BRIEF REPORT OF FINANCIAL RESULTS

(Year ended March 31 , 2007)

May 8, 2007

Registered
Company Name: MINEBEA CO., LTD. Common Stock Listings: Tokyo, Osaka and Nagoya
Code No: 6479 (URL http://www.minebea.co.jp)
Representative: Takayuki Yamagishi Representative Director, President and Chief Executive Officer
Contact: Sakae Yashiro Managing Executive Officer, Deputy Chief of Administration Headquarters
Tel. (03) 5434-8611

Date planned to hold ordinary general meeting of shareholders: June 28, 2007
Expected date of payment for dividends: June 29, 2007
Date planned to file report of securities: June 28, 2007

(Amounts less than one million yen have been omitted.)

1. Business performance (April 1, 2006 through March 31, 2007)

(1) Consolidated Results of Operations

(The percentages of net sales, operating income, ordinary income and net income show year-on-year changes.)

	Net sales (millions of yen)	% Change	Operating income (millions of yen)	% Change	Ordinary income (millions of yen)	% Change
FY2007	331,022	3.9	26,265	36.3	21,843	49.7
FY2006	318,446	8.2	19,269	36.8	14,595	43.0

	Net income (millions of yen)	% Change	Net income per share (yen)	Fully diluted net income per share (yen)	Return (net income) on equity (%)	Return (ordinary income) on assets (%)	Return (operating income) on sales (%)
FY2007	12,862	202.1	32.23	—	9.9	6.2	8.0
FY2006	4,257	(23.7)	10.67	—	3.9	4.3	6.0

(Reference) Income or loss on investments for FY2007 on the equity method totaled income (5) million yen and 5 million yen in FY 2006.

(2) Consolidated Financial Position

	Total assets (millions of yen)	Net assets (millions of yen)	Equity ratio (%)	Net assets per share (yen)
FY2007	354,784	142,558	40.1	356.75
FY2006	349,862	117,577	33.6	294.65

(Reference) Shareholders' equity: 142,353 million yen at March 31, 2007

(3) Consolidated Cash Flows

	Cash flows from operating activities (millions of yen)	Cash flows from investing activities (millions of yen)	Cash flows from financing activities (millions of yen)	Year end balance of cash and cash equivalents (millions of yen)
FY2007	37,902	(15,180)	(25,683)	21,731
FY2006	28,237	(19,120)	(7,380)	24,385

2. Dividends

	Dividends per share			Total dividend (For the year) (millions of yen)	Dividends payout ratio (Consolidated) (%)	Dividends on net assets (Consolidated) (%)
	Midyear-end (yen)	Year-end (yen)	For the year (yen)			
FY2006	−	7.00	7.00	2,793	65.6	2.5
FY2007	−	10.00	10.00	3,990	31.0	3.1
FY2008 (Forecast)	−	10.00	10.00	—	26.6	—

3. Prospect for the next fiscal year (April 1, 2007 through March 31, 2008)

(Percentages indicate year-on-year changes for the interim term and the full year.)

	Net sales (millions of yen)	% Change	Operating income (millions of yen)	% Change	Ordinary income (millions of yen)	% Change
Interim	162,500	(0.9)	14,000	4.7	11,500	5.1
Annual	335,000	1.2	30,000	14.2	25,000	14.5

	Net income (millions of yen)	% Change	Net income per share (yen)
Interim	6,500	(13.0)	16.29
Annual	15,000	16.6	37.59

4. Others

(1) Changes in significant subsidiaries during the year (Changes in certain subsidiaries resulting in change in the scope of consolidation): None

(2) Changes in accounting principles, procedures, presentations, etc. for preparation of consolidated financial statements (Changes to be stated in changes in significant matters that are fundamental to preparation of consolidated financial statements)

1. Changes associated with revision of accounting standards, etc: Yes
2. Changes other than 1: None

(Note) For details, see Change of accounting treatment on page 19.

(3) Number of shares outstanding (Common stock)

1. Number of shares outstanding at end of year (including treasury stock)
   399,167,695 shares at March 31, 2007
   399,167,695 shares at March 31, 2006
2. Number of treasury shares at end of year
   140,160 shares at March 31, 2007
   121,371 shares at March 31, 2006

(Note) For the number of shares that becomes the basis for calculating consolidated net income per share, see Per share data on page 36.

(Reference) BRIEF REPORT OF NON-CONSOLIDATED FINANCIAL RESULTS

1. Business performance (April 1, 2006 through March 31, 2007)

(1) Results of Operations

(The percentages of net sales, operating income, ordinary income and net income show year-on-year changes.)

	Net sales (millions of yen)	% Change	Operating income (millions of yen)	% Change	Ordinary income (millions of yen)	% Change
FY2007	228,406	10.4	8,948	190.9	12,396	21.1
FY2006	206,831	11.7	3,075	58.0	10,236	(7.4)

	Net income (millions of yen)	% Change	Net income per share(yen)	Fully diluted net income per share(yen)
FY2007	5,618	—	14.08	—
FY2006	(3,378)	—	(8.48)	—

(2) Financial Position

	Total assets (millions of yen)	Net assets (millions of yen)	Equity ratio (%)	Net assets per share (yen)
FY2007	357,104	181,346	50.8	454.47
FY2006	357,560	179,669	50.2	450.24

(Reference) Shareholders' equity: 181,346 million yen at March 31, 2007

2. Prospect for the next fiscal year (April 1, 2007 through March 31, 2008)

(Percentages indicate year-on-year changes for the interim term and the full year.)

	Net sales (millions of yen)	% Change	Operating income (millions of yen)	% Change	Ordinary income (millions of yen)	% Change
Interim	118,000	3.4	1,100	(74.9)	3,800	(23.2)
Annual	245,000	7.3	3,000	(66.5)	9,200	(25.8)

	Net income (millions of yen)	% Change	Net income per share(yen)
Interim	1,800	(29.2)	4.51
Annual	4,800	(14.6)	12.03

(Notes) The above-mentioned forecasts are based on the information available as of the date when this information is disclosed, as well as on the assumptions as of the disclosing date of this information related with unpredictable parameters that are probable to affect our future business performances in the end. In other words, our actual performances are likely to differ greatly from these estimates depending on various factors that will take shape from now on. As for the assumptions used for these forecasts and other related items, please refer to page 5 of the documents attached hereunder.

(Reference)

1. Operating Performance and Financial Position

(1) Operating Performance

1. Overview of the year

During the current consolidated fiscal year, the Japanese economy continued to grow moderately, supported by a high level of corporate earnings, increased investment in plant and equipment, improvement in employment and other economic factors. The U. S. economy continued stable growth on steady personal consumption, and in the European economy also, there was favorable recovery. In Asia, growth in the Chinese economy remained high on increased exports and increased investment in fixed assets, and in other Asian countries also, the economies generally advanced firmly.

Under these management circumstances, we strove to implement sweeping cost reduction measures, develop new technologies and high value-added products, and promote sales expansion activities, in order to further increase earnings.

As a result, net sales increased 12,575 million yen (3.9%) year on year, to 331,022 million yen, and operating income increased 6,996 million yen (36.3%) year on year, to 26,265 million yen. Ordinary income increased 7,248 million yen (49.7%) year on year, to 21,843 million yen, and net income largely rose 8,604 million yen (202.1%) to 12,862 million yen.

(a) Performance by business segment is as follows:

Machined components business

Our products in this business segment include ball bearings, which are our mainstay product; mechanical components such as rod-end bearings primarily for use in aircraft and pivot assemblies for use in hard disk drives (HDDs); screws for automobiles and aircraft; and defense-related devices and equipment. Compared with the previous consolidated fiscal year, sales of mainstay ball bearings grew largely, on our vigorous sales expansion to manufacturers of automobiles, PCs and peripherals, office automation equipment, etc. Sales of rod-end bearings rose to the aerospace industry, mainly in the U.S. and Europe. Also, sales of pivot assemblies grew. As a result, net sales rose 8,067 million yen (6.2%) year on year, to 137,662 million yen. Operating income increased 1,639 million yen (6.7%) year on year, to 26,195 million yen, due to cost reductions, etc. resulting from increased production and production efficiency.

Electronic devices and components business

Our core products in this business segment include HDD spindle motors; information motors (fan motors, stepping motors, vibration motors and DC brush motors); PC keyboards; speakers; LCD back lights; inverter and measuring instruments. Sales expanded favorably, to manufacturers of PCs and peripherals, household electrical appliances, office automation equipment, etc. As a result, net sales increased 4,508 million yen (2.4%) year on year, to 193,359 million yen. Operating income substantially improved 5,356 million yen to 69 million yen on progressed improvements in the information motor, HDD spindle motor and PC keyboard businesses.

(b) Performance by geographical segment is as follows:

Japan

In this region, net sales increased 5,408 million yen (6.9%) year on year, to 83,264 million yen, and operating income also largely expanded 7,847 million yen (408.3%), to 9,769 million yen on changes in the prices of items imported from overseas subsidiaries and other business factors.

Asia excluding Japan

This region includes Greater China region which continues high growth, and is an important manufacturing base for many makers of Japan, Europe, America and other countries. Sales were firm mainly in the Greater China region, led by expanded demand from the information & telecommunications equipment industry and steady demand from the household electrical appliance industry. As a result, net sales increased 6,907 million yen (4.4%) year on year, to 162,330 million yen. Operating income, however, decreased 1,543 million yen (-12.0%), to 11,299 million yen.

