The following is an English translation of the Notice of the 66th Ordinary General Meeting of Shareholders of Minebea Co., Ltd., to be held on June 28, 2012.
The Company provides this translation for your reference and convenience only and without any guarantee as to its accuracy or otherwise.

Securities Code 6479

June 6, 2012

To the Shareholders

4106-73, Oaza Miyota, Miyota-machi,
Kitasaku-gun, Nagano Prefecture

Minebea Co., Ltd.
Yoshihisa Kainuma
Representative Director

Notice of the 66th Ordinary General Meeting of Shareholders

The 66th Ordinary General Meeting of Shareholders of Minebea Co., Ltd. ("Company") (hereinafter the "Meeting") will be held as indicated below. You are hereby cordially invited to attend the Meeting.

If you are unable to attend the Meeting, you may exercise your voting rights as a Shareholder in writing or via the Internet. In that event, please examine the contents of the reference documents attached herein and vote in accordance with the guidance on voting set forth in "Guidance on Exercising Voting Rights" on the following page by 5:30 p.m., Wednesday, June 27, 2012.

Particulars of the Meeting

1. Date and Time:
Thursday, June 28, 2012, beginning at 10:00 a.m.

2. Place:
Convention Hall Asama
Karuizawa Prince Hotel West
Karuizawa, Karuizawa-machi, Kitasaku-gun, Nagano Prefecture
(Please see the map provided at the end of this document.)

3. Purpose:

To report on:

1) The Business Report and the Consolidated Financial Statements for the 66th business year (April 1, 2011 to March 31, 2012), and the Audit Report on the Consolidated Financial Statements by the Independent Auditors and the Board of Corporate Auditors
2) The Non-Consolidated Financial Statements for the 66th business year (April 1, 2011 to March 31, 2012)

To vote on:

First Proposal:
Appropriation of Surplus

Second Proposal:
Revision of Remunerations for Directors (Introducing Stock Options for Directors Compensation)

4. Guidance on Exercising Voting Rights:

(1) Exercise of your voting rights by sending the voting ballot card by mail

Please mark your vote for or against each proposal on the enclosed voting ballot, and return the voting ballot by 5:30 p.m., Wednesday, June 27, 2012.

(2) Exercise of your voting rights via the Internet

If you would exercise your voting rights via the Internet, please do so by 5:30 p.m., Wednesday, June 27, 2012, after seeing page 3 “Procedures Required for Exercising Voting Rights via the Internet.”

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1. If you are able to attend the Meeting, you are requested to bring the voting ballot enclosed herein to the Meeting and hand it to the receptionist.
2. This notice of the Meeting is also posted on our web site.
3. If any revisions occur to the contents of the reference documents for the Meeting, the business report or the consolidated and non-consolidated financial statements up to the day prior to the date of the Meeting, we will notify in writing sent by mail or post it on our web site.

Minebea web site: (http://www.minebea.co.jp/)

(Translation)

Procedures Required for Exercising Voting Rights via the Internet

Please kindly note the following when you would exercise your voting rights via the Internet.

1. You would be able to exercise your voting rights via the Internet only by accessing the Voting Rights Exercise Site designated by the Company. You may also do so via the Internet utilizing your mobile phone. The Voting Rights Exercise Site: http://www.webdk.net
2. When you would exercise your voting rights via the Internet, please use the code and initial password that are indicated on the voting ballot, follow the guidance on the screen and vote for or against each proposal.
3. The deadline for the exercise of voting rights via the Internet is 5:30 p.m., Wednesday, June 27, 2012; however, we ask that you vote as quickly as possible in order to facilitate the tabulation of voting results.
4. If you exercise your voting rights twice both by mail and via the Internet, the voting via the Internet shall prevail.
5. In the case of where you exercise your voting rights more than once via the Internet, the last vote shall prevail.
6. Please be further informed that you must pay for all charges incurred in exercising your voting rights via the Internet, such as for the dial-up connection with your Internet provider and/or for telecommunication.

Systems Environment Required for Exercising Voting Rights via the Internet

To utilize the Voting Rights Exercise Site, you would need the following system environment:

1. Access to the Internet
2. If you access the Internet site for the voting rights exercise via PC, Microsoft® Internet Explorer Version 6.0 is a minimum requirement as the Internet browser software, and the hardware that enables this software.
3. If you access the Internet site for the voting rights exercise via mobile phone, the mobile phone must be capable of 128-bit SSL communication (encrypted communication).

