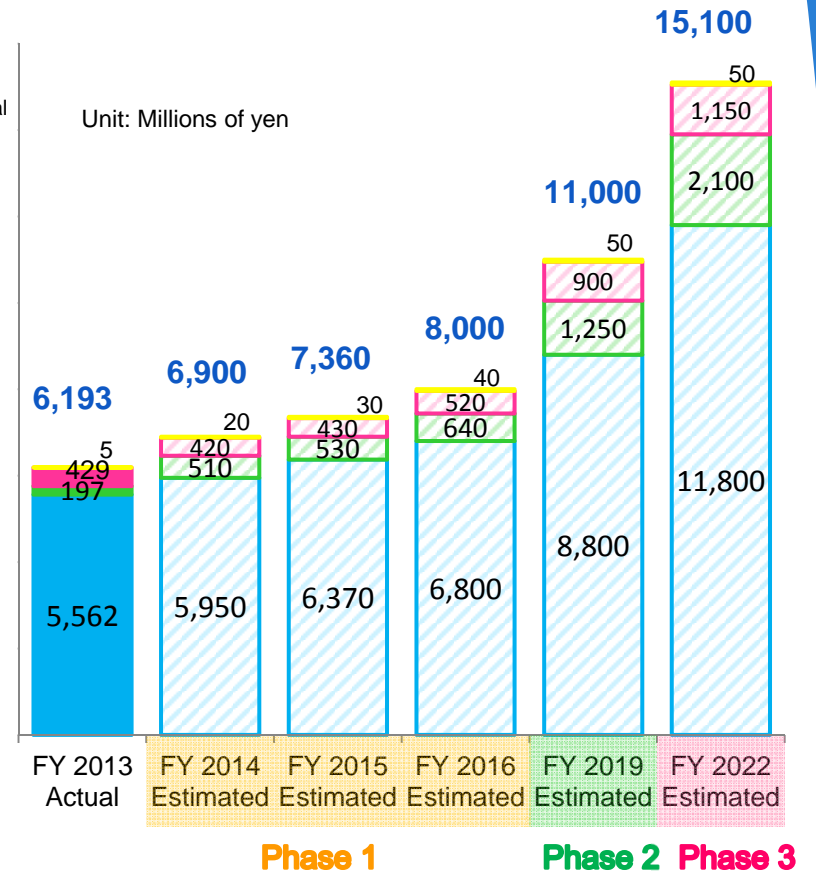
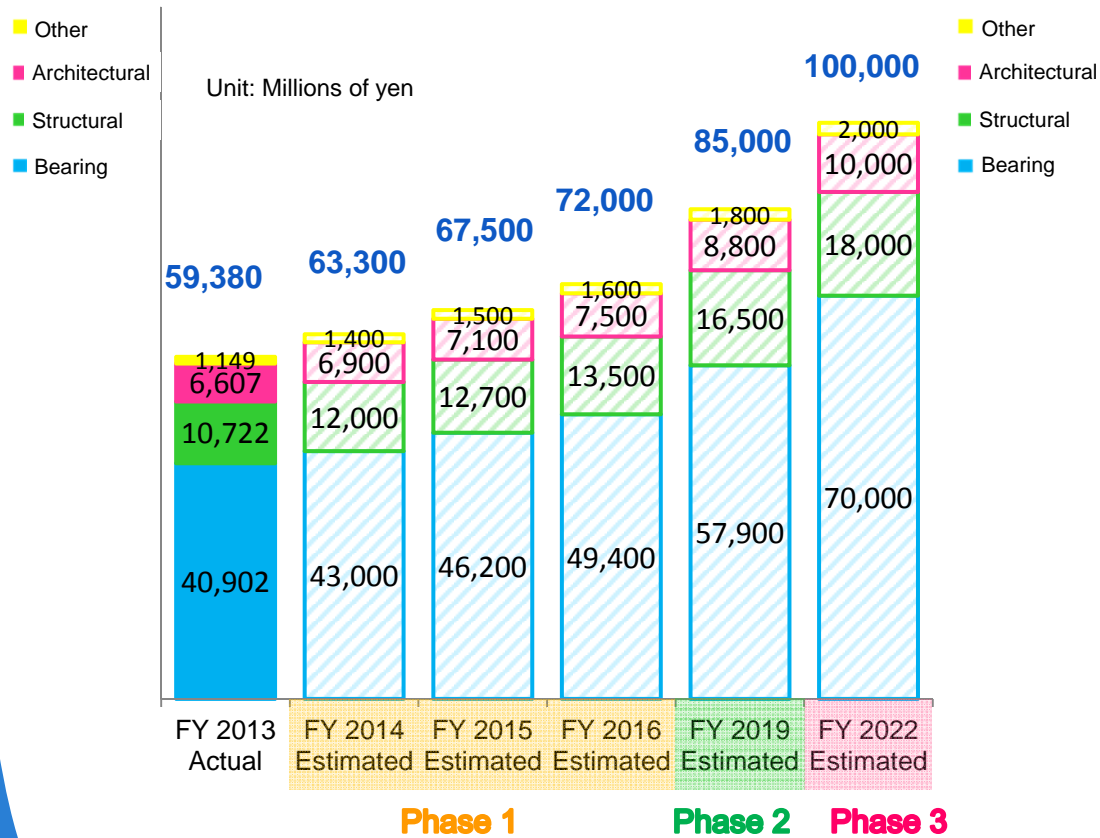
FY 2013 **¥59.4 billion** **10.4%** **7.9%** **30.7%**



