

Final Financial Results for the Fiscal Year Ended Nov. 2007

January 29, 2008

NACHI

NACHI –FUJIKOSHI CORP.

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Outline: Consolidated Final Results Ended Nov. 2007

07 Performance

(100 millions of yen)

	Fiscal 2006 Performance (A)	Fiscal 2007 Performance (B)	Change (B) - (A)
Sales	1,867	1,936	(+3.7%) +69
Business Profit	(8.3%) 155	(8.7%) 167	(+7.8%) +12
Current Profit	(7.6%) 141	(7.9%) 152	(+7.9%) +11
Special Profit	6	10	+4
Extraordinary Loss	16	27	+11
Current Net Profit	73	78	(+7.6%) +5

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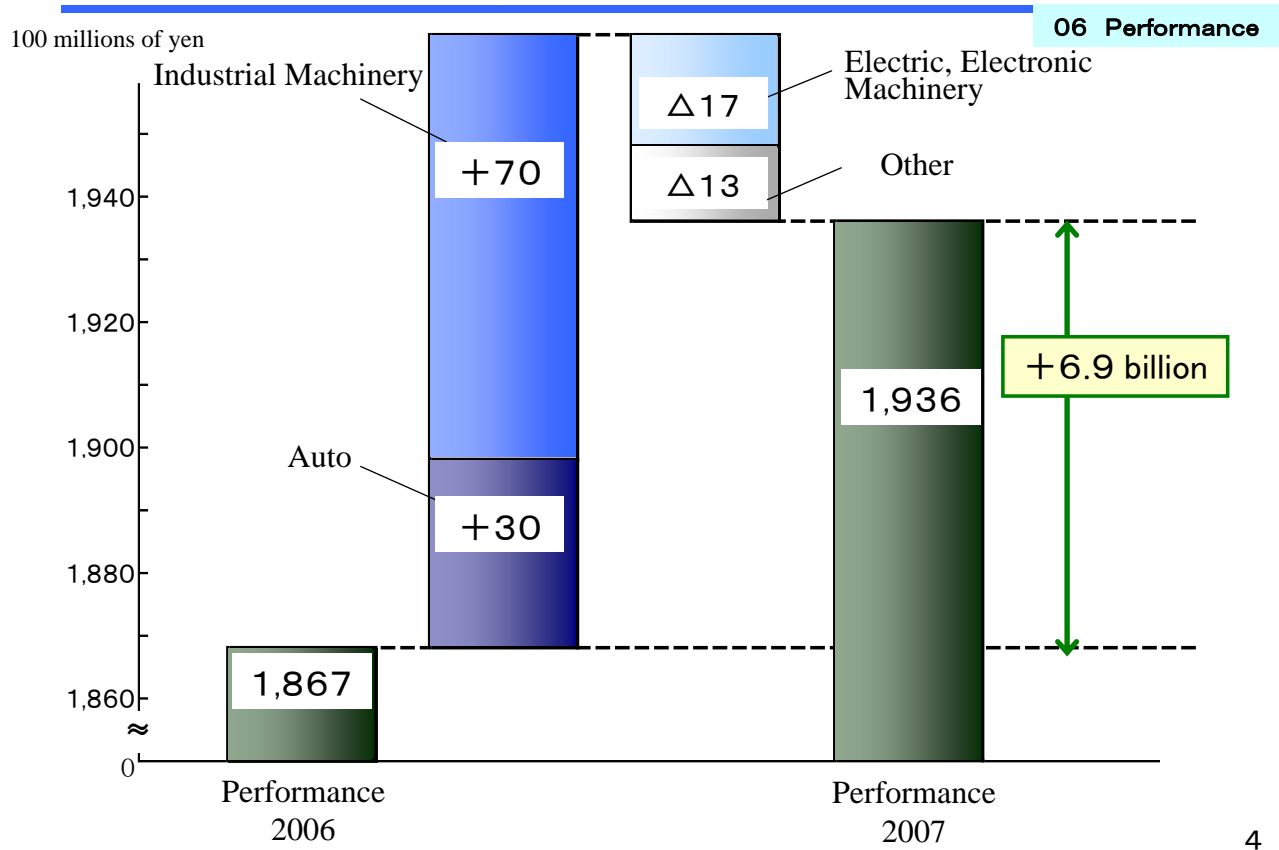
Managerial Data

