

Consolidated Results for the First Quarter Ended June 30, 2007

July 27, 2007

Listing Name: NGK Insulators, Ltd.
 (URL: <http://www.ngk.co.jp/english/>)
 Code Number: 5333
 Stock Exchange Listings: Tokyo, Nagoya, Osaka and Sapporo
 Head Office: Aichi Prefecture
 Representative: Shun Matsushita
 President and Chief Executive Officer
 Contact: Hiroshi Wada
 Director and Senior Vice President
 Telephone Number: +81-52-872-7230

1. Financial results for the three months ended June 30, 2007

(1) Consolidated operating results (Millions of Yen: Amounts less than ¥1 million have been omitted)

| | Net sales | | Operating income | | Ordinary income | |
|----------------------------------|-----------------|-----------------------|------------------|-----------------------|-----------------|-----------------------|
| | Millions of Yen | Percentage change (%) | Millions of Yen | Percentage change (%) | Millions of Yen | Percentage change (%) |
| Three months ended June 30, 2007 | 83,440 | 21.2 | 17,423 | 45.1 | 18,323 | 49.1 |
| Three months ended June 30, 2006 | 68,820 | 20.6 | 12,004 | 65.0 | 12,291 | 71.5 |
| Year ended March 31, 2007 | 320,119 | — | 52,017 | — | 50,318 | — |

| | Net income | | Net income per share (in ¥) | Diluted net income per share (in ¥) |
|----------------------------------|-----------------|-----------------------|-----------------------------|-------------------------------------|
| | Millions of Yen | Percentage change (%) | | |
| Three months ended June 30, 2007 | 11,123 | 52.2 | 33.00 | 32.97 |
| Three months ended June 30, 2006 | 7,308 | 88.9 | 21.67 | 21.66 |
| Year ended March 31, 2007 | 29,413 | — | 87.23 | 87.16 |

※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: Amounts less than ¥1 million have been omitted)

| | Total assets | Net assets | Ratio of net worth to total assets (%) | Net assets per share (in ¥) |
|----------------------|--------------|------------|--|-----------------------------|
| As of June 30, 2007 | 511,446 | 312,606 | 57.2 | 867.89 |
| As of June 30, 2006 | 470,625 | 278,227 | 55.2 | 770.86 |
| As of March 31, 2007 | 514,806 | 304,345 | 55.3 | 844.77 |

2. Forecast of consolidated financial results for the year ending March 31, 2008

(Millions of Yen: Amounts less than ¥1 million have been omitted)

| | Net sales | Operating income | Ordinary income | Net income | Net income per share (in ¥) |
|--------------------------------------|-----------|------------------|-----------------|------------|-----------------------------|
| Six months ending September 30, 2007 | 173,000 | 32,000 | 32,000 | 18,500 | 54.87 |
| Year ending March 31, 2008 | 362,000 | 65,000 | 65,000 | 38,500 | 114.19 |

※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.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of Yen: Amounts less than ¥1 million have been omitted)