North America

In North America, both orders and sales of American-made ball bearings and rod-end bearings for use mainly in the aircraft-related industries were strong. In addition, sales of imported mechanical components and electronic components and parts advanced firmly. However, as a result of decreased sales of PC keyboards in which specialization in high value-added products was implemented, net sales declined 3,358 million yen (-5.6%) year on year, to 56,109 million yen. On the other hand, however, operating income increased 842 million yen (29.2%) to 3,730 million yen

Europe

Sales of ball bearings, rod-end bearings and other products were firm as moderate economic growth was seen in this region. As a result, net sales increased 3,619 million yen (14.1%) year on year, to 29,317 million yen. On the other hand, however, operating income fell 150 million yen (-9.3%) year on year, to 1,465 million yen.

2. Outlook for the next fiscal year

In the Japanese economy, the strong business sector is expected to have an impact on the household sector and continue private demand-centered recovery.

In Asia, the Chinese economy is expanding, and in the United States also, the economy is expected to maintain moderate growth despite concern over the trend of crude oil prices. We expect that the global economy will continue well-balanced growth.

Under these circumstances, we expect net sales and operating income to exceed those for the current consolidated fiscal year, on increased sales of motors, LED backlight assemblies for LCDs, bearing-related products and other mainstay products.

(a) Outlook by business segment for the full year is as follows:

Machined components business

We will continue to aggressively expand sales of mainstay ball bearings to the automobile and information & telecommunications equipment industries, demand from which is firm. By achieving economies of scale in manufacturing from this sales expansion and further reducing costs, we aim to improve business results further. In addition, the aircraft market for rod-end bearings are strong, particularly in Europe and the U.S. We can expect benefits from this strong aircraft market. In pivot assemblies, we expect that sales will be steady with strong demand.

Electronic devices and components business

In the information motor business, we can expect good results, with major structural reforms, including production efficiency improvement, subcontractor management and product mix reviews that have been implemented. In the spindle motor business, we will continue to make cost reduction efforts and boost sales of 2.5"motors. Also, in the PC keyboard business, we expect stable results, with the completion of structural shift to a production and sales structure centering mainly on high-quality, high-priced models. Sales of measuring components and other products are expected to advance favorably.

(b) Outlook by geographical segment for the full year is as follows:

Japan

We expect that sales will continue to be in a harsh operating environment, as many of our customers are shifting production from their plants in Japan to those in other Asian countries, including China. However, we will aim for increased sales by developing new markets and introducing new products.

Asia excluding Japan

This region offers the largest market for our products. Taking full advantage of having our key manufacturing bases right in this largest market area, we strongly aim to improve performance. In spindle motors, information motors and PC keyboards, we can expect benefits from implementation of manufacturing cost reduction measures.

North America

In U.S. manufactured rod-end bearings and other principal products, we continue to receive strong orders from aerospace and other industries. We also expect that import products such as ball bearings and motors will continue to post firm sales, despite a fall in sales of PC keyboards due to a shift to high-priced products.

Europe

The European economy continues to grow moderately. We expect that sales will move as we witnessed for the current consolidated fiscal year.

(2) Analysis of financial position

Condition of the year

The Minebea Group has pursued its principal management policy of enhancing its financial soundness and continued to take decisive steps to squeeze total assets, restrain capital investment, and reduce interest-bearing debt. The balance of cash and cash equivalents in the current consolidated fiscal year totaled 21,731 million yen, up 2,654 million yen year on year.

Cash flows from various business activities during the current consolidated fiscal year and relevant factors are as follows:

Operating activities: Owing primarily to increased income before income taxes and decreased inventories, net cash flow from operating activities increased 9,664 million yen year on year, to 37,902 million yen.

Investing activities: Due mainly to declined payments of expenditures for purchase of property, plant and equipment, net cash outflow from investing activities fell 3,940 million yen year on year, to 15,180 million yen.

Financing activities: Due mainly to repayment of short-term debts and payment of dividends, net cash flow from financing activities rose 18,303 million yen year on year, to 25,683 million yen.

(3) Basic policy for profit sharing and dividends for the current and the next fiscal years

The Company's basic policy for profit appropriation so far was to realize payment of stable dividends. Going forward, however, considering our management environment from a comprehensive standpoint and putting improved equity capital efficiency and better profit sharing to shareholders first, we will aim for profit distribution to shareholders at levels reflecting operating results better.

Under this policy, we plan to propose raising the year-end dividend for the current fiscal year by three yen to ten yen per share at our 61st ordinary general meeting of shareholders scheduled to be held in June this year.

(4) Risk Management

As of the end of the current consolidated fiscal year, the company recognizes that the Minebea Group has the following risks and uncertainties that have the potential to affect its group operating results and/or financial position:

1. Market risk

Principal markets for Minebea products, including those for PCs and peripheral equipment, information and telecommunications equipment and household electrical appliances, are intensely competitive and subject to significant fluctuations in demand. Our operating results and financial position are vulnerable to these fluctuations.

2. Foreign exchange risk

A significant portion of our consolidated net sales are in markets outside of Japan. Our business is thus vulnerable to risks associated with fluctuations in foreign currency exchange rates. We have entered into various currency exchange contracts and other derivatives transactions to hedge these risks, but fluctuations in foreign currency exchange rates may affect our operating results and/or financial position over the long term.

3. R&D risk

While we focus on R&D to introduce a constant stream of new, high-quality products, we are subject to the risk that significant R&D expenditures may not be rewarded with successes, as there are no guarantees that R&D efforts will come to fruition.

4. Legal risk

The Legal Department is responsible for managing risk related to lawsuits and other legal actions brought against Minebea Group operations in Japan and/or overseas. We are subject to the risk that lawsuits or other actions with the potential to affect our operating results and/or financial position may be brought against us in the future.

5. Risk related to price negotiations

We continue to face intense competition from lower-priced products made overseas. We are subject to the risk that we will be unable to maintain or increase our share should market needs shift to low-quality, low-priced products.

6. Risk related to raw materials and logistics costs

We purchase a variety of materials from external suppliers and strive to ensure optimal purchase inventory volumes for such materials and access to stable supplies of materials with stable prices. However, we are subject to the risk that rising prices for such materials may affect our operating results and/or financial position in the future.

7. Latent risk related to operations overseas

The Minebea Group's manufacturing activities are conducted primarily in Thailand, China, and Singapore. While considerable time has passed since we established operations in these countries, our operations overseas are subject to the following risks, any of which may have a negative impact on our operating results and/or financial position:

(a) Unexpected changes to laws or regulations.
(b) Difficulty in attracting and securing appropriate human resources.
(c) Acts of terrorism or war, or other acts that may cause social disruption.

2. Condition of group of enterprises

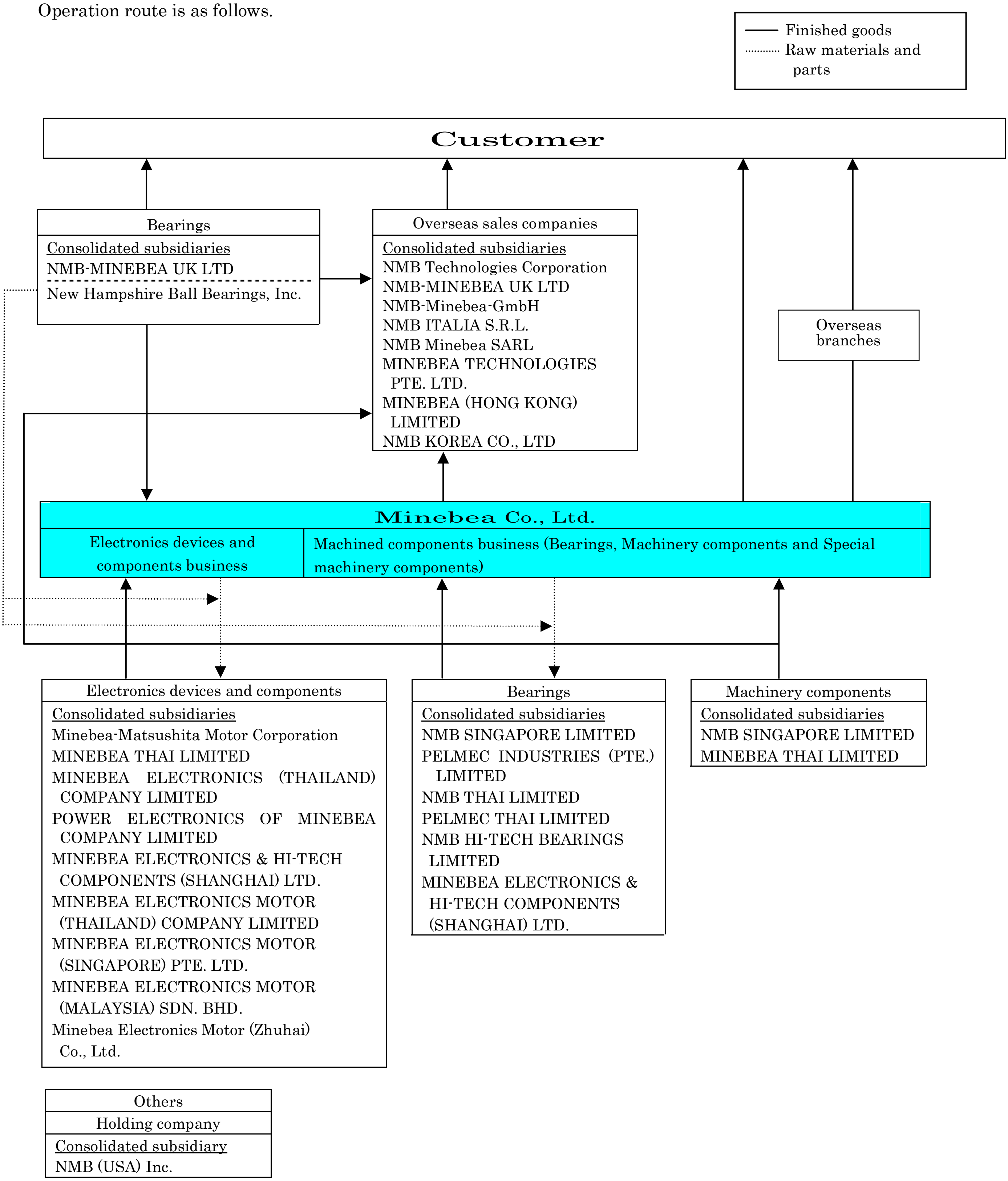
Minebea group consists of Minebea Co., Ltd. (the Company) and 43 related companies (42 consolidated subsidiaries and 1 affiliated company). Minebea group produces and sells bearings, machinery components, special machinery components, electronic devices.