(For security purposes, only 128-bit SSL communication compatible phones are accessible to the online voting system. Other models may not be compatible with this system. You may also exercise your voting rights using the full browser function of mobile phones, including smartphones, but please note that such exercise may not be possible depending on the mobile phone model.)

Inquiry on Exercising Voting Rights via the Internet

If you have any question on any of the aforementioned matters, please dial **0120-186-417** (9 a.m. to 9 p.m.) to contact our agent to manage shareholders registry: Stock Transfer Agency Business Planning Department of Sumitomo Mitsui Trust Bank, Limited, Tokyo, Japan. For any other inquiries, please dial **0120-176-417** (9 a.m. to 5 p.m.).

The Electronic Voting Rights Exercise Platform

In the event nominee shareholders (including standing proxies) such as trust banks have applied in advance for using the electronic voting rights exercise platform operated by a joint company established by the Tokyo Stock Exchange, Inc. (ICJ Co., Ltd.), they may use that platform instead of the aforementioned Internet-based method as a means to exercise voting rights electronically for the General Meeting of Shareholders of the Company.

(Translation)

(Attached Documents)

Business Report

(April 1, 2011 to March 31, 2012)

1. Status of the Corporate Group

(1) Operating performance of the fiscal year

(i) Operating performance

While the Japanese economy declined significantly due to the devastating 3-11 earthquake and tsunami that triggered the subsequent nuclear accident, it quickly rebounded over the summer. Despite an increase in domestic demand, the economy remained flat after that as exports declined due to the European sovereign debt crisis that put a damper on the local economy and pushed the yen up. The U.S., whose housing market has been plagued by an imbalance between supply and demand, saw a gradual recovery in its economy thanks to an improved labor market as well as an uptick in consumer spending and capital expenditures. The European economy sank as the sovereign debt crisis drove consumer spending and corporate capital expenditures down while governments across the region implemented belt-tightening measures. Although severe flooding delivered a major blow to the economy of Thailand, increased domestic spending fueled growth in the Chinese market while other nations across Asia gradually moved forward on a path to economic recovery. Unfortunately the sluggish performance of the European economy in the second half slowed down the pace of that recovery.

Working against this backdrop, the Minebea Group has been moving to cut costs, create high-value-added products, develop new technologies, and enhance its marketing approach in order to boost profitability. When severe flooding hit Thailand, we were still recovering from the impact of the 3-11 earthquake. Fortunately we avoided flood damage at three of our five main production facilities although the remaining two were hit hard. While we are moving ahead every month to offset the negative impact of the flooding, the lingering effect on sales and production as well as the appreciation of yen brought net sales down ¥17,781 million (-6.6%) to ¥251,358 million year on year. Our operating income also fell ¥13,564 million (-61.2%) to ¥8,599 million. Ordinary income fell ¥13,865 million (-68.1%) year on year to ¥6,499 million. Extraordinary loss included losses due to restructuring of the keyboard business segment etc., which came to ¥1,602 million, as well as fixed costs associated with the slowdown caused by the flooding in Thailand and disposal of fixed and inventory assets etc., which totaled ¥7,844 million. Part of the insurance claim for flood damages was posted as extraordinary income totaling ¥9,614 million. Net income decreased ¥6,543 million (-52.5%) year on year to total ¥5,922 million.

Performance by business segment is as follows:

Machined Components Business

Our products in the Machined components 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) and fasteners for automobiles and aircraft. Ball bearing sales were gradually recovering from the effects of the 3-11 earthquake until the second quarter when flooding in Thailand as well as the rising yen triggered disruptions in the supply chain and production adjustments by our clients. As flooding in Thailand shut down local facilities and interrupted power, we made it a priority to ensure the safety of our employees. While the interruption in operations put a major dent in sales and operating income for the third quarter, an increase in the sales volume of pivot assemblies in the fourth quarter, which will be detailed later on, helped us get back on track. While pivot assembly production for the HDD industry (our target market) had recovered with the completion of second quarter inventory adjustments, the ensuing flooding in Thailand forced our customers to temporarily shut down their operations due to supply-chain disruptions. Although this temporary suspension took a toll on our operations, we saw sales bounce back in the fourth quarter. The rod-end bearing business enjoyed robust sales thanks to the growing aviation market despite the strong yen. Resulting net sales totaled ¥107,037 million for a year on year decrease of ¥804 million (-0.7%). Operating income fell ¥2,477 million (-8.8%) year on year to ¥25,611 million as operations at our bearing and pivot assembly plants temporarily slowed down following the floods in Thailand.