| Accounts | Fiscal year | As of June 30, 2006 | As of June 30, 2007 (A) | As of March 31, 2007 (B) | Increase / Decrease (A-B) |
|---|-------------|---------------------|----------------------------|-----------------------------|------------------------------|
| | | Millions of Yen | Millions of Yen | Millions of Yen | Millions of Yen |
| Assets: | | | | | |
| I. Current assets: | | | | | |
| 1. Cash and bank deposits | | 53,051 | 83,956 | 76,791 | 7,165 |
| 2. Notes and accounts receivable trade | | 58,828 | 74,922 | 84,856 | (9,934) |
| 3. Marketable securities | | 25,187 | 14,279 | 15,063 | (784) |
| 4. Inventories | | 68,321 | 71,309 | 70,140 | 1,169 |
| 5. Other currents assets | | 20,021 | 17,373 | 16,979 | 394 |
| Total current assets | | 225,411 | 261,841 | 263,831 | (1,990) |
| II. Fixed assets: | | | | | |
| 1. Tangible assets | | 155,629 | 157,196 | 159,634 | (2,437) |
| 2. Intangible assets | | 5,038 | 3,847 | 3,658 | 188 |
| 3. Investments and other assets | | 84,546 | 88,561 | 87,681 | 879 |
| Total fixed assets | | 245,214 | 249,605 | 250,974 | (1,369) |
| Total assets | | 470,625 | 511,446 | 514,806 | (3,359) |
| Liabilities: | | | | | |
| I. Current liabilities: | | | | | |
| 1. Notes and accounts payable trade | | 30,806 | 29,768 | 37,125 | (7,357) |
| 2. Short-term borrowings | | 6,900 | 5,500 | 5,671 | (170) |
| 3. Current portion of long-term bonds payable | | - | 10,000 | - | 10,000 |
| 4. Other current liabilities | | 43,603 | 37,287 | 41,939 | (4,651) |
| Total current liabilities | | 81,310 | 82,556 | 84,736 | (2,179) |
| II. Long-term liabilities: | | | | | |
| 1. Long-term bonds payable | | 10,000 | - | 10,000 | (10,000) |
| 2. Long-term borrowings | | 64,332 | 72,152 | 71,935 | 217 |
| 3. Other long-term liabilities | | 36,754 | 44,130 | 43,788 | 342 |
| Total long-term liabilities | | 111,086 | 116,283 | 125,723 | (9,440) |
| Total liabilities | | 192,397 | 198,840 | 210,460 | (11,620) |
| Net assets: | | | | | |
| I. Shareholders' equity | | | | | |
| 1. Common stock | | 69,849 | 69,849 | 69,849 | - |
| 2. Capital surplus | | 85,131 | 85,153 | 85,151 | 1 |
| 3. Retained earnings | | 106,494 | 134,478 | 126,387 | 8,091 |
| 4. Treasury stock | | (14,970) | (15,330) | (15,202) | (128) |
| Total shareholders' equity | | 246,504 | 274,149 | 266,185 | 7,964 |
| II. Valuation and translation adjustments | | | | | |
| 1. Unrealized gain on available-for-sale securities | | 19,220 | 21,939 | 20,960 | 979 |
| 2. Loss on deferred hedges | | (846) | (622) | (411) | (210) |
| 3. Foreign currency translation adjustments | | (4,913) | (2,946) | (1,965) | (980) |
| Total valuation and translation adjustments | | 13,460 | 18,371 | 18,583 | (211) |
| III. Stock acquisition rights | | - | 231 | 231 | - |
| IV. Minority interests | | 18,262 | 19,853 | 19,345 | 508 |
| Total net assets | | 278,227 | 312,606 | 304,345 | 8,260 |
| Total liabilities and net assets | | 470,625 | 511,446 | 514,806 | (3,359) |

(2) Consolidated Statements of Income

(Millions of Yen: Amounts less than ¥1 million have been omitted)

| Accounts | Fiscal year | Three months ended June 30, 2006 (A) | Three months ended June 30, 2007 (B) | Increase / Decrease (B-A) | | Year ended March 31, 2007 |
|---|-------------|--|--|------------------------------|-----------------------------|------------------------------|
| | | Millions of Yen | Millions of Yen | Millions of Yen | Percentage change (%) | Millions of Yen |
| I. Sales | | 63,820 | 83,440 | 14,620 | 21.2 | 320,119 |
| II. Cost of sales | | 44,721 | 53,276 | 8,555 | 19.1 | 217,499 |
| Gross profit | | 24,099 | 30,164 | 6,065 | 25.2 | 102,620 |
| III. Selling, general and administrative expenses | | 12,094 | 12,740 | 646 | 5.3 | 50,603 |
| Operating income | | 12,004 | 17,423 | 5,419 | 45.1 | 52,017 |
| IV. Non-operating income | | 998 | 2,448 | 1,450 | 145.2 | 2,922 |
| V. Non-operating expenses | | 711 | 1,548 | 837 | 117.8 | 4,621 |
| Ordinary income | | 12,291 | 18,323 | 6,032 | 49.1 | 50,318 |
| VI. Extraordinary income | | 15 | 470 | 455 | 2,855.9 | 1,980 |
| VII. Extraordinary loss | | 93 | 44 | (49) | -52.2 | 978 |
| Income before income taxes and minority interests | | 12,214 | 18,748 | 6,534 | 53.5 | 51,319 |
| Income taxes | | 4,593 | 7,291 | 2,698 | 58.7 | 20,780 |
| Minority interests | | 312 | 333 | 21 | 6.8 | 1,125 |
| Net income | | 7,308 | 11,123 | 3,815 | 52.2 | 29,413 |

(3) Segment Information

Industry segments

Three months ended June 30, 2006

(Millions of Yen: Amounts less than ¥1 million have been omitted)

| | Power | Ceramics | Electronics | Engineering | Total | Elimination or Corporate | Consolidated |
|-------------------------|--------|----------|-------------|-------------|--------|--------------------------|--------------|
| Sales | | | | | | | |
| (1) Sales to customers | 17,610 | 29,730 | 18,083 | 3,396 | 68,820 | - | 68,820 |
| (2) Intersegment sales | - | 26 | 194 | - | 221 | (221) | - |
| Total | 17,610 | 29,757 | 18,278 | 3,396 | 69,041 | (221) | 68,820 |
| Operating expenses | 15,709 | 22,125 | 14,463 | 4,745 | 57,043 | (227) | 56,816 |
| Operating income (loss) | 1,900 | 7,631 | 3,815 | (1,348) | 11,998 | 6 | 12,004 |

Notes: 1. The industry segments in the above table were categorized in consideration of internal corporate policies.