07 Performance

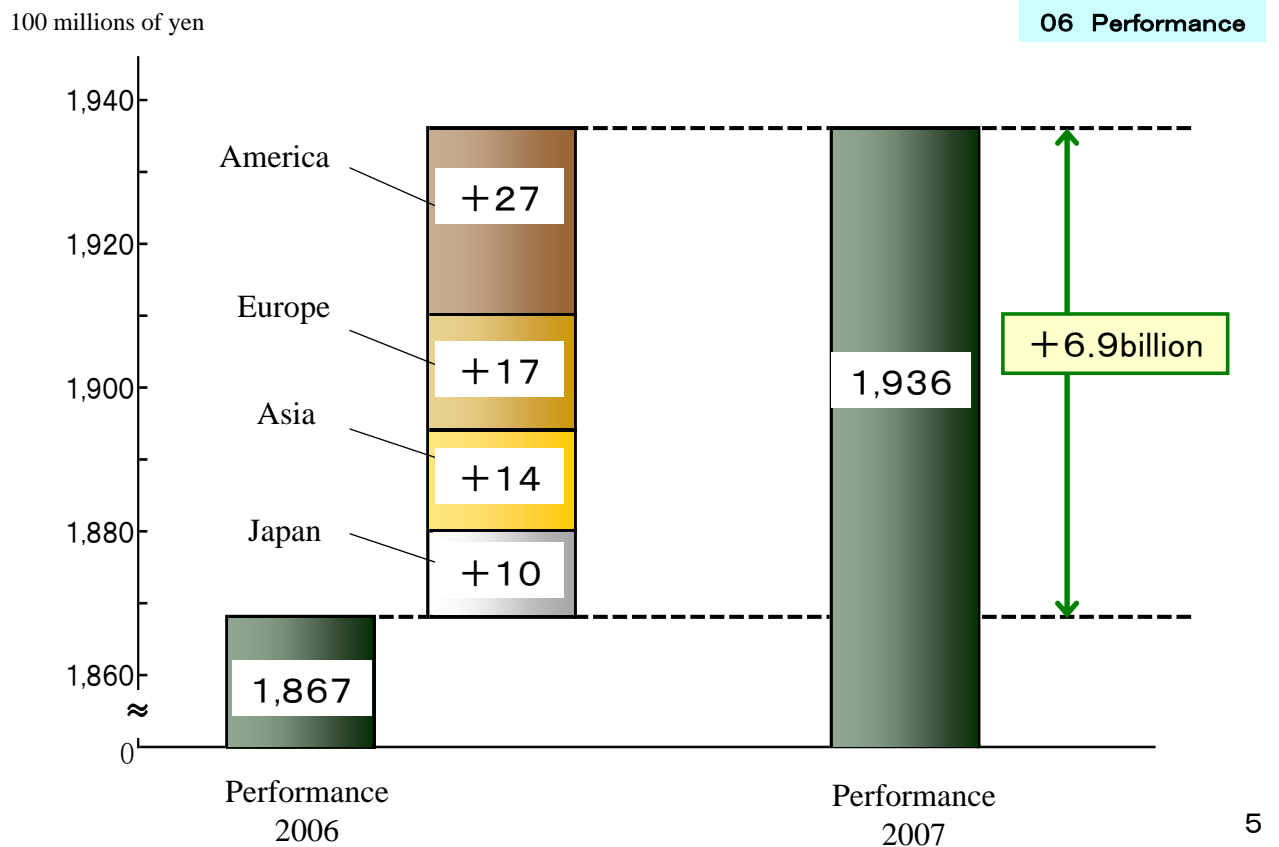
(100 millions of yen)	Fiscal 2006 Performance (A)	Fiscal 2007 Performance (B)	Changes (B) - (A)
Collective Assets	1,861	2,017	+156
Total Equity	(28.6%) 532	(29.3%) 590	(+0.7point) +58
Debt with Interest	604	619	+15
D/E ratio	1.1x	1.0x	
Capital Expenditures	180	192	+12
Depreciation Cost	87	99	+12
Human Resources	5,613 jobs	5,802 jobs	+189 jobs

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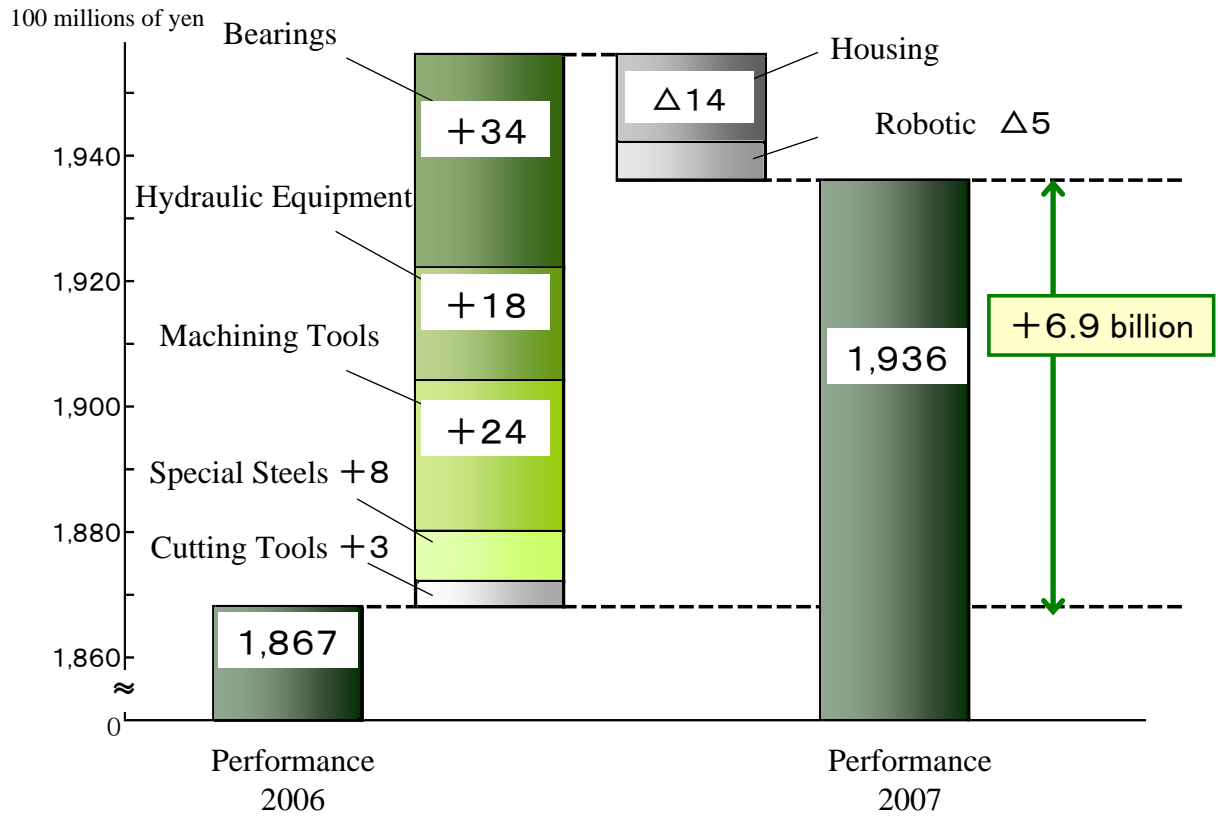
Factors of Fluctuating Business Profit by Market