The Company and domestic consolidated subsidiaries, consolidated subsidiaries in U.S.A., Europe and Asia are in charge of production. The Company markets its products directly to Japanese customers. In overseas markets, the Company markets its products through its subsidiaries and branches in the United States, Europe and Asia.

The relationship between each operation and business segments, and main manufacturing and sales companies are as follows.

Business segments	Operations	Manufacturing companies	Sales companies
Machined components business	Bearings	Minebea Co., Ltd. New Hampshire Ball Bearings, Inc. NMB-MINEBEA UK LTD NMB SINGAPORE LIMITED PELMEC INDUSTRIES (PTE.) LIMITED NMB THAI LIMITED PELMEC THAI LIMITED NMB HI-TECH BEARINGS LIMITED MINEBEA ELECTRONICS & HI-TECH COMPONENTS (SHANGHAI) LTD.	Minebea Co., Ltd. NMB Technologies Corporation New Hampshire Ball Bearings, Inc. NMB-MINEBEA UK LTD NMB-Minebea-GmbH NMB ITALIA S.R.L. NMB Minebea SARL MINEBEA TECHNOLOGIES PTE. LTD. MINEBEA (HONG KONG) LIMITED NMB KOREA CO., LTD.
	Machinery components	Minebea Co., Ltd. NMB SINGAPORE LIMITED MINEBEA THAI LIMITED	
	Special machinery components	Minebea Co., Ltd.	
Electronics devices and components business	Electronics devices and components	Minebea Co., Ltd. Minebea-Matsushita Motor Corporation MINEBEA THAI LIMITED MINEBEA ELECTRONICS (THAILAND) COMPANY LIMITED POWER ELECTRONICS OF MINEBEA COMPANY LIMITED MINEBEA ELECTRONICS & HI-TECH COMPONENTS (SHANGHAI) LTD. MINEBEA ELECTRONICS MOTOR (THAILAND) COMPANY LIMITED MINEBEA ELECTRONICS MOTOR (SINGAPORE) PTE.LTD. MINEBEA ELECTRONICS MOTOR (MALAYSIA) SDN.BHD. Minebea Electronics Motor (Zhuhai) Co., Ltd.	

Operation route is as follows.



3. Management Policy

(1) Basic Management Policy

Minebea has adopted the following five principles as its basic policy for management.

(a) Ensure that Minebea is a company for which we feel proud to work.
(b) Reinforce the confidence our customers have.
(c) Respond to our shareholders' expectations.
(d) Ensure a welcome for Minebea in local communities.
(e) Contribute to a global society.

Under this basic management policy, we have focused company resources on areas where we can display ultra-precision machining technologies and mass production technologies that are both the source of our competitiveness. At the same time, we have aimed for a company that leads the competition through manufacturing and technological excellence to achieve further growth.

Furthermore, as a key theme in the development of business in various parts of the world, we have has continued our commitment to environmental protection activities.

(2) Management Index

Our consolidated forecasts for fiscal year ending March 2008 are as follows:

(Amount: millions of yen)

	Fiscal year ending March 2008
Net sales	335,000 (101%)
Operating income	30,000 (114%)
Ordinary income	25,000 (114%)
Net income	15,000 (117%)
Capital investment	27,500 (162%)

(%): Year-on-year rate of change

(3) Future Management Strategies and Tasks

To realize high profitability and true growth potential under the aforementioned basic management policy, the Company will strive to return to the basics of manufacturing and to strengthen manufacturing technologies. Furthermore, to secure competitiveness in the markets and deploy products in new markets, we will endeavor to reinforce the structure under which we can actively integrate and fuse a variety of basic technologies as well as product technologies.

By advancing a higher amalgamation of ultra-precision machining technologies supporting our bearing business and technologies for our electronic components and parts business such as optical technologies, thin-film technologies, electric and magnetic technologies, and sensor technologies, we will continue to develop more competitive products and introduce them to the markets.

4. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

	As of March 31, 2006		As of March 31, 2007		Increase or (decrease) (2007-2006)
	Millions of yen	% Comp.	Millions of yen	% Comp.	Millions of yen
ASSETS					
Current assets	153,564	43.9	156,059	44.0	2,495
Cash and cash equivalents	24,385		21,731		
Notes and accounts receivable	66,362		71,883		
Marketable securities	—		408		
Inventories	48,914		45,904		
Deferred tax assets	3,402		7,056		
Others	10,784		9,325		
Allowance for doubtful receivables	(285)		(249)		
Fixed assets	196,216	56.1	198,684	56.0	2,467
Tangible fixed assets	165,759		171,063		
Buildings and structures	104,435		112,533		
Machinery and transportation equipment	232,021		261,475		
Tools, furniture and fixtures	51,705		50,227		
Land	14,755		15,528		
Construction in progress	1,517		1,771		
Accumulated depreciation	(238,675)		(270,473)		
Intangible fixed assets	13,177		11,973		
Consolidation adjustments	9,794		—		
Goodwill	—		8,794		
Others	3,383		3,179		
Investment and other assets	17,279		15,646		
Investment in securities	10,963		11,318		
Long-term loans receivable	46		54		
Deferred tax assets	4,552		990		
Others	1,772		3,283		
Allowance for doubtful receivables	(55)		(0)		
Deferred charges	81	0.0	40	0.0	(41)
Total assets	349,862	100.0	354,784	100.0	4,921

	As of March 31, 2006		As of March 31, 2007		Increase or (decrease) (2007-2006)
	Millions of yen	% Comp.	Millions of yen	% Comp.	Millions of yen
LIABILITIES					
Current liabilities	150,886	43.1	131,154	37.0	(19,731)
Notes and accounts payable	26,683		27,743		
Short-term loans payable	80,656		57,639		
Current portion of long-term loans payable	8,115		14,121		
Current portion of bonds	3,000		—		
Accrued income taxes	3,045		4,418		
Accrued bonuses	3,518		3,823		
Allowance for bonuses to directors and corporate auditors	—		69		
Allowance for business restructuring losses	3,286		636		
Others	22,581		22,701		
Long-term liabilities	80,767	23.1	81,071	22.8	304
Bonds	36,500		36,500		
Long-term loans payable	43,000		42,000		
Allowance for retirement benefits	641		1,661		
Allowance for retirement benefits to executive officers	49		73		
Others	576		835		
Total liabilities	231,653	66.2	212,226	59.8	(19,427)

	As of March 31, 2006		As of March 31, 2007		Increase or (decrease) (2007-2006)
	Millions of yen	% Comp.	Millions of yen	% Comp.	Millions of yen
MINORITY INTEREST IN CONSOLIDATED SUBSIDIARIES	631	0.2	—	—	—
SHAREHOLDERS' EQUITY					
Common stock	68,258	19.5	—	—	—
Additional paid-in capital	94,756	27.1	—	—	—
Retained earnings	6,983	2.0	—	—	—
Difference on revaluation of other marketable securities	4,428	1.2	—	—	—
Foreign currency translation adjustments	(56,784)	(16.2)	—	—	—
Treasury stock	(65)	(0.0)	—	—	—
Total shareholders' equity	117,577	33.6	—	—	—
TOTAL LIABILITIES, MINORITY INTEREST IN CONSOLIDATED SUBSIDIARIES AND SHAREHOLDERS EQUITY	349,862	100.0	—	—	—
NET ASSETS					
Shareholders' equity	—	—	178,791	50.4	—
Common stock	—	—	68,258	19.2	—
Additional paid-in capital	—	—	94,756	26.7	—
Retained earnings	—	—	15,855	4.5	—
Treasury stock	—	—	(79)	(0.0)	—
Revaluation / Translation differences	—	—	(36,437)	(10.3)	—
Difference on revaluation of other marketable securities	—	—	3,294	0.9	—
Foreign currency translation adjustments	—	—	(39,732)	(11.2)	—
Minority interests in consolidated subsidiaries	—	—	204	0.1	—
Total net assets	—	—	142,558	40.2	—
TOTAL LIABILITIES AND NET ASSETS	—	—	354,784	100.0	—

(2) Consolidated Statements of Income

	Year ended March 31, 2006		Year ended March 31, 2007		Increase or (decrease) (2007-2006)
	Millions of yen	% Comp.	Millions of yen	% Comp.	Millions of yen
Net sales	318,446	100.0	331,022	100.0	12,575
Cost of sales	249,934	78.5	257,643	77.8	7,709
Gross profit	68,511	21.5	73,378	22.2	4,866
Selling, general and administrative expenses	49,242	15.5	47,113	14.2	(2,129)
Operating income	19,269	6.0	26,265	8.0	6,996
Other income	1,503	0.5	2,128	0.6	624
Interest income	258		544		
Dividends income	71		66		
Equity income of affiliates	5		—		
Others	1,167		1,517		
Other expenses	6,177	1.9	6,549	2.0	372
Interest expenses	4,771		5,224		
Foreign currency exchange loss	345		679		
Equity loss of affiliates	—		5		
Others	1,060		640		
Ordinary income	14,595	4.6	21,843	6.6	7,248
Extraordinary income	1,054	0.3	772	0.2	(282)
Gain on sales of fixed assets	415		183		
Gain on sales of investments securities	191		0		
Gain on the reversal of preemptive rights	447		—		
Reversal of loss on after-care of product	—		572		
Reversal of allowance for doubtful receivables	—		14		
Extraordinary loss	6,029	1.9	3,091	0.9	(2,937)
Loss on sales of fixed assets	106		323		
Loss on disposal of fixed assets	763		1,364		
Impairment loss	967		74		
Loss on sales of investments securities	0		—		
Loss on liquidation of affiliates	86		56		
Loss on after-care of products	171		49		
Business restructuring loss	3,475		40		
Compensation payments	—		70		
Settlement loss	—		808		
Special severance payment	—		304		
Retirement benefits to directors and corporate auditors	458		—		
Income before income taxes and minority interests	9,620	3.0	19,523	5.9	9,902
Income taxes					
Current (including enterprise tax)	5,567		6,248		
Adjustment of income taxes	1,574		813		
Total income taxes	7,141	2.2	7,062	2.1	(79)
Minority interest in earnings of consolidated subsidiaries	(1,778)	(0.5)	(401)	(0.1)	1,376
Net income	4,257	1.3	12,862	3.9	8,604