2. Main products by industry segment:

| Industry Segment | |
|------------------|--|
| Power | Insulators, hardware for insulator assemblies, current limiting arching horn, bushing shells, fuse cut-puts, APM, line arrester and NAS (sodium-sulfur)-batteries |
| Ceramics | Automotive ceramics for exhaust gas purification, corrosion-resistant ceramic apparatus for chemical industries, gas analyzer, industrial heating systems and refractories |
| Electronics | Beryllium copper wrought products, molds and ceramic components for electronics and semiconductor manufacturing equipment |
| Engineering | Clear water / sewage treatment systems, water purification systems, melting furnace, noise-control systems and solid waste / radioactive waste treatment systems |

Three months ended June 30, 2007

(Millions of Yen: Amounts less than ¥1 million have been omitted)

| | Power | Ceramics | Electronics | Engineering | Total | Elimination or Corporate | Consolidated |
|-------------------------|--------|----------|-------------|-------------|--------|--------------------------|--------------|
| Sales | | | | | | | |
| (1) Sales to customers | 17,675 | 42,777 | 20,279 | 2,707 | 83,440 | - | 83,440 |
| (2) Intersegment sales | 435 | 105 | 396 | - | 936 | (936) | - |
| Total | 18,110 | 42,883 | 20,675 | 2,707 | 84,377 | (936) | 83,440 |
| Operating expenses | 16,015 | 31,161 | 16,436 | 3,349 | 66,963 | (946) | 66,016 |
| Operating income (loss) | 2,095 | 11,721 | 4,239 | (641) | 17,414 | 9 | 17,423 |

Notes: 1. The industry segments in the above table were categorized in consideration of internal corporate policies.

2. Main products by industry segment:

| Industry Segment | |
|------------------|--|
| Power | Insulators, hardware for insulator assemblies, current limiting arching horn, bushing shells, fuse cut-puts, APM, line arrester and NAS (sodium-sulfur)-batteries |
| Ceramics | Automotive ceramics for exhaust gas purification, corrosion-resistant ceramic apparatus for chemical industries, gas analyzer, industrial heating systems and refractories |
| Electronics | Beryllium copper wrought products, molds and ceramic components for electronics and semiconductor manufacturing equipment |
| Engineering | Clear water / sewage treatment systems, water purification systems, melting furnace and solid waste / radioactive waste treatment systems |

Year ended March 31, 2007

(Millions of Yen: Amounts less than ¥1 million have been omitted)

| | Power | Ceramics | Electronics | Engineering | Total | Elimination or Corporate | Consolidated |
|------------------------|--------|----------|-------------|-------------|---------|--------------------------|--------------|
| Sales | | | | | | | |
| (1) Sales to customers | 75,079 | 126,428 | 73,323 | 45,288 | 320,119 | - | 320,119 |
| (2) Intersegment sales | 134 | 119 | 1,043 | - | 1,298 | (1,298) | - |
| Total | 75,214 | 126,548 | 74,366 | 45,288 | 321,417 | (1,298) | 320,119 |
| Operating expenses | 68,802 | 95,519 | 61,289 | 43,834 | 269,445 | (1,343) | 268,102 |
| Operating income | 6,412 | 31,029 | 13,076 | 1,453 | 51,971 | 45 | 52,017 |

Notes: 1. The industry segments in the above table were categorized in consideration of internal corporate policies.

2. Main products by industry segment:

| Industry Segment | |
|------------------|--|
| Power | Insulators, hardware for insulator assemblies, current limiting arching horn, bushing shells, fuse cut-puts, APM, line arrester and NAS (sodium-sulfur)-batteries |
| Ceramics | Automotive ceramics for exhaust gas purification, corrosion-resistant ceramic apparatus for chemical industries, gas analyzer, industrial heating systems and refractories |
| Electronics | Beryllium copper wrought products, molds and ceramic components for electronics and semiconductor manufacturing equipment |
| Engineering | Clear water / sewage treatment systems, water purification systems, melting furnace, noise-control systems and solid waste / radioactive waste treatment systems |