Factors of Fluctuating Business Profit by Area

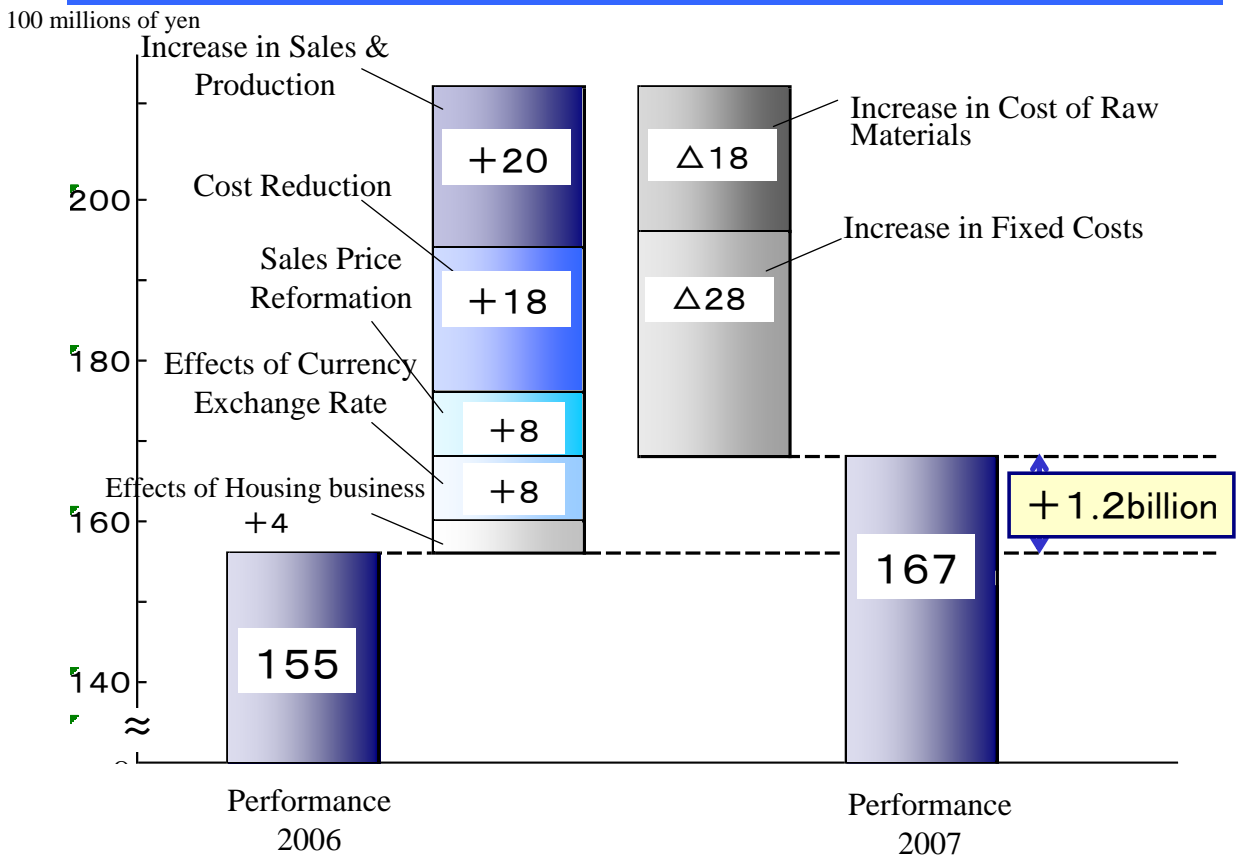


Factors of Fluctuating Sales Profit by Business Field



Factors of Fluctuating Business Profit

07 Performance

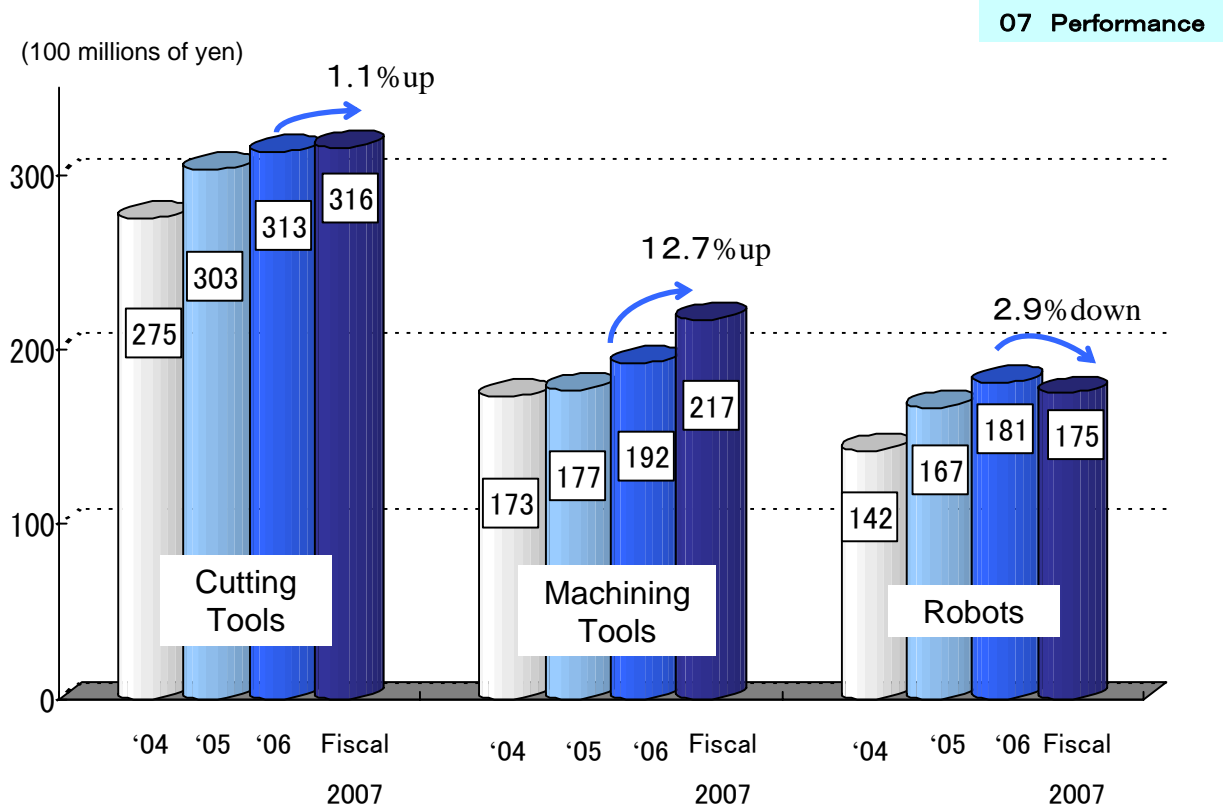


Sales & Operating Profits by Business Segments

07 Performance (100 millions of yen)			Fiscal 2006 Performance (A)	Fiscal 2007 Performance (B)	Change (B)−(A)
Tools & Machines	Sales	Cutting Tools	313	316	(+1.1%) +3
		Machine Tools	192	217	(+12.7%) +24
		R o b o t s	181	175	(Δ2.9%) Δ5
		T o t a l	687	710	(+3.3%) +22
	S a l e s P r o f i t	(9.8%) 67	(7.3%) 51	(Δ23.3%) Δ15	
Components	Sales	B e a r i n g s	634	668	(+5.4%) +34
		Hydraulic Equipment	363	381	(+5.0%) +18
		T o t a l	997	1,050	(+5.3%) +52
	S a l e s P r o f i t	(8.2%) 82	(9.7%) 101	(+23.9%) +19	
Materials etc	Sales	S p e c i a l S t e e l s	139	147	(+6.0%) +8
		O t h e r	43	28	(Δ33.6%) Δ14
		T o t a l	182	176	(Δ3.4%) Δ6
	S a l e s P r o f i t	(3.0%) 5	(7.7%) 13	(2.5x) +8	
Gross Sales Figures			1,867	1,936	(+3.7%) +69
Gross Business Profits			(8.3%) 155	(8.7%) 167	(+7.8%) +12