(3) Consolidated Statements of Retained Surplus

	Year ended March 31, 2006
	Millions of yen
CAPITAL RETAINED EARNINGS	
Additional paid-in capital at beginning of year	94,756
Additional paid-in capital at end of year....	94,756
RETAINED EARNINGS..............................	
Retained earnings at beginning of year	5,519
Increase of retained earnings	4,257
Net income	4,257
Decrease of retained earnings	2,793
Cash dividends	2,793
Loss on disposal of treasury stock..........	0
Retained earnings at end of year	6,983

(4) Statement of Changes in Consolidated Shareholders' Equity

FY2007 (April 1, 2006 through March 31, 2007) (Amount: millions of yen)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balances at March 31, 2006	68,258	94,756	6,983	(65)	169,933
Changes					
Cash dividend from retained earnings			(3,990)		(3,990)
Net income			12,862		12,862
Purchase of own shares				(15)	(15)
Sales of own shares		0		1	1
Changes (net) in non-shareholders' equity items					
Total changes		0	8,872	(14)	8,858
Balances at March 31, 2007	68,258	94,756	15,855	(79)	178,791

	Revaluation / Translation differences			Minority interests in consolidated subsidiaries	Total net assets
	Difference on revaluation of other marketable securities	Foreign currency translation adjustments	Total revaluation / translation differences		
Balances at March 31, 2006	4,428	(56,784)	(52,355)	631	118,209
Changes					
Cash dividend from retained earnings					(3,990)
Net income					12,862
Purchase of own shares					(15)
Sales of own shares					1
Changes (net) in non-shareholders' equity items	(1,133)	17,051	15,918	(426)	15,491
Total changes	(1,133)	17,051	15,918	(426)	24,349
Balances at March 31, 2007	3,294	(39,732)	(36,437)	204	142,558

(5) Consolidated Statements of Cash Flows (Amount: millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2007	Increase or (decrease) 2007-2006
1.Cash flows from operating activities:			
Income before income taxes and minority interests	9,620	19,523	9,902
Depreciation and amortization	23,972	24,648	675
Impairment loss	967	74	(892)
Amortization of consolidation adjustments	1,073	—	(1,073)
Amortization of goodwill	—	1,078	1,078
Equity (income) loss of affiliates	(5)	5	10
Interest and dividend income	(330)	(610)	(280)
Interest expenses	4,771	5,224	453
Settlement loss	—	808	808
(Gain) loss on sales of fixed assets	(308)	140	449
Loss on disposal of fixed assets	763	1,364	600
Decrease in reserve for losses on after-care of products	—	(577)	(577)
(Gain) loss on sales of investments securities	(191)	(0)	190
Gain on the reversal of preemptive rights	(447)	—	447
Increase in notes and accounts receivable	(110)	(3,673)	(3,563)
Decrease in inventories	2,082	6,403	4,320
Decrease in notes and accounts payable	(1,215)	(1,629)	(413)
Decrease in allowance for doubtful receivables	(24)	(102)	(77)
Increase in accrued bonuses	111	138	27
Increase in allowance for bonuses to directors	—	69	69
Increase in retirement allowance	219	814	595
Increase in prepaid pension cost	—	(1,408)	(1,408)
Increase (decrease) in allowance for retirement benefits to executive officers	(0)	24	24
Increase (decrease) in allowances for business restructuring losses	3,286	(2,649)	(5,935)
Payment of bonus to directors and corporate auditors	(23)	—	23
Others	(6,846)	(2,486)	4,359
Sub-total	37,364	47,178	9,814
Interest and dividends received	330	610	279
Interest paid	(4,844)	(5,251)	(407)
Income tax paid	(4,612)	(4,635)	(22)
Net cash provided by operating activities	28,237	37,902	9,664
2.Cash flows from investing activities:			
Purchase of tangible fixed assets	(21,897)	(16,969)	4,928
Proceeds from sales of tangible fixed assets	3,047	5,187	2,139
Purchase of intangible fixed assets	(311)	(697)	(385)
Purchase of investments in securities	(0)	(2,666)	(2,666)
Proceeds from sales of investments in securities	216	1	(215)
Payments for purchase of investments in subsidiaries	(342)	—	342
Long term loans receivables	(18)	(31)	(13)
Recovery of long-term loans receivables	16	38	22
Others	168	(42)	(211)
Net cash used in investing activities	(19,120)	(15,180)	3,940
3.Cash flows from financing activities:			
Decrease in short-term loans payable	(3,671)	(24,876)	(21,205)
Proceeds from long-term loans	3,592	11,000	7,407
Repayment of long-term loans	(1,987)	(6,000)	(4,012)
Proceeds from issuance of bonds	1,500	—	(1,500)
Payment for redemption of bonds	—	(3,000)	(3,000)
Payment for redemption of bonds with warrant	(4,000)	—	4,000
Purchase of treasury stock	(5)	(13)	(7)
Cash dividends paid	(2,793)	(2,793)	0
Cash dividends paid to minority shareholders	(14)	—	14
Net cash used in financing activities	(7,380)	(25,683)	(18,303)
4.Effect of exchange rate changes on cash and cash equivalents	889	307	(581)
5.Net increase (decrease) in cash and cash equivalents	2,626	(2,654)	(5,280)
6.Cash and cash equivalents at beginning of year	21,759	24,385	2,626
7.Cash and cash equivalent at end of year	24,385	21,731	(2,654)

(6) Basis of presenting consolidated financial statements

1. Scope of consolidation and application of equity method
Number of consolidated companies.............42 companies
The names of principal consolidated subsidiaries, stated in 2. Condition of group of enterprises, are omitted.

Number of affiliated companies...................1 company
of which, equity method is applied to 1 company including Shonan Seiki Co., Ltd.

2. Scope of consolidation and application of equity method
(a) Changes in consolidated subsidiaries

Anew:	Establishment	(1 company)	MHC INSURANCE COMPANY, LTD.
Exclusion:	Liquidation	(2 companies)	KUEN DAR (M) SDN. BHD. N.M.B. (U.K.) LIMITED

(b) Changes of the companies subject to equity method

Anew: None

Exclusion: None

3. Balance sheet dates of consolidated subsidiaries and equity-method companies
Consolidated subsidiaries which were accounted for by the equity method whose balance sheets are different from the consolidated balance sheet date, the Company uses their financial statements based upon the provisional settlement of accounts they balanced as of the consolidated balance sheet date in the preparation of the financial statements of the current consolidated term.

Company which was accounted for by the equity method whose balance sheets are different from the onsolidated balance sheet date, the Company uses their financial statements based upon the provisional settlement of accounts they balanced as of the consolidated balance sheet date in the preparation of the financial statements of the current consolidated term.

4. Accounting policies
(a) Valuation basis and method of significant assets
1. Securities
Debt securities held to maturity
Amortized cost method (fixed amount method)
Other marketable securities
Securities with market value
The company adopted the market value method based on market prices and other conditions at the end of the term. Also, the company accounted for all valuation differences based on the direct net asset method and the sales costs are calculated by the moving average method.
Securities without market value
Non listed securities are stated at cost determined by the moving average method.
2. Inventories
The company and consolidated domestic subsidiaries state primarily at the moving average cost.
Consolidated overseas subsidiaries state at the lower of first-in, first-out cost or market, or at the lower of average cost or market.

(b) Method of significant Depreciation
1. Tangible fixed assets
The company and consolidated domestic subsidiaries adopt the declining balance method. Their major useful lives are as follows:

Buildings and structures	2 to 50 years
Machinery and equipment	2 to 15 years
Tools, furniture and fixtures	2 to 20 years

They also collectively show equal charges for small depreciable assets (whose acquisition values are not less than 100,000 yen and less than 200,000 yen) over the three years each consolidated fiscal year.
Consolidated overseas subsidiaries mainly adopt the straight-line method.
2. Intangible fixed assets
The company and consolidated domestic subsidiaries mainly adopt the straight-line method. However, depreciation of software (for internal use) is computed on the straight-line method based on our expected useful period (5 years).
Consolidated overseas subsidiaries mainly adopt the straight-line method.

(c) Valuation basis of significant allowances

1. Allowance for doubtful receivables

The company and consolidated domestic subsidiaries make the record in the amount required for the estimated uncollectible receivables based on actual losses of trade receivables and on collectibility of specific receivables with loss possibilities.

Consolidated overseas subsidiaries make the record in the amount required for the estimated uncollectible receivables based on the collectibility of each receivable for possible losses on the receivables.

2. Accrued bonuses

The company and consolidated domestic subsidiaries make preparations for the payment of bonuses to employees, accrued bonuses are shown based on the anticipated amounts of payment in the current term. Consolidated overseas subsidiaries make the record on accrual basis.