Estimated Income by Segment

Consolidated net sales

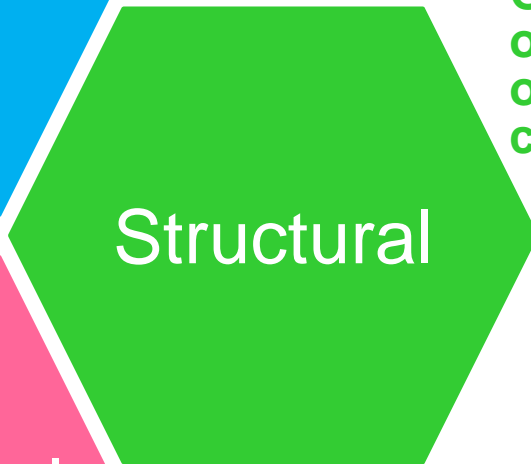
Consolidated operating income



Business Strategy under the New Medium- to Long-Term Plan

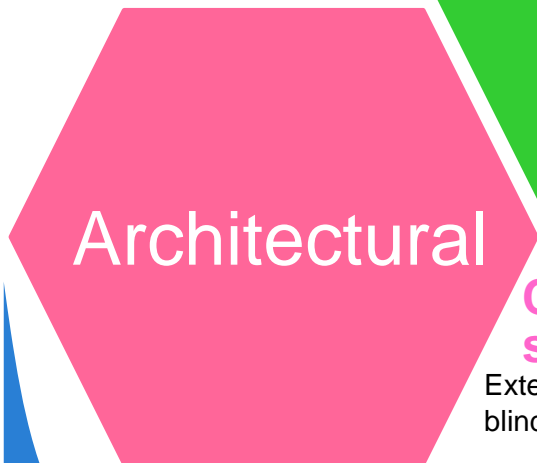
Greatly shift business resources overseas and aspire toward significant growth on a global scale

- Automotive
 - Tap opportunities involving key components for non-Japanese manufacturers
 - Expand sales to Japanese manufacturers by developing new applications and new materials
- Non-automotive
 - ⊙ Pursue business on an increasingly global scale by offering new forms of value
 - ⊙ Forge new markets on the basis of developing differentiated products that offer more precision, higher performance and greater added-value



Offer our customers safety and a sense of security through advanced and original seismic isolation and vibration control technologies.

- Buildings
 - Gain a competitive edge by developing new products, cutting costs and other such initiatives, and work with sales agents to expand business in overseas markets
- Bridges
 - ⊙ Strengthen domestic business and carve out new markets overseas by introducing systems designed to cut overall property-related costs
- New markets
 - ◇ Pursue opportunities both in business involving seismic isolation equipment that supports facilities for enabling non-stop production, and in new business ventures involving new vibration control technologies



Create comfortable spaces that provide convenience, safety and a sense of security well into the future

- External venetian blinds
 - Achieve market dominance working with sales agents in the single-family housing segment, and generate demand for applications with buildings, focusing on energy-saving potential of the products
- Ventilation & smoke exhaust systems
 - ⊙ Uncover new demand on the basis of product benefits including energy-savings, safety and sense of security, and expand sales in the building maintenance and renovation market

President's Policy

*"Learn effectively, Think deeply,
Act quickly, Perform perfectly"*