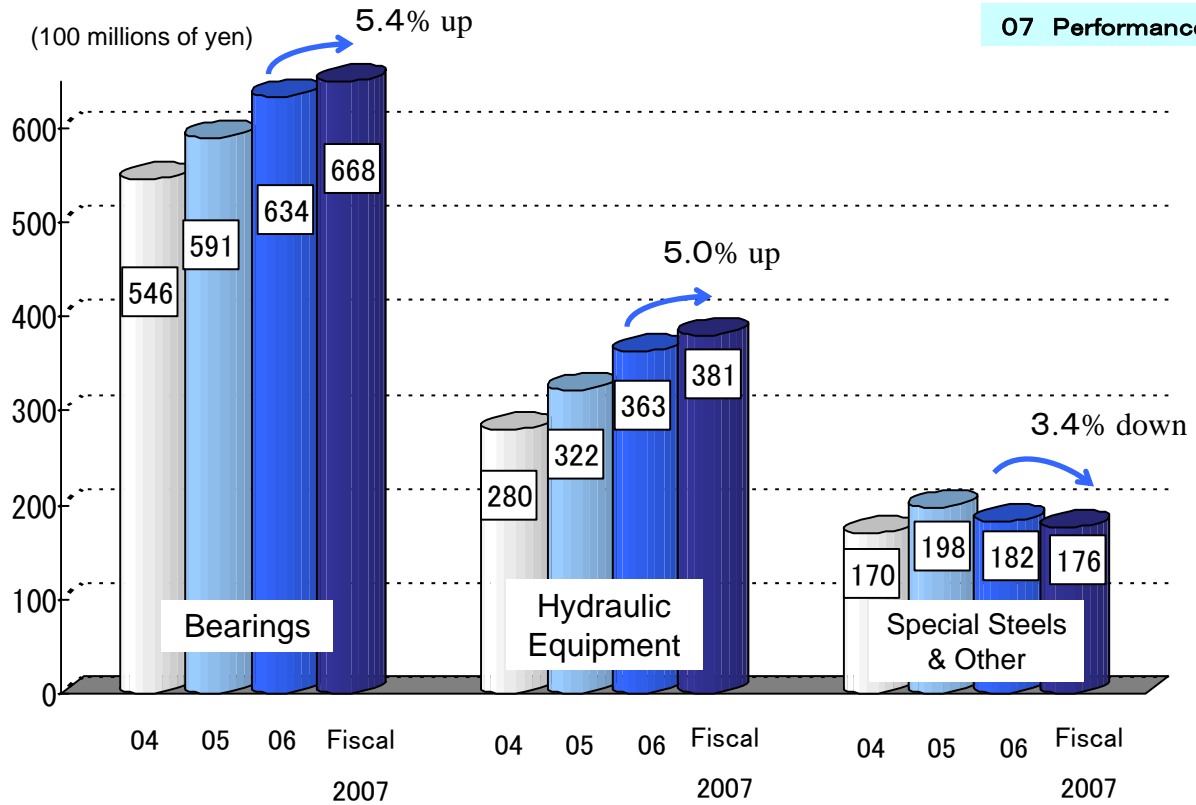
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Sales Figures by Main Business (Machining & Cutting Tools)



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Sales Figures by Main Business (Components & Special Steels)



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Management Plan: as of Nov. 2007

08 Plan

(100 millions of yen)

	Fiscal 2007 Performance (A)	Fiscal 2008 Projection (B)	Change (B) - (A)
Sales	1,936	1,970	(+1.7%) +33
Sales Profit	(8.7%) 167	(8.6%) 170	(+1.3%) +2
Current Profit	(7.9%) 152	(7.9%) 155	(+1.4%) +2
Special Profit	10		Δ10
Extraordinary Losses	27	12	Δ15
Current Net Profit	78	85	(+8.2%) +6

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Managerial Data

07 Plan

(100 millions of yen)	Fiscal2007 Performance (A)	Fiscal 2008 Projection (B)	Change (B) – (A)
Collective Assets	2,017	2,080	+62
Total Equity	(29.3%) 590	(31.5%) 656	(+2.2 point) +65
Debt with Interest	619	660	+40
D/E ratio	1.0x	1.0x	
Capital Expenditures	192	200	+7
Depreciation Cost	99	109	+10
Human Resources	5,802 jobs	5,900 jobs	+98 jobs

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Prospects by Business Segments (Sales & Business Profits)