Rotary Components Business

The core products of the Rotary components business include information motors (fan motors, stepping motors, DC brushless motors, vibration motors and DC brush motors), HDD spindle motors and other precision motors. Although sales of information motors and other precision motors increased during the second quarter once adjustments from the impact of the 3-11 earthquake were complete and demand recovered, it was severely impacted once again by price hikes for magnets and other raw materials as well as the flooding in Thailand that disrupted the supply chain and our customers' production operations. The lingering effect of the disrupted supply chain impacted our manufacturing operations during the fourth quarter, leading to a significant year-on-year decrease in both sales and operating income for information motors. Even though the second quarter market recovery and our enhanced production efficiency had put HDD spindle motor sales and operating income back in the black, the parts facility was damaged by the flooding in Thailand and production was dramatically impaired. Our customers and their parts manufacturers were also hit hard and suspended operations, forcing the entire industry to scale back production. We ultimately saw both sales and operating income bounce back in the fourth quarter as the market started to recover. Overall, net sales for this consolidated fiscal year dropped ¥9,776 million (-9.7%) year on year to total ¥91,363 million. Although operating income for HDD spindle motors increased, information motor sales and profit fell sharply, bringing operating loss up ¥3,894 million year on year to total ¥4,118 million.

Electronic Devices and Components Business

LCD backlights, inverters and measuring instruments make up the core products of the Electronic devices and components business. Production efficiency for LCD backlights dropped as the supply chain experienced materials delays in the face of the 3-11 earthquake and flooding in Thailand and also because we quickly increased production to make up for delay in supply. Production fell far short of our initial plan due to delay in launching the new plant in Suzhou, China. Both sales and profits dipped due to the discontinuation of game console measuring components, downward spiraling sales to the automobile industry, as well as the appreciation of the yen. All these brought net sales for this consolidated fiscal year down ¥2,615 million (-6.5%) year on year to total ¥37,887 million. Operating income also fell ¥5,119 million year on year, resulting in an operating loss of ¥959 million, due to a sharp decline in the LCD backlight business.

Other Businesses

The main products in the Other business segment are PC keyboards, speakers and special devices. The segment saw both sales and profits decrease for PC keyboards due to stagnant market conditions, a hike in plastic material prices, the rising yen, as well as the restructuring of the keyboard business segment aimed at shifting its focus to parts production. Net sales for this consolidated fiscal year fell ¥4,589 million (-23.3%) year on year to total ¥15,068 million. Operating loss was up ¥836 million year on year to total ¥338 million.

Other than the above, operating income on the consolidated statement of income for the fiscal year includes ¥11,595 million of corporate expenses, etc. not belonging to each segment as adjustments. Adjustments for the previous fiscal year amounted to ¥10,358 million on a consolidated basis.

(ii) Capital expenditures

During the consolidated fiscal year under review, capital expenditures were ¥8,500 million for the Machined Components Business, ¥7,462 million for the Rotary Components Business, ¥2,647 million for the Electronic Devices and Components Business, ¥470 million for the Other Businesses and ¥8,225 million for adjustment, totaling ¥27,306 million.

The main capital expenditures for the Machined Components Business were equipments for increasing the production and product rationalization which for production of bearings and other components, and equipments for increasing the production of HDD pivot assemblies in Thailand. The main capital expenditures for the Rotary Components Business were equipments for spindle motors in Thailand and equipments for information motors in Cambodia, China and other countries. The main capital expenditures for the Electronic Devices and Components Business were LCD backlights in Thailand and China.

Capital expenditures include ¥382 million in intangible fixed assets and a ¥348 million increase in assets from new finance lease contracts.

(iii) Financing

Funds allocated for the consolidated fiscal year under review came from our own funds, borrowings, corporate bonds and others. These funds will be allocated for M&A activities, capital expenditures, etc.

At the end of the consolidated fiscal year under review, borrowings including corporate bonds stood at ¥142,543 million.

Corporate bonds and convertible bond-type bonds with stock acquisition rights issued during the consolidated fiscal year under review are as follows:

Issue	Issue date	Total issue amount	Maturity date
Series VIII Unsecured Bonds	December 12, 2011	¥10,000 million	December 12, 2016
Series I Convertible Bond-Type Bonds with Stock Acquisition Rights	February 20, 2012	¥7,700 million	February 20, 2017

(iv) Business transfer, absorption-type demerger, incorporation-type demerger

There are no important matters to be reported.

(v) Acceptance of other companies' businesses

There are no important matters to be reported.