3. Allowance for bonuses to directors and corporate auditors

To provide for payment of bonuses to directors and corporate auditors, the Company records an amount, based upon the estimated amount of payment for the current consolidated accounting period.

(Change of accounting policies)

From the current consolidated accounting period, the Company has adopted the method of charging bonuses to directors and corporate auditors to expense as incurred in accordance with the Accounting Standard No. 4, Accounting Standard for Directors' Bonus (issued by the Accounting Standards Board of Japan on November 29, 2005).

This reduces operating income, ordinary income and income before income taxes and minority interests by 69 million yen, respectively.

4. Allowance for retirement benefits

Regarding the company and its consolidated Japanese subsidiaries, to provide for payment of employee retirement benefits, the Company reported allowance for retirement benefits or prepaid pension costs, based on estimated retirement benefit debts and pension assets at the end of the current term.

At the end of the current consolidated accounting period , prepaid pension costs is included in others of investments and other assets.

Over the five years within the average remaining length of employees' service, the company will charge differences in mathematical calculation to expenses from the next term, in accordance with the straight-line method.

Regarding the company's consolidated overseas subsidiaries, each subsidiary stated retirement benefits or prepaid pension costs estimated to accrue at the end of the current term to provide for employee retirement benefits.

At the end of the current consolidated accounting period , prepaid pension costs is included in others of investments and other assets.

Unrecognized prior service cost is amortized using the straight-line method over a period of 10 years as cost. Actuarial gains and losses are amortized using the straight-line method over a period of 10 years, from the period subsequent to the period in which they are incurred.

5. Allowance for retirement benefits to executive officers

We posted retirement allowances to be required for payment at the end of the current consolidated fiscal year in accordance with company regulations.

6. Allowance for business restructuring losses

Based upon the decision of the structural reform plan for its PC keyboard business and other key businesses, the Company has reported the reasonably estimated amounts of expenses that it is expected to incur in the future.

(d) Translation of foreign currency assets and liabilities in financial statements of the company and consolidated subsidiaries

The Company and its consolidated domestic subsidiaries translate monetary receivables and payables in foreign currency into yen at the spot exchange rates on the balance sheets date. The resulting exchange differences are accounted for as an exchange gain or loss.

Assets and liabilities are translated into yen at the spot exchange rates at the consolidation date, while revenues and expenses are translated into yen at the average rates for the year. Exchange differences are included in foreign currency translation adjustments and minority interests in shareholders' equity.

(e) Accounting method of significant lease transactions

In accordance with the accounting method in reference to ordinary rental transactions, the company and its consolidated domestic subsidiaries accounted for finance lease transactions, excluding those in which the ownership of leased property will be transferred to the lessees. The company's consolidated overseas subsidiaries also used primarily the same accounting method.

(f) Accounting method of significant hedge transactions

(1)Method of Hedge Accounting

Regarding monetary receivables and payables in foreign currency for which exchange contracts are made, the Company accounts for them on the allocation method. Also, regarding interest rate swaps, the Company accounts for them as special exceptions, because they meet the accounting requirements for special exceptions.

(2)Hedging Vehicles and Targets

(Hedging Vehicles)

Exchange contracts

Interest rate swaps
(Hedging Targets)
Monetary receivables and payables in foreign currency
Interest rates on borrowings

(3)Hedge Policy
Under the guidance of its Finance Department, the Company makes exchange contracts to hedge risks in foreign exchange fluctuations arising from export and import transactions, and lending in foreign currency. The Company also makes interest rate swaps to hedge fluctuation risks in interest rates on borrowings.

(4)Method of Assessing Hedge Effectiveness
Regarding exchange contracts, the Company allocates them at same dates with same amounts in foreign currency, respectively, in accordance with the risk management policy at the time of conclusion of exchange contracts. This completely ensures correlations reflecting subsequent exchange rate fluctuations. The Company assesses hedge effectiveness based upon that judgment. Also, regarding interest rate swaps, the Company assesses hedge effectiveness based upon the fulfillment of the accounting requirements for special exceptions.

(g) Accounting method of consumption tax and other
Consumption tax and other related taxes are excluded from revenue and purchases of the company.

5. Evaluation of consolidated subsidiaries' assets and liabilities
The company adopts the step fair value method as evaluation method of consolidated subsidiaries' assets and liabilities.

6. Amortization of goodwill and negative goodwill
The goodwill is equally amortized for from five to forty years conforming to the accounting customs of the consolidated companies' countries.

7. Range of cash in cash flow statements
Cash and cash equivalents consist of cash on hand, demand deposit and short-term investments which expire within three months from acquisition date, have high liquidity and are easily turned into cash.

(7) Change of accounting treatment
(Accounting standards for presentation of net assets in the balance sheet)
Since the current consolidated accounting period, the Company has applied the Accounting Standards for Presentation of Net Assets in the Balance Sheet (Accounting Standards Board of Japan (ASBJ) Statement No. 5 issued on December 9, 2005 by the ASBJ). It has also applied the Implementation Guidance for the Accounting Standard for Presentation of Net Assets in the Balance Sheet (ASBJ Implementation Guidance No. 8 Issued on December 9, 2005 by the ASBJ).
The amount corresponding to previous total shareholders' equity is 142,353 million yen.
Net assets in the consolidated balance sheet for the current consolidated accounting period are presented in accordance with provisions of the new Regulations concerning Consolidated Financial Statements after revision.

(8) Change of presentation
(Consolidated balance sheets)
Consolidated adjustments in the previous consolidated accounting period is classified as goodwill in the current consolidated accounting period.
(Consolidated Statements of Cash Flows)
(a)Amortization of consolidation adjustments in the previous consolidated accounting period is classified as goodwill amortization in current consolidated accounting period.
(b)The increase in prepaid pension cost in cash flows from operating activities was included in others the previous consolidated fiscal year. But because its monetary importance is increasing, it is separately shown.
The previous consolidated fiscal year's increase in prepaid pension cost included in o
thers was (70) million yen.

(9)Notes

(Consolidated Balance Sheets)

As of March 31, 2006	As of March 31, 2007
1. Notes related to affiliates — Millions of yen The following include figures related to the Company's. Investments in securities (Stocks) 148	1. Notes related to affiliates — Millions of yen The following include figures related to the Company's. Investments in securities (Stocks) 142
2. Commitment line contracts — Millions of yen To ensure efficient procurement of operating funds, the Company has entered into commitment line contracts with financial institutions. Unused commitments at the end of the current consolidated fiscal year based on these contracts are as follows: Total commitments 10,000 Used commitments — Balance 10,000	2. Commitment line contracts — Millions of yen To ensure efficient procurement of operating funds, the Company has entered into commitment line contracts with financial institutions. Unused commitments at the end of the current consolidated fiscal year based on these contracts are as follows: Total commitments 10,000 Used commitments — Balance 10,000
3. The Company's outstanding shares are 399,167,695 shares of common stock.	3. None
4. The number of treasury stock held by the Minebea Group is 121,371 shares of common stock.	4. None
5. None	5. Matured notes at end of consolidated accounting period The Company accounts for settlement of matured notes at the end of consolidated accounting period at their exchange dates. Because the end of the current consolidated accounting period was a holiday of financial institutions, the Company includes the following matured notes in their balance at the end of the period. Notes receivable 338 million yen Notes payable 937 million yen Current liabilities others (Notes payable for equipment) 63 million yen
6. None	6. Marketable securities and Investment in securities The balance of money in trust is 2,628 million yen. This is the balance of U.S. Treasury securities, etc. purchased for financial investment by captive insurance subsidiary MHC INSURANCE COMPANY, LTD. established on October 4, 2006. The application of this trust fund is limited to payment of compensation resulting from recall insurance accidents related to the Minebea Group.

(Consolidated Statements of Income)

<table>
<tr><th>Year ended March 31, 2006</th><th>Year ended March 31, 2007</th></tr>
<tr><td>1. Major items of selling, general and administrative expenses are as follows:

	Millions of yen
Packing and freight expenses	10,066
Salaries	10,701
Provision for bonuses	1,108
Retirement allowance to directors	26
Amortization of consolidation adjustments	1,073

</td><td>1. Major items of selling, general and administrative expenses are as follows:

	Millions of yen
Packing and freight expenses	10,401
Salaries	11,472
Provision for bonuses	1,169
Provision for reserve for bonuses to directors and corporate auditors	69
Retirement allowance to directors	24
Amortization of goodwill	1,078

</td></tr>
<tr><td>2. The R&D expenses included in general administrative expenses and manufacturing costs for the current fiscal year are 9,048 million yen.</td><td>2. The R&D expenses included in general administrative expenses and manufacturing costs for the current fiscal year are 9,000 million yen.</td></tr>
<tr><td>3. Fixed assets had the following sales gains: 4 million yen from the sale of land; 359 million yen from the sale of buildings and structures; 49 million yen from the sale of machinery and equipment, and vehicles; and 1 million yen from the sale of tools, furniture and fixtures.</td><td>3. Fixed assets had the following sales gains: 35 million yen from the sale of land; 50 million yen from the sale of buildings and structures; 95 million yen from the sale of machinery and equipment, and vehicles; and 2 million yen from the sale of tools, furniture and fixtures.</td></tr>
<tr><td>4. Fixed assets had the following sales losses: 0 million yen from the sale of land; 3 million yen from the sale of buildings and structures; 99 million yen from the sale of machinery and equipment, and vehicles; and 3 million yen from the sale of tools, furniture and fixtures.</td><td>4. Fixed assets had the following sales losses: 17 million yen from the sale of land; 40 million yen from the sale of buildings and structures; 165 million yen from the sale of machinery and equipment, and vehicles; and 100 million yen from the sale of tools, furniture and fixtures.</td></tr>
<tr><td>5. Fixed assets had the following disposal losses: 266 million yen from the disposal of buildings and structures; 443 million yen from the disposal of machinery and equipment, and vehicles; and 54 million yen from the disposal of tools, furniture and fixtures.</td><td>5. Fixed assets had the following disposal losses: 1 million yen from the disposal of land; 288 million yen from the disposal of buildings and structures; 1,002 million yen from the disposal of machinery and equipment, and vehicles; and 71 million yen from the disposal of tools, furniture and fixtures.</td></tr>
</table>

Year ended March 31, 2006

6. Impairment loss

Outline of the asset groups on which impairment losses were recognized

(Amount: millions of yen)

Use	Location	FY2006	
		Class	Amount
Idle assets	Five facilities-Former Kyoto,Ibaraki,Ichinoseki Kanegasaki plants and former Kanemori Co., Ltd.'s Hokuriku Branch (Hachiman City, Kyoto Pref., etc.)	Buildings and structures	132
		Land	834
		Total	967

(Note) The land impairment loss of 834 million yen excludes the amount of 675 million yen offset as consolidated unrealized profits in the past.