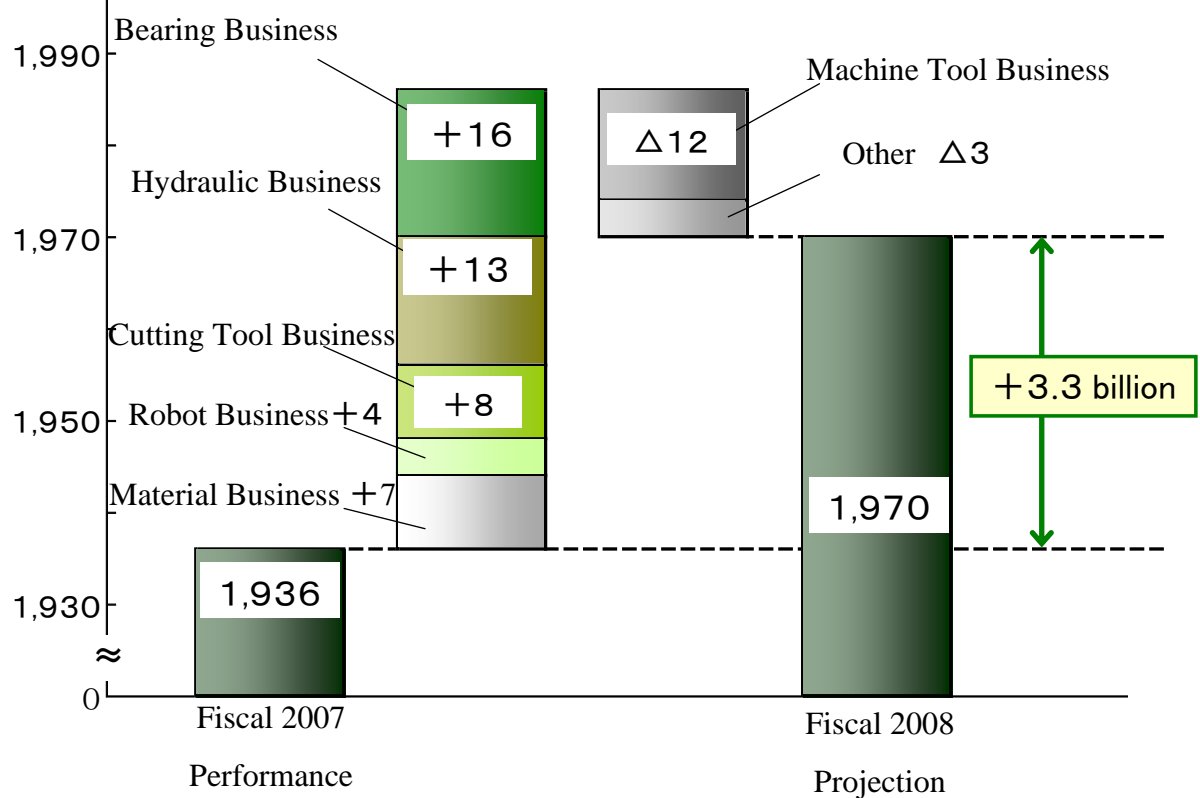
(100 millions of yen)

		Fiscal2007 Performance (A)	Fiscal 2008 Projection (B)	Change (A)–(B)
Tools & Machines	Sales	Cutting Tools	316	325 (+2.6%) +8
		Machine Tools	217	205 (Δ5.8%) Δ12
		R o b o t s	175	180 (+2.3%) +4
		T o t a l	710	710 (–) –
	Business Profit	(7.3%) 51	(7.5%) 53	(+2.2%) +1
Components	Sales	B e a r i n g s	668	685 (+2.4%) +16
		Hydraulic Equipment	381	395 (+3.5%) +13
		T o t a l	1,050	1,080 (+2.8%) +29
	Business Profit	(9.7%) 101	(9.6%) 104	(+3.9%) +2
Materials etc.	Sales	Special Steels	147	155 (+5.2%) +7
		O t h e r	28	25 (Δ12.6%) Δ3
		T o t a l	176	180 (+2.3%) +4
	Business Profit	(7.7%) 13	(7.2%) 13	(–) –
Gross Sales Figures		1,936	1,970	(+1.7%) +33
Gross Business Profits		(8.7%) 167	(8.6%) 170	(+1.3%) +2

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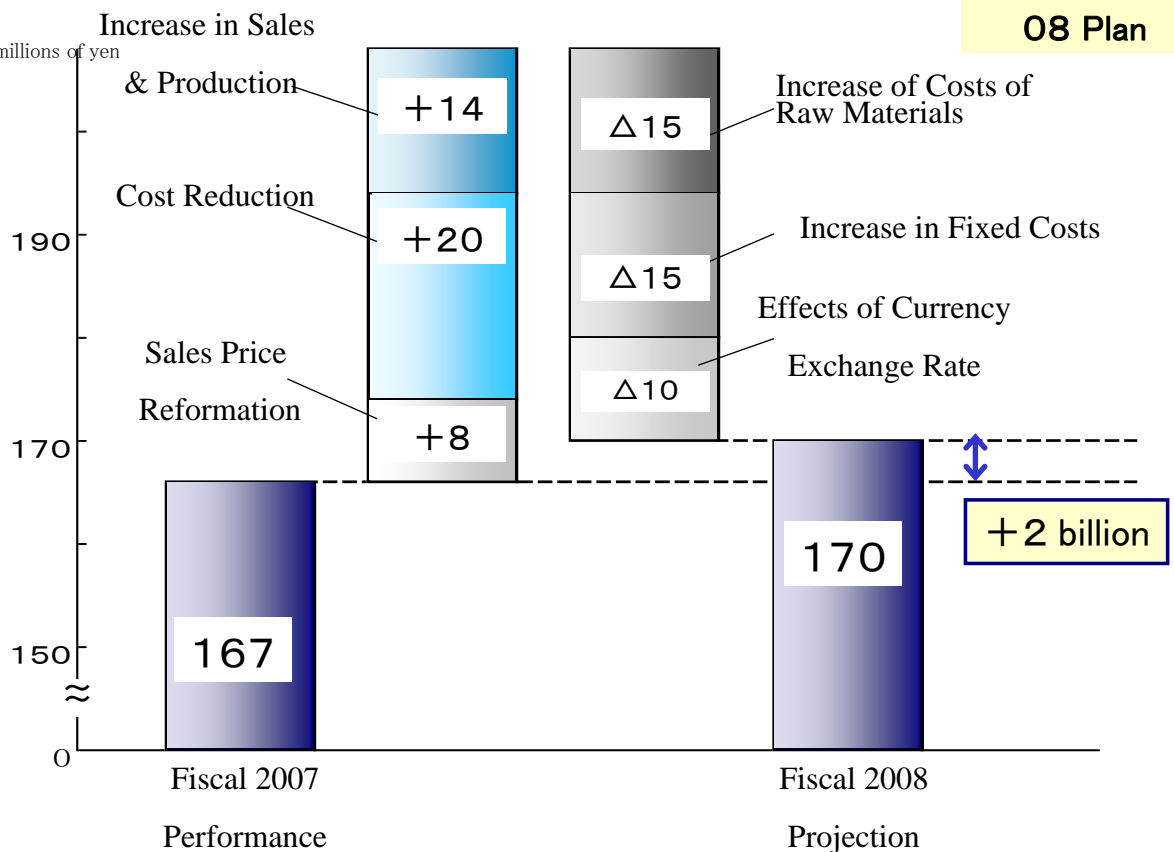
Factors of Fluctuating Sales Figures (Projected)