(vi) Succession to rights and obligations pertaining to business of other judicial persons or entities due to absorption-type merger or demerger

There are no important matters to be reported.

(vii) Acquisition or disposition of shares, other equity or stock acquisition rights, etc. of other companies

There are no important matters to be reported.

(2) Financial position and profit/loss in recent 3 years

(i) Financial position and profit/loss of the corporate group

	Fiscal 2009 (4/08–3/09)	Fiscal 2010 (4/09–3/10)	Fiscal 2011 (4/10–3/11)	Fiscal 2012 (4/11–3/12)
Net sales (millions of yen)	256,163	228,446	269,139	251,358
Ordinary income (millions of yen)	11,555	10,203	20,364	6,499
Net income (millions of yen)	2,441	6,662	12,465	5,922
Net income per share (yen)	6.18	17.20	32.61	15.63
Total assets (millions of yen)	285,396	277,967	291,092	306,772
Net assets (millions of yen)	106,762	108,381	109,967	109,777

Note: Amounts less than ¥1 million are omitted.

(ii) Financial position and profit/loss of the Company

	Fiscal 2009 (4/08–3/09)	Fiscal 2010 (4/09–3/10)	Fiscal 2011 (4/10–3/11)	Fiscal 2012 (4/11–3/12)
Net sales (millions of yen)	175,066	158,011	201,058	186,316
Ordinary income (millions of yen)	8,627	6,753	9,012	4,542
Net income (millions of yen)	3,770	5,221	4,817	4,556
Net income per share (yen)	9.55	13.48	12.60	12.02
Total assets (millions of yen)	316,688	311,837	323,792	339,795
Net assets (millions of yen)	172,754	173,026	174,926	175,830

Note: Amounts less than ¥1 million are omitted.

(3) Principal parent company and subsidiaries

(i) Parent company
Not applicable

(ii) Principal subsidiaries

Name	Location	Common stock	Voting rights ratio	Main business lines
Minebea Motor Manufacturing Corporation	Meguro-ku, Tokyo	¥10,000 million	60.0%	Manufacture and sales of rotary components and parts
NMB-Minebea Thai Ltd.	Thailand	BAHT15,305,363 thousand	100.0%	Manufacture and sales of machined components, rotary components, electronic devices, components and others
NMB (USA) Inc.	U.S.A.	US$311,093 thousand	100.0%	Holding company
NMB Technologies Corporation	U.S.A.	US$6,800 thousand	100.0% (100.0%)	Sales of machined components, rotary components and others
New Hampshire Ball Bearings, Inc.	U.S.A.	US$94,000 thousand	100.0% (100.0%)	Manufacture and sales of bearings
MINEBEA ELECTRONICS & HI-TECH COMPONENTS (SHANGHAI) LTD.	China	US$239,060 thousand	100.0%	Manufacture and sales of machined components, rotary components, electronic devices, components and others
MINEBEA (HONG KONG) LIMITED	China	HK$100,000 thousand	100.0%	Sales of machined components, rotary components, electronic devices and others

Note: Figures in parentheses for the voting rights ratio in the above table show the ratio of indirect ownership.

(4) Tasks to be accomplished

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

1) Be a company where our employees are proud to work
2) Earn and preserve the trust of our valued customers
3) Respond to our shareholders' expectations
4) Work in harmony with the local community
5) Promote and contribute to global society

Under this basic management policy, we have actively addressed the development of high value-added products and the sophistication of product quality. In addition 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 strengthened our operations based on financial improvements, and have striven to practice a transparent management form that is easier to understand within and across the company.

In addition, we carry out our corporate social responsibility and pursue the further sophistication of our businesses by driving forward reduction of burdens on the environment arising from products and environmental protection activities; operating fair and appropriate businesses in line with compliance and corporate ethics; and implementing various initiatives in maintenance of good relationships with stakeholders, etc.

In accordance with the basic management policies as mentioned earlier, we aim to improve profitability and enhance corporate value based on a "vertically integrated manufacturing system" that takes advantage of "ultra-precision machining technologies", "large-scale volume production system," and "well-developed R&D system," which have been established worldwide, in order to ensure our place as "a company that leads the competition through manufacturing and technological excellence".

We will also aim to improve responsiveness to rapid changes in supply and demand and efficient use of funds by establishing a new supply chain designed to diversify components procurement. Our growth drivers to achieve this goal and sustainable growth are "utilization of the vertical and horizontal collective strengths of our group" and "increase of corporate values through M&As and alliances" in addition to "development of new products," "improvement of existing products," "constant improvement of production technologies," etc.

