

Announcement of Revision to 2007 Financial Results Forecast

July 27, 2007

Listing Name: NGK Insulators, Ltd.
(URL: <http://www.ngk.co.jp/english/>)
Code Number: 5333
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NGK Insulators, Ltd. announced the revision of its consolidated and non-consolidated financial results forecast for the first-half of fiscal year 2007 (six months ending September 30, 2007) and for the fiscal year 2007 (year ending March 31, 2008) from its previous forecast announced on April 27, 2007. Details are as follows.

1. Revised Financial Results Forecast for First-Half of Fiscal Year 2007 (six months ending September 30, 2007)

(1) Consolidated

(Millions of Yen, %)

	Net Sales	Operating Income	Ordinary Income	Net Income
Previous Forecast (A) (announced on April 27, 2007)	161,000	24,000	23,500	13,500
Revised Forecast (B)	173,000	32,000	32,000	18,500
Increase or Decrease (B - A)	12,000	8,000	8,500	5,000
Percentage of Increase or Decrease (%)	7.5%	33.3%	36.2%	37.0%
Results of First-Half of Fiscal Year 2006 (six months ended September 30, 2006)	143,424	22,018	20,984	11,977

(2) Non-consolidated

(Millions of Yen, %)

	Net Sales	Operating Income	Ordinary Income	Net Income
Previous Forecast (A) (announced on April 27, 2007)	102,500	14,000	15,500	9,500
Revised Forecast (B)	110,000	18,000	19,500	12,000
Increase or Decrease (B - A)	7,500	4,000	4,000	2,500
Percentage of Increase or Decrease (%)	7.3%	28.6%	25.8%	26.3%
Results of First-Half of Fiscal Year 2006 (six months ended September 30, 2006)	97,833	12,093	14,183	8,597

2. Revised Financial Results Forecast for Fiscal Year 2007 (year ending March 31, 2008)

(1) Consolidated

(Millions of Yen, %)

	Net Sales	Operating Income	Ordinary Income	Net Income
Previous Forecast (A) (announced on April 27, 2007)	340,000	53,000	52,000	31,000
Revised Forecast (B)	362,000	65,000	65,000	38,500
Increase or Decrease (B - A)	22,000	12,000	13,000	7,500
Percentage of Increase or Decrease (%)	6.5%	22.6%	25.0%	24.2%
Results of Fiscal Year 2006 (year ended March 31, 2007)	320,119	52,017	50,318	29,413

(2) Non-consolidated

(Millions of Yen, %)

	Net Sales	Operating Income	Ordinary Income	Net Income
Previous Forecast (A) (announced on April 27, 2007)	203,000	27,500	30,500	18,500
Revised Forecast (B)	215,000	33,500	37,000	22,500
Increase or Decrease (B - A)	12,000	6,000	6,500	4,000
Percentage of Increase or Decrease (%)	5.9%	21.8%	21.3%	21.6%
Results of Fiscal Year 2006 (year ended March 31, 2007)	222,800	30,596	35,297	22,759

3. Explanation of Revisions of Financial Results Forecast

(1) For first-half of fiscal year 2007 (six months ending September 30, 2007)

Due to continued depreciation of the yen, consolidated and non-consolidated net sales are expected to increase from the previous forecast. In the Ceramic Products Business, higher sales of SiC-DPFs and increasing shipments of HONEYCERAM[®] in the European market are expected in this first-half.

On the profit side, consolidated and non-consolidated incomes are also expected to be higher, reflecting the increase of sales.

(2) For fiscal year 2007 (year ending March 31, 2008)

For the full year, consolidated and non-consolidated net sales and profits are expected to be higher than the previous forecast, supported by increasing trends continued from the first-half and the impact of weaker yen.

※All predictions have been made considering data currently available to the company. Therefore, discrepancies may occur between the actual and predicted outcomes according to circumstances.

[For Reference]

1. Operations by Line of Business (consolidated)

(1) For first-half of fiscal year 2007 (six months ending September 30, 2007)

(Billions of Yen, %)

	Power	Ceramics	Electronics	Engineering	Consolidated
Total sales	36.5	74.0	39.0	11.5	161.0
Revised total sales	36.5	84.0	41.0	11.5	173.0
Operating income	3.5	15.0	7.5	-2.0	24.0
Revised operating income	3.5	22.0	8.5	-2.0	32.0
Operating income ratio (%)	10%	20%	19%	-	15%
Revised operating income ratio (%)	10%	26%	21%	-	18%

(2) For first-half of fiscal year 2006 (six months ended September 30, 2006)

(Billions of Yen, %)

	Power	Ceramics	Electronics	Engineering	Consolidated
Total sales	32.9	62.7	37.3	10.5	143.4
Operating income	2.4	14.9	6.9	-2.2	22.0
Operating income ratio (%)	7%	24%	18%	-	15%

(3) For fiscal year 2007 (year ending March 31, 2008)

(Billions of Yen, %)

	Power	Ceramics	Electronics	Engineering	Consolidated
Total sales	78.0	143.0	76.0	43.0	340.0
Revised total sales	80.0	161.0	78.0	43.0	362.0
Operating income	7.0	29.5	14.0	2.5	53.0
Revised operating income	7.5	40.0	15.0	2.5	65.0
Operating income ratio (%)	9%	21%	18%	6%	16%
Revised operating income ratio (%)	9%	25%	19%	6%	18%

(4) For fiscal year 2006 (year ended March 31, 2007)

(Billions of Yen, %)

	Power	Ceramics	Electronics	Engineering	Consolidated
Total sales	75.1	126.4	73.3	45.3	320.1
Operating income	6.4	31.0	13.1	1.5	52.0
Operating income ratio (%)	9%	25%	18%	3%	16%

2. Operations by Line of Business (non-consolidated)

(1) For first-half of fiscal year 2007 (six months ending September 30, 2007)

(Billions of Yen)

	Power	Ceramics	Electronics	Engineering	Total
Total sales	28.5	49.0	24.0	1.0	102.5
Revised total sales	28.5	55.5	25.0	1.0	110.0
Operating income					14.0
Revised operating income					18.0

(2) For first-half of fiscal year 2006 (six months ended September 30, 2006)

(Billions of Yen)

	Power	Ceramics	Electronics	Engineering	Total
Total sales	23.6	41.2	24.0	9.0	97.8
Operating income					12.1

(3) For fiscal year 2007 (year ending March 31, 2008)

(Billions of Yen)

	Power	Ceramics	Electronics	Engineering	Total
Total sales	61.0	91.5	47.5	3.0	203.0
Revised total sales	62.5	102.0	47.5	3.0	215.0
Operating income					27.5
Revised operating income					33.5

(4) For fiscal year 2006 (year ended March 31, 2007)

(Billions of Yen)

	Power	Ceramics	Electronics	Engineering	Total
Total sales	56.0	80.2	45.6	40.9	222.8
Operating income					30.6