Asset grouping method

Based on its business classification, the Minebea Group has grouped assets in the smallest units of its operating businesses, which generate almost independent cash flows.

Reason for the recognition of impairment losses

The above fixed assets (buildings, structures and land) impaired in the current consolidated accounting period are idle assets and have no future utilization plans. Due to this, the company recognized impairment losses on those assets.

Calculation method of collectable amounts

The collectable amounts of the assets are based on net sales proceeds. Their assessed values are calculated based on the standards for real estate appraisals.

7. Business restructuring loss

This loss consists of the following allowances and amounts incurred for the current accounting period, based upon the structural reform plan for the PC keyboard business, etc.

	Millions of yen
Loss on disposal of fixed assets and inventories related to business restructuring	3,247
Reorganization cost related to business restructuring	134
Loss on impairment of consolidation adjustments	92
Total	3,475

Year ended March 31, 2007

6. Impairment loss

Outline of the asset groups on which impairment losses were recognized

(Amount: millions of yen)

Use	Location	FY2007	
		Class	Amount
Idle assets	Four facilities-Former Kyoto,Ibaraki,Ichinoseki plants and Saku plant (Hachiman City, Kyoto Pref., etc.)	Buildings and structures	41
		Machinery and transportation equipment	6
		Tools, furniture and fixtures	0
		Land	26
		Total	74

Asset grouping method

Based on its business classification, the Minebea Group has grouped assets in the smallest units of its operating businesses, which generate almost independent cash flows.

Reason for the recognition of impairment losses

The above fixed assets (buildings, structures and land, etc) impaired in the current consolidated accounting period are idle assets and have no future utilization plans. Due to this, the company recognized impairment losses on those assets.

Calculation method of collectable amounts

The collectable amounts of the assets are based on net sales proceeds. Their assessed values are calculated based on the standards for real estate appraisals.

7. Business restructuring loss

This loss consists of the following allowances and amounts incurred for the current accounting period, based upon the structural reform plan for the PC keyboard business, etc.

	Millions of yen
Loss on disposal of fixed assets related to business restructuring	40

(Statement of Changes in Consolidated Shareholders' Equity)
FY2007 (April 1, 2006 through March 31, 2007)
1. Class and Number of Shares Issued and Class and Number of Treasury Stock

	Shares at previous FY (shares)	Increased shares in current FY (shares)	Decreased shares in current FY (shares)	Shares at end of current FY (shares)
Shares issued				
Common stock	399,167,695	—	—	399,167,695
Total	399,167,695	—	—	399,167,695
Treasury stock				
Common stock (Notes)	121,371	20,837	2,048	140,160
Total	121,371	20,837	2,048	140,160

(Notes) 1. The 20,837 shares increase in the number of own shares of common stock mainly reflects purchases of fractional shares.
2. The 2,048 shares decrease in the number of own shares of common stock reflects requests for purchase of fractional shares.

2. Dividend
(1) Dividend Paid

Resolution	Class of stock	Total dividend (millions of yen)	Dividend per share (yen)	Record date	Effective date
Ordinary general meeting of shareholders on June 29, 2006	Common stock	2,793	7.00	March 31, 2006	June 30, 2006

(2) Of the dividends whose record date belongs to the current fiscal year,those whose effective date is in the next fiscal year
The following resolution is planned.

Resolution	Class of stock	Total dividend (millions of yen)	Dividend source	Dividend per share (yen)	Record date	Effective date
Ordinary general meeting of shareholders on June 28, 2007	Common stock	3,990	Retained earnings	10.00	March 31, 2007	June 29, 2007

(Consolidated Cash Flow Statements)

Year ended March 31, 2006	Year ended March 31, 2007
Relationship between cash and cash equivalents at year end and the amount of the account stated in the consolidated balance sheets. Cash and cash equivalents at March 31, 2006 agree with the amount of the account stated in the consolidated balance sheets.	Relationship between cash and cash equivalents at year end and the amount of the account stated in the consolidated balance sheets. Cash and cash equivalents at March 31, 2007 agree with the amount of the account stated in the consolidated balance sheets.

(a) Relating to lease transactions

(1) Equivalent of acquisition value of leased items, equivalent of total amount of depreciation, accumulated impairment loss equivalent, and equivalent of year-end closing balance:	Millions of yen Year ended March 31, 2006 Equivalent of acquisition value	Equivalent of total amount of depreciation	Equivalent of year-end balance	Year ended March 31, 2007 Equivalent of acquisition value	Equivalent of total amount of depreciation	Equivalent of year-end balance
Machinery and transportation equipment	1,272	605	667	1,439	742	697
Tools, furniture and fixtures	2,464	1,245	1,218	2,387	1,313	1,074
Software	35	19	15	33	12	21
Total	3,773	1,871	1,902	3,860	2,067	1,792

Because of a low ratio of the year-end closing balance of unexpired lease expenses to a total amount of the year-end closing balance of tangible fixed assets plus the year-end closing balance of unexpired lease expense, equivalent of acquisition value in the term period in the current fiscal year has been calculated based on " Interest payment inclusive method".

(2) Equivalent of year-end closing balance of unexpired lease expenses:

	2006	2007
within-1-year	909	895
over 1-year	992	896
Total	1,902	1,792

Because of a low ratio of the year-end closing balance of unexpired lease expenses to a total amount of the year-end closing balance of tangible fixed assets plus the year-end closing balance of unexpired lease expense, equivalent of year-end closing balance of unexpired lease expenses in the term period in the current fiscal year has been calculated based on "Interest payment inclusive method".

(3) The amount of lease expenses, mobilization of lease asset impairment losses, equivalent of depreciation expenses and impairment loss:

	2006	2007
Amount of lease expenses	1,070	1,080
Equivalent of depreciation expenses	1,070	1,080

(4) Method of computing equivalent of depreciation expenses:
Computation is based on straight-line method with the lease term as a useful life and the residual value to be set at zero.

(Impairment loss) There were no impairment losses allocated to lease assets.

(b) Securities

FY2006 (March 31, 2006)

Other marketable securities with market value

	Classification	Acquisition cost (millions of yen)	Reported amount in B/S (millions of yen)	Difference (millions of yen)
Securities whose reported amounts in B/S exceed acquisition cost	Stock	3,080	10,340	7,259
	Receivables	—	—	—
	Others	—	—	—
	Subtotal	3,080	10,340	7,259
Securities whose reported amounts in B/S do not exceed acquisition cost	Stock	—	—	—
	Receivables	—	—	—
	Others	—	—	—
	Subtotal	—	—	—
Total		3,080	10,340	7,259

Other marketable securities sold in the current consolidated fiscal year (April 1, 2005 through March 31, 2006)

Amount of sales of investments Securities (millions of yen)	Gain on sales of investments Securities (millions of yen)	Loss on sales of investments Securities (millions of yen)
216	191	0

Major securities that are not marked to market

Classification	Reported amount in B/S (millions of yen)
Other marketable securities Non-listed stock	473

FY2007 (March 31, 2007)

Debt securities held to maturity with market values

	Classification	Reported amount in B/S (millions of yen)	Market value (millions of yen)	Difference (millions of yen)
Securities whose market values are in excess of their reported B/S amounts	Government bonds, municipal bonds, etc.	2,628	2,628	0
	Bonds	—	—	—
	Others	—	—	—
	Subtotal	2,628	2,628	0
Securities whose market values are not in excess of their reported B/S amount	Government bonds, municipal bonds, etc.	—	—	—
	Bonds	—	—	—
	Others	—	—	—
	Subtotal	—	—	—
Total		2,628	2,628	0

Other marketable securities with market value

	Classification	Acquisition cost (millions of yen)	Reported amount in B/S (millions of yen)	Difference (millions of yen)
Securities whose reported amounts in B/S exceed acquisition cost	Stock	3,081	8,482	5,401
	Receivables	—	—	—
	Others	—	—	—
	Subtotal	3,081	8,482	5,401
Securities whose reported amounts in B/S do not exceed acquisition cost	Stock	—	—	—
	Receivables	—	—	—
	Others	—	—	—
	Subtotal	—	—	—
Total		3,081	8,482	5,401

Other marketable securities sold in the current consolidated fiscal year (April 1, 2006 through March 31, 2007)

Amount of sales of investments securities (millions of yen)	Gain on sales of investments securities (millions of yen)	Loss on sales of investments securities (millions of yen)
1	0	—

Major securities that are not marked to market

Classification	Reported amount in B/S (millions of yen)
Other marketable securities Non-listed stock	473