100 millions of yen



Factors of Fluctuating Business Profit (Projected)

100 millions of yen



Prospects for 2008

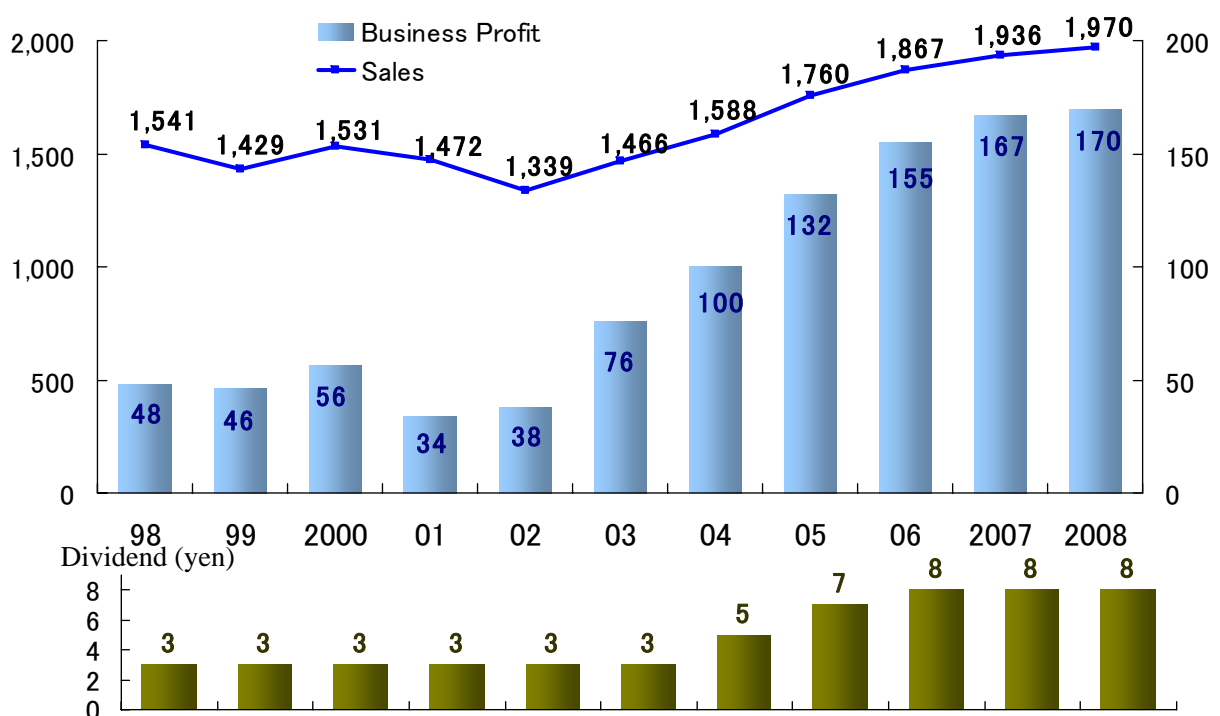
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1. Comparison of Fiscal 2008 with Recent Years

Sales (100 millions of yen)

Business Profit (100 millions of yen)



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2. Future Outlook and Stance for Nachi-Fujikoshi

(1) View on Managerial Environment

- 2008 as transition period of economic prospects

Economic recession in U.S.A.

Apprehension about slow economic fluctuations in China

Factors in political and economical instability

Stronger yen rate...

→ The end of domination of the American dollar

→ **The beginning of diversified times**

(2) Stance for Diversified Times

- Stronger connection in every managerial aspect

① Promoting engineering business

② Developing R&D connections with other main business

③ Industrial machines as second main business

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① Promoting Engineering Business

- Expansion of Engineering Business Footholds in Japan and Other Countries

- Promoting Connected Engineering between Machinery Manufacturing, Robot, Component and Steel Material Businesses

- Foundation of “Nachi Engineering” to spread out all over Japan

- Spread across the world, especially in the U.S.A., other areas where our customers are.



