

## Announcement of Revision to 2008 Financial Results Forecast

Sept. 19, 2008

Listing Name: NGK Insulators, Ltd.  
(URL: <http://www.ngk.co.jp/english/>)  
Code Number: 5333  
Stock Exchange Listings: Tokyo, Nagoya, Osaka and Sapporo  
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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 2008 (six months ending September 30, 2008) and for the fiscal year 2008 (year ending March 31, 2009) from its previous forecast announced on April 30, 2008. Details are as follows.

### 1. Revised Financial Results Forecast for First-Half of Fiscal Year 2008 (six months ending September 30, 2008)

#### (1) Consolidated

(Millions of Yen, %)

	Net Sales	Operating Income	Ordinary Income	Net Income
Previous Forecast (A) (announced on April 30, 2008)	156,000	30,000	27,500	15,500
<b>Revised Forecast (B)</b>	<b>152,000</b>	<b>28,000</b>	<b>28,500</b>	<b>18,500</b>
Increase or Decrease (B - A)	-4,000	-2,000	1,000	3,000
Percentage of Increase or Decrease (%)	-2.6%	-6.7%	3.6%	19.4%
Results of First-Half of Fiscal Year 2007 (six months ended September 30, 2007)	173,694	34,937	35,315	25,752

#### (2) Non-consolidated

(Millions of Yen, %)

	Net Sales	Operating Income	Ordinary Income	Net Income
Previous Forecast (A) (announced on April 30, 2008)	102,000	14,500	16,000	9,500
<b>Revised Forecast (B)</b>	<b>97,000</b>	<b>13,500</b>	<b>16,000</b>	<b>10,000</b>
Increase or Decrease (B - A)	-5,000	-1,000	0	500
Percentage of Increase or Decrease (%)	-4.9%	-6.9%	0.0%	5.3%
Results of First-Half of Fiscal Year 2007 (six months ended September 30, 2007)	109,432	20,180	21,296	18,531

## 2. Revised Financial Results Forecast for Fiscal Year 2008 (year ending March 31, 2009)

(1) Consolidated

(Millions of Yen, %)

	Net Sales	Operating Income	Ordinary Income	Net Income
Previous Forecast (A) (announced on April 30, 2008)	315,000	58,000	58,000	34,000
<b>Revised Forecast (B)</b>	<b>310,000</b>	<b>50,000</b>	<b>53,000</b>	<b>34,500</b>
Increase or Decrease (B - A)	-5,000	-8,000	-5,000	500
Percentage of Increase or Decrease (%)	-1.6%	-13.8%	-8.6%	1.5%
Results of Fiscal Year 2007 (year ended March 31, 2008)	364,888	69,377	69,324	45,951

(2) Non-consolidated

(Millions of Yen, %)

	Net Sales	Operating Income	Ordinary Income	Net Income
Previous Forecast (A) (announced on April 30, 2008)	210,000	29,500	33,000	19,500
<b>Revised Forecast (B)</b>	<b>205,000</b>	<b>24,500</b>	<b>28,500</b>	<b>16,500</b>
Increase or Decrease (B - A)	-5,000	-5,000	-4,500	-3,000
Percentage of Increase or Decrease (%)	-2.4%	-16.9%	-13.6%	-15.4%
Results of Fiscal Year 2007 (year ended March 31, 2008)	217,128	36,589	37,680	22,646

## 3. Explanation of Revisions of Financial Results Forecast

For fiscal year 2008 (year ending March 31, 2009)

Consolidated and non-consolidated net sales are expected to decrease from the previous forecast. In the Ceramics Products Business, demand for SiC-DPF and other automotive related products is decreasing, due to decline in auto sales because of rise in gasoline prices and deceleration of the economy. In the Electronics Business, ceramics components for semiconductor production equipment is down due to severities in the semiconductor industry.

On the profit side, consolidated and non-consolidated operating income are also expected to be lower, reflecting the decrease of sales. Consolidated net income is expected to be higher from the previous forecast due to the tax effect of retained earnings in overseas consolidated subsidiaries.

※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 2008 (six months ending September 30, 2008)

(Billions of Yen, %)

	Power	Ceramics	Electronics	Engineering	Consolidated
Total sales	36.0	82.5	37.5	-	156.0
<b>Revised total sales</b>	<b>35.5</b>	<b>80.0</b>	<b>36.5</b>	-	<b>152.0</b>
Operating income	2.0	21.5	6.5	-	30.0
<b>Revised operating income</b>	<b>2.5</b>	<b>20.0</b>	<b>5.5</b>	-	<b>28.0</b>
Operating income ratio (%)	6%	26%	17%	-	19%
<b>Revised operating income ratio (%)</b>	<b>7%</b>	<b>25%</b>	<b>15%</b>	-	<b>18%</b>

(2) For first-half of fiscal year 2007 (six months ended September 30, 2007)

(Billions of Yen, %)

	Power	Ceramics	Electronics	Engineering	Consolidated
Total sales	37.5	83.9	40.5	11.8	173.7
Operating income	4.0	23.6	8.1	-0.9	34.9
Operating income ratio (%)	11%	28%	20%	-	20%

(3) For fiscal year 2008 (year ending March 31, 2009)

(Billions of Yen, %)

	Power	Ceramics	Electronics	Engineering	Consolidated
Total sales	82.0	158.0	75.0	-	315.0
<b>Revised total sales</b>	<b>84.0</b>	<b>155.0</b>	<b>71.0</b>	-	<b>310.0</b>
Operating income	7.0	38.5	12.5	-	58.0
<b>Revised operating income</b>	<b>7.5</b>	<b>33.0</b>	<b>9.5</b>	-	<b>50.0</b>
Operating income ratio (%)	9%	24%	17%	-	18%
<b>Revised operating income ratio (%)</b>	<b>9%</b>	<b>21%</b>	<b>13%</b>	-	<b>16%</b>

(4) For fiscal year 2007 (year ended March 31, 2008)

(Billions of Yen, %)

	Power	Ceramics	Electronics	Engineering	Consolidated
Total sales	81.3	162.0	77.5	44.1	364.9
Operating income	8.7	43.8	13.5	3.2	69.4
Operating income ratio (%)	11%	27%	17%	7%	19%

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

(1) For first-half of fiscal year 2008 (six months ending September 30, 2008)

(Billions of Yen)

	Power	Ceramics	Electronics	Engineering	Total
Total sales	27.0	50.5	24.5	-	102.0
<b>Revised total sales</b>	<b>28.0</b>	<b>45.5</b>	<b>23.5</b>	<b>-</b>	<b>97.0</b>
Operating income					14.5
<b>Revised operating income</b>					<b>13.5</b>

(2) For first-half of fiscal year 2007 (six months ended September 30, 2007)

(Billions of Yen)

	Power	Ceramics	Electronics	Engineering	Total
Total sales	28.3	55.2	24.4	1.6	109.4
Operating income					20.2

(3) For fiscal year 2008 (year ending March 31, 2009)

(Billions of Yen)

	Power	Ceramics	Electronics	Engineering	Total
Total sales	63.5	98.0	48.5	-	210.0
<b>Revised total sales</b>	<b>67.0</b>	<b>92.5</b>	<b>45.5</b>	<b>-</b>	<b>205.0</b>
Operating income					29.5
<b>Revised operating income</b>					<b>24.5</b>

(4) For fiscal year 2007 (year ended March 31, 2008)

(Billions of Yen)

	Power	Ceramics	Electronics	Engineering	Total
Total sales	63.8	101.9	47.0	4.4	217.1
Operating income					36.6