Planned redemption payments for debt securities held to maturity

	Due within 1 year (millions of yen)	Due after 1 year and within 5 years (millions of yen)	Due after 5 years and within 10 years (millions of yen)	Due after 10 years (millions of yen)
1. Debt securities				
Government bonds, municipal bonds, etc.	408	2,219	—	—
Bonds	—	—	—	—
Others	—	—	—	—
2. Others	—	—	—	—
Total	408	2,219	—	—

(c) Derivative Transactions

1. Contract conditions

Year ended March 31, 2006	Year ended March 31, 2007
The Company and its consolidated subsidiaries have entered into forward exchange contracts on foreign currency-denominated receivables and payables related to actual and future import and export transactions to hedge certain risks related to fluctuations in foreign currency exchange rates. In principal, forward exchange contracts are carried at contract rate in the consolidated balance sheets, while changes in their fair value are deferred and recognized in earnings. However, the Company and its consolidated subsidiaries adhere to a policy of maintaining the outstanding balance of these instruments within the amounts of hedged foreign currency-denominated receivables and payables. The execution of derivative transactions is controlled by the Finance Department. It is the policy of the Company and its consolidated subsidiaries to utilize forward exchange contracts solely for the purpose of hedging foreign currency position-related risks. In line with internal risk management policies, the Company and its consolidated subsidiaries cover receivables and payables denominated in foreign currencies with forward exchange contracts denominated in the same currency, in the same amount and executed on the same day. Acoordingly , the hedging relationships between the derivative financial instrument and the hedged item are highly effective in offsetting changes in currency exchange rates.	1. Content of transactions The Minebea Group uses foreign exchange contract transactions as well as interest swap transactions. 2. Transaction policy The Minebea Group uses forward exchange contracts within the balance of its foreign currency receivables and payables, including the amounts that are ensured to arise in the fu ture. The Group also uses interest swaps within the principal of its borrowings. The management of these transactions is guided by the Financial Department of the Company, and no speculative transactions are made. 3. Purpose of the use of transactions The Minebea Group makes transactions of foreign exchange contract to hedge the fluctuation risks in foreign currency exchange rates related to export and import transactions, etc. The Group also makes interest swap transactions to hedge the fluctuation risks in the interest rates of its borrowings. The Minebea Group makes derivative transactions, and by using the transactions, adopts hedge accounting. (1) Method of Hedge Accounting Regarding monetary receivables and payables in foreign currency for which exchange contracts are made, the Company accounts for them on the allocation method. Also, regarding interest rate swaps, the Company accounts for them as special exceptions, because they meet the accounting requirements for special exceptions. (2) Hedging Vehicles and Targets (Hedging Vehicles) Exchange contracts Interest rate swaps (Hedging Targets) Monetary receivables and payables in foreign currency Interest rates on borrowings (3) Hedge Policy Under the guidance of its Finance Department, the Company makes exchange contracts to hedge risks in foreign exchange fluctuations arising from export and import transactions, and lending in foreign currency. The Company also makes interest rate swaps to hedge fluctuation risks in interest rates on borrowings. (4) Method of Assessing Hedge Effectiveness Regarding exchange contracts, the Company allocates them at same dates with same amounts in foreign currency, respectively, in accordance with the risk management policy at the time of conclusion of exchange contracts. This completely ensures correlations reflecting subsequent exchange rate fluctuations. The Company assesses hedge effectiveness based upon that judgment. Also, regarding interest rate swaps, the Company assesses hedge effectiveness based upon the fulfillment of the accounting requirements for special exceptions.

Year ended March 31, 2006	Year ended March 31, 2007
	4. Content of risks associated with transactions Transactions of foreign exchange contract have fluctuation risks associated with foreign currency exchange rates. Interest swap transactions also have fluctuation risks associated with interest rates. The Minebea Group limits transactions of foreign exchange contract and interest swap to the purpose of hedging those transaction risks, and thus, judges that there are almost no market risks. The Minebea Group makes such transactions with highly reliable financial institutions judged from ratings, etc., and thus, judges that there are almost no risks of the contracts not being fulfilled. 5. Risk management structure for transactions Transactions of foreign exchange contract are executed and managed by the finance department of each company within the upper limit of transactions mentioned in item 2. These transactions are periodically reported to the Finance Department of the Company, and are monitored by the Dept. Interest swap transactions are executed and managed by the Finance Department of the Head Office within the upper limit of transactions mentioned in item 2. However, including details of such borrowing transactions, these transactions are approved in advance by the Board of Directors or the executive officer in charge of finance of the Company, depending upon the amounts of transactions.

2. Contract amounts etc., current prices, and unrealized profits or losses of derivatives

Year ended March 31, 2006	Year ended March 31, 2007
Not Applicable We excluded the items that are applied hedge account from this financial year's report.	Same as on the left.

(d) Retirement benefits

FY2006

(1) Corporate retirement benefit system

To provide for the payment of employee retirement allowances, the Company has adopted the qualified retirement pension system on a company-wide basis. In addition, certain overseas subsidiaries have also adopted a defined-benefit pension plan.

(2) Details of retirement benefit debts and expenses

Components of retirement benefit debts

(a) Projected benefit obligations	(26,874)	Millions of yen
(b) Plan assets at fair value	24,877	
(c) Unfunded projected benefit obligations ((a)+(b))	(1,996)	
(d) Unrecognized transitional obligations	411	
(e) Unrecognized actuarial loss	1,018	
(f) Net amount recognized on consolidated balance sheets ((c)+(d)+(e))	(566)	
(g) Prepaid pension cost	75	
(h) Accrued retirement benefits	(641)	

Components of retirement benefit expenses

Services cost	1,488
Interest cost	985
Expected return on plan assets	(1,025)
Amortization of prior service cost	2
Amortization of actuarial loss	440
Retirement benefit costs	1,891

(3) Calculation basis for retirement benefit debts and expenses

Discount rate	2.5 %
Expected rate of return on plan assets	2.5 %
Allocation of estimated amount of all retirement benefits to be paid at future retirement dates	Basis for periodic fixed amounts
Period of amortizing prior service cost	10 years
Period of amortizing actuarial loss	5 ~ 10 years (From the next term, the differences will be charged to expenses based on the straight-line method.)

FY2007

(1) Corporate retirement benefit system

To provide for the payment of employee retirement allowances, the Company has adopted the qualified retirement pension system on a company-wide basis. In addition, certain overseas subsidiaries have also adopted a defined-benefit pension plan.

(2) Details of retirement benefit debts and expenses

Components of retirement benefit debts

(a) Projected benefit obligations	(30,125)	Millions of yen
(b) Plan assets at fair value	29,525	
(c) Unfunded projected benefit obligations ((a)+(b))	(600)	
(d) Unrecognized transitional obligations	987	
(e) Unrecognized actuarial loss	(564)	
(f) Net amount recognized on consolidated balance sheets ((c)+(d)+(e))	(178)	
(g) Prepaid pension cost	1,483	
(h) Accrued retirement benefits	(1,661)	

Components of retirement benefit expenses

Services cost	2,269
Interest cost	1,159
Expected return on plan assets	(1,343)
Amortization of prior service cost	2
Amortization of actuarial loss	(62)
Retirement benefit costs	2,025

(3) Calculation basis for retirement benefit debts and expenses

Discount rate	2.5 %
Expected rate of return on plan assets	2.5 %
Allocation of estimated amount of all retirement benefits to be paid at future retirement dates	Basis for periodic fixed amounts
Period of amortizing prior service cost	10 years
Period of amortizing actuarial loss	5 ~ 10 years (From the next term, the differences will be charged to expenses based on the straight-line method.)

(e) The tax effect accounting

As of March 31, 2006

1.Major reasons for the accrual of deferred tax assets and deferred tax liabilities

	Millions of yen
(Deferred tax assets)	
Excess of allowed limit chargeable to the bonus payment reserve	713
Loss on revaluation of investments securities	1,619
Excess of allowed limit chargeable to the allowance for doubtful accounts	2,561
Unrealized gains on sales of inventories	1,676
Deficit brought forward	1,807
Foreign tax credit carry forwards	602
Impairment loss	376
Others	2,061
Sub total	11,419
Valuation allowance	(632)
Total deferred tax assets	10,786
(Deferred tax liabilities)	
Depreciations allowed to overseas subsidiaries	1,201
Difference on revaluation of other marketable securities	2,831
Others	186
Total deferred tax liabilities	4,218
Net deferred tax assets	6,568

*Net deferred tax assets for the current fiscal year are included in the following items on the consolidated balance sheet.

Current assets......	Deferred tax assets	3,402
Fixed assets..........	Deferred tax assets	4,552
Current liabilities.	Others	(1,146)
Fixed liabilities	Others	(240)

2. Major reasons for significant differences between the legal effective tax rate and the ratio of income tax burden after the application of tax effect accounting

Domestic legal effective tax rate	39.0%
(Adjustments)	
Current amortization of excess of cost over net assets acquired	4.6
Differences in the tax rates applied to consolidated overseas subsidiaries	(36.2)
Valuation allowance for deficits in the current fiscal year of consolidated subsidiaries	42.4
Effect of elimination of dividend income	31.2
Valuation allowances	(6.6)
Others	(0.2)
Ratio of income tax burden after the application of tax effect accounting	74.2

As of March 31, 2007

1.Major reasons for the accrual of deferred tax assets and deferred tax liabilities

	Millions of yen
(Deferred tax assets)	
Excess of allowed limit chargeable to the bonus payment reserve	793
Loss on revaluation of investments securities	1,618
Excess of allowed limit chargeable to the allowance for doubtful accounts	2,332
Unrealized gains on sales of inventories	1,729
Excess of allowed limit chargeable to the depreciation	783
Deficit brought forward	1,256
Foreign tax credit carry forwards	557
Impairment loss	360
Others	1,468
Sub total	10,899
Valuation allowance	(745)
Total deferred tax assets	10,153
(Deferred tax liabilities)	
Depreciations allowed to overseas subsidiaries	1,543
Difference on revaluation of other marketable securities	2,106
Others	241
Total deferred tax liabilities	3,891
Net deferred tax assets	6,262

*Net deferred tax assets for the current fiscal year are included in the following items on the consolidated balance sheet.