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② Developing R&D Connections with Other Main Businesses

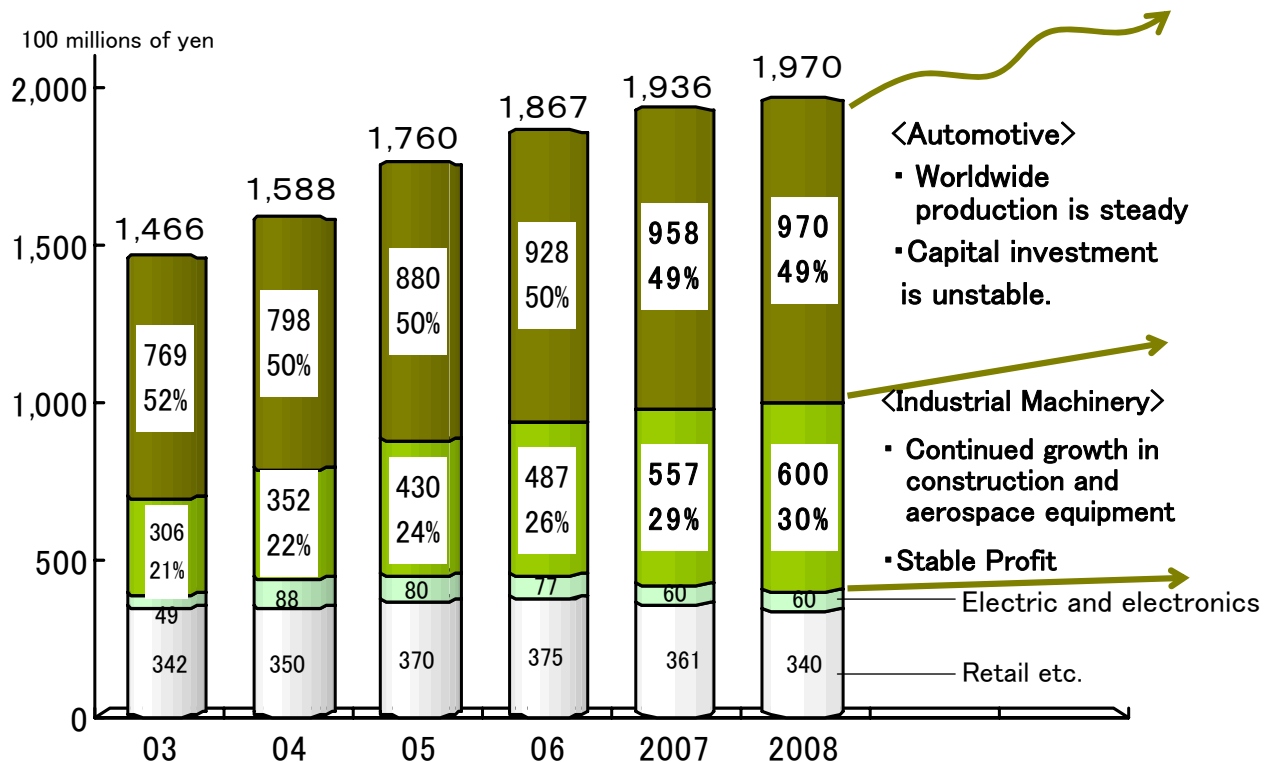
Developing New Products and Technologies that are Linked to Other Main Businesses On Top of Basic Research and Development of Production Techniques

- Foundation of “R&D Material”
Development of new products using material and heat treatment techniques FM ALLOY and formed aluminum products etc.
- Provide our manufacturing technique with products



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③ Industrial Machinery as Second Main Business



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Expansion of Products with Primary Competitive Advantages

Strengthening products with primary competitive advantages for industrial machinery and automotive markets

(1) Targeting Industrial Machinery

- Hydraulic equipment for construction machinery
- Precision bearings
- Precision tools for aerospace machinery and generators
- New Platform Robot (Presto MR20) etc.



(2) Targeting Automotive Industries

- Gear cutting tools for transmissions
- Bearings for C.V.J.
- Automotive solenoid valves etc.



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3. Management Plan of Fiscal 2008

(100 millions of yen)

	Fiscal 2006 Performance	Fiscal 2007 Performance	Fiscal 2008 Projection
Sales	1,867	1,936	1,970
Business Profit	(8.3%) 155	(8.7%) 167	(8.6%) 170
Current Profit	(7.6%) 141	(7.9%) 152	(7.9%) 155
Current Net Profit	73	78	85
Net Profit/Share (yen)	29.38	31.61	34.18
Dividend/Share (yen)	8	8	8

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<http://www.nachi-fujikoshi.co.jp/>

These materials are produced based on expectations of future performance and business plans that are predicated on a continuation of current economic conditions and business policies.

Because of this, actual performance may vary from expected business performance due to fluctuations in demand, exchange rates and various other factors.