Current assets......	Deferred tax assets	7,056
Fixed assets..........	Deferred tax assets	990
Current liabilities.	Others	(1,206)
Fixed liabilities	Others	(578)

2. Major reasons for significant differences between the legal effective tax rate and the ratio of income tax burden after the application of tax effect accounting

Domestic legal effective tax rate	39.0%
(Adjustments)	
Amortization of goodwill	2.1
Differences in the tax rates applied to consolidated overseas subsidiaries	(13.2)
Valuation allowance for deficits in the current fiscal year of consolidated subsidiaries	5.7
Effect of elimination of dividend income	2.8
Others	(0.2)
Ratio of income tax burden after the application of tax effect accounting	36.2

(f) Segment Information

(1) Business segments

(Amount: millions of yen)

	FY2006 (Annual) (April 1, 2005 through March 31, 2006)				
	Machined components business	Electronic devices and components business	Sub-total	Elimination	Total
1. Total sales and operating income					
Total sales					
(1) Sales to customers	129,595	188,851	318,446	—	318,446
(2) Sales to other segment	3,803	2,371	6,174	(6,174)	—
Total	133,398	191,222	324,621	(6,174)	318,446
Operating expense	108,842	196,509	305,351	(6,174)	299,177
Operating income (loss)	24,556	(5,287)	19,269	—	19,269
2. Assets, depreciation, impairment and capital expenditure					
Assets	205,437	218,790	424,228	(74,365)	349,862
Depreciation	11,437	12,535	23,972	—	23,972
Impairment loss	388	578	967	—	967
Capital expenditure	12,279	9,929	22,208	—	22,208

(Notes) 1. The segments are defined by internal administration.

2. Main products

(a) Machined components business ...... Ball bearings, Pivot assemblies, Tape guides, Fasteners, Mechanical assemblies for aerospace use, Defense-related special parts, etc.

(b) Electronic devices and components business .... Small motors, PC keyboards, Speakers, Back lights, Hybrid ICs, Inverter, Strain gauges, Load cells, etc.

(Amount: millions of yen)

	FY2007 (Annual) (April 1, 2006 through March 31, 2007)				
	Machined components business	Electronic devices and components business	Sub-total	Elimination	Total
1. Total sales and operating income					
Total sales					
(1) Sales to customers	137,662	193,359	331,022	—	331,022
(2) Sales to other segment	7,212	4,135	11,347	(11,347)	—
Total	144,874	197,495	342,370	(11,347)	331,022
Operating expense	118,679	197,425	316,105	(11,347)	304,757
Operating income	26,195	69	26,265	—	26,265
2. Assets, depreciation, impairment and capital expenditure					
Assets	216,595	224,047	440,643	(85,858)	354,784
Depreciation	12,507	12,140	24,648	—	24,648
Impairment loss	30	43	74	—	74
Capital expenditure	8,422	9,243	17,666	—	17,666

(Notes) 1. The segments are defined by internal administration.

2. Main products

(a) Machined components business ...... Ball bearings, Pivot assemblies, Tape guides, Fasteners, Mechanical assemblies for aerospace use, Defense-related special parts, etc.

(b) Electronic devices and components business .... Small motors, PC keyboards, Speakers, Back lights, Inverter, Strain gauges, Load cells, etc.

(2) Geographical segments

(Amount: millions of yen)

	FY2006 (Annual) (April 1, 2005 through March 31, 2006)						
	Japan	Asia (excluding Japan)	North America	Europe	Sub-total	Elimination	Total
1. Total sales and operating income							
Total sales							
(1) Sales to customers	77,856	155,423	59,467	25,698	318,446	—	318,446
(2) Sales to other segment	166,627	162,506	1,599	1,968	332,702	(332,702)	—
Total	244,483	317,929	61,067	27,667	651,148	(332,702)	318,446
Operating expense	242,561	305,087	58,179	26,051	631,879	(332,702)	299,177
Operating income	1,922	12,842	2,888	1,615	19,269	—	19,269
2. Assets	161,968	247,186	36,864	19,617	465,636	(115,773)	349,862

(Notes) Dividing method and main countries in each territory
(a) Dividing method........... By geographical distance
(b) Main countries in each territory
Asia (excluding Japan).............. Thailand, Singapore, China, Taiwan, Korea, etc.
North America .... United States
Europe .... United Kingdom, Germany, France, Italy, etc.

(Amount: millions of yen)

	FY2007 (Annual) (April 1, 2006 through March 31, 2007)						
	Japan	Asia (excluding Japan)	North America	Europe	Sub-total	Elimination	Total
1. Total sales and operating income							
Total sales							
(1) Sales to customers	83,264	162,330	56,109	29,317	331,022	—	331,022
(2) Sales to other segment	163,914	165,062	1,750	1,081	331,808	(331,808)	—
Total	247,179	327,392	57,860	30,398	662,830	(331,808)	331,022
Operating expense	237,409	316,093	54,130	28,932	636,565	(331,808)	304,757
Operating income	9,769	11,299	3,730	1,465	26,265	—	26,265
2. Assets	162,335	258,045	35,692	21,325	477,398	(122,614)	354,784

(Notes) Dividing method and main countries in each territory
(a) Dividing method........... By geographical distance
(b) Main countries in each territory
Asia (excluding Japan).............. Thailand, Singapore, China, Taiwan, Korea, etc.
North America .... United States
Europe .... United Kingdom, Germany, France, Italy, etc.

(3) Overseas Sales

(Amount: millions of yen)

	FY2006 (Annual) (April 1, 2005 through March 31, 2006)			
	Asia (excluding Japan)	North and South America	Europe	Total
1. Overseas sales	159,781	47,255	31,833	238,870
2. Total sales				318,446
3. Overseas sales on total sales	50.2%	14.8%	10.0%	75.0%

(Notes) 1. The overseas sales are made outside of Japan by parent company and consolidated subsidiaries.
2. Dividing method and main countries in each territory
(a) Dividing method........... By geographical distance
(b) Main countries in each territory
Asia (excluding Japan).............. Thailand, Singapore, China, Taiwan, Korea, etc.
North and South America .... United States, Canada, Mexico, etc.
Europe .... United Kingdom, Germany, France, Italy, Netherlands, etc.

(Amount: millions of yen)

	FY2007 (Annual) (April 1, 2006 through March 31, 2007)			
	Asia (excluding Japan)	North and South America	Europe	Total
1. Overseas sales	166,256	44,927	35,119	246,303
2. Total sales				331,022
3. Overseas sales on total sales	50.2%	13.6%	10.6%	74.4%

(Notes) 1. The overseas sales are made outside of Japan by parent company and consolidated subsidiaries.
2. Dividing method and main countries in each territory
(a) Dividing method........... By geographical distance
(b) Main countries in each territory
Asia (excluding Japan).............. Thailand, Singapore, China, Taiwan, Korea, etc.
North and South America .... United States, Canada, Mexico, etc.
Europe .... United Kingdom, Germany, France, Italy, Netherlands, etc.

(g) Transaction with related parties

FY2006 (April 1, 2005 through March 31, 2006)
None

FY2007 (April 1, 2006 through March 31, 2007)
Directors and main individual shareholder

FY2007 (Annual)

Attribution	Name	Address	Capital	Line of business or profession	Voting right(own or owned)	Contents of relation: Concurrently serving etc.	Contents of relation: Relation of business	Contents of transaction	Transaction amount	Account title	Year-end balance
Companies which the company's directors and nearly related person have over 50% of Voting right	Keiaisha Co., Ltd.	Kitaku Tokyo	¥1,905 million	Sales of Steel and its raw materials	(Owned) Direct 3.76%	Concurrently serving 2 on loan 1	The company purchases steel bar etc.	Purchase of steel bar etc.	¥2,128 million	Notes and Account payable *2	¥558 million
								Tools & equipment rent etc.	¥556 million	Current liabilities and others *2	¥34 million
								Land rent	¥36 million	Current assets and others *2	¥4 million
								Non operating income	¥19 million		

(Note) Terms and decision policy of the transaction

1. Transaction prices, etc. are negotiated and decided in consideration of market prices.

*2. The transaction amounts do not include the consumption taxes and the year end balance amounts include them.

(9) Per Share Data.

	Year ended March 31, 2006	Year ended March 31, 2007
Net assets per share (yen)	294.65	356.75
Net income per share (yen)	10.67	32.23
Fully diluted net income per share (yen)	Not stated due to no residual securities in existence that have dilutive effects.	Not stated due to no residual securities in existence.

(Note) 1. The following are the basis for calculating net assets per share.

	Year ended March 31, 2006	Year ended March 31, 2007
Total net assets (millions of yen)	—	142,558
Deduction from total net assets (millions of yen)	—	204
(Minority interests of the deduction)	(—)	(204)
Year-end net assets related to common stock (millions of yen)	—	142,353
Year-end common stock used for the calculation of net assets per share (shares)	—	399,027,535

2. The following are the basis for calculating net income per share and diluted net income per share.

	Year ended March 31, 2006	Year ended March 31, 2007
Net income per share (yen)		
Net income in the consolidated statements of income (million of yen)	4,257	12,862
Net income related to common stock (million of yen)	4,257	12,862
Amount not available for common stock (million of yen)	—	—
Average shares of common stock outstanding (shares)	399,052,181	399,037,098
Outline of the residual shares not included in the calculation of diluted net income per share due to no dilution effects (million of yen)		
4th unsecured bonds with warrants attached (Face value)	—	—

(10) Subsequent event

There were no significant events subsequent to the year ended March 31, 2007.