(a) In ball bearings, create and expand new demands by strengthening production capacity of miniature ball bearings that have much potential for growth and developing new products. We will also focus on production and marketing designed for emerging markets, and at the same time, will aim to further expand the high-profit business with responsiveness to dramatically changing business environments.

(b) We will lay the foundation needed to increase pivot assembly and ball bearing production in order to keep pace with the growing demand from hard disk-related markets.

(c) In the spindle motor business for HDDs, we will strive for earnings improvement by responding to market demands; pursuing the development of new products; increasing production; and implementing cost reductions.

(d) To further reinforce aircraft parts for which demand is expected to increase, we will formulate a global business strategy, and will enhance the basic technical capabilities of existing rod-end bearings. We will also continue to pursue the on-going deployment in the area of aircraft mechanical parts using advanced machining technologies.

(e) In the backlight business for LCD backlights, we will aim for increase and stabilization of sales and earnings by increasing production for smart phones and tablet PCs and pursuing expansion of businesses for automobile markets.

(f) Build our operations in the area of fan motors and other precision small motors into a second pillar of our operations after bearings and bearing-related products. We will also pursue deployment at the Cambodia plant, etc., aiming for earnings enhancement driven by increased production and cost reduction.

(g) Increase the ratio of high-value-added products in all product categories and diversify offerings to serve a broader market.

(h) We will strengthen our ability to provide flexible prices and ability to satisfy the requirements of our customers by always considering the re-organization of our business portfolios and demonstrating across-the-board management resources covering manufacturing, sales and marketing, engineering and development.

(i) We will develop new products by combining our electronic devices and components technologies, and machined components technologies, and cultivate new market such as medical field.

(j) We will strive for improved results by aggressively undertaking thorough and full-scale cost reduction initiatives as well as furthering the strengthening of our business structure.

(k) We will continue to keep an eye out for optimal production locations in order to minimize regional risks and be ready to expand production to multiple locations.

(l) We will actively enhance our corporate value through implementation of our M&A and business alliance strategy.
In order to realize this strategy, we entered into joint investment capital and business alliance with the Development Bank of Japan Inc. on February 2, 2012. For the details of the agreement, please refer to the press release dated February 2, 2012, which is posted on our web site.
"Minebea to Setup M&A Framework with DBJ Will Issue Unsecured Subordinated CB with Stock Acquisition Rights via 3rd-party Allotment"
(http://www.minebea.co.jp/english/press/2012/__icsFiles/afieldfile/2012/02/02/press20120202_en.pdf)

We look forward to the continued support and guidance of our shareholders.

(5) Main business lines (As of March 31, 2012)

Classification	Products
Machined components business	Ball bearings, rod-end bearings, pivot assemblies for use in Hard Disk Drives (HDDs) and fasteners for automobile and aircraft, etc.
Rotary components business	Information motors (fan motors, stepping motors, DC brushless motors, vibration motors and DC brush motors) and HDD spindle motors, etc.
Electronic devices and components business	LCD backlights, inverters and measuring instruments, etc.
Other businesses	PC keyboards, speakers and special devices, etc.

(6) Major offices and plants (As of March 31, 2012)

(i) The Company's major offices and plants

Head Office	Miyota-machi, Kitasaku-gun, Nagano Prefecture
Tokyo Head Office	Meguro-ku, Tokyo
Plants	Karuizawa Plant (Miyota-machi, Kitasaku-gun, Nagano Prefecture) Hamamatsu Plant (Fukuroi-shi, Shizuoka Prefecture) Fujisawa Plant (Fujisawa-shi, Kanagawa Prefecture) Omori Plant (Ota-ku, Tokyo) Yonago Plant (Yonago-shi, Tottori Prefecture)
Sales Offices	Tokyo Branch (Meguro-ku, Tokyo) West Kanto Branch (Hachioji-shi, Tokyo) Nagoya Branch (Nagoya-shi, Aichi Prefecture) Osaka Branch (Osaka-shi, Osaka Prefecture)

(ii) Major subsidiaries' offices and plants

Indicated in (3) Principal parent company and subsidiaries, (ii) Principal subsidiaries.

(7) Employees of the corporate group (As of March 31, 2012)

(i) Employees of the corporate group

Classification	Number of employees	Increase (decrease) from the end of the previous year
Machined components business	18,609	753
Rotary components business	22,885	(3,293)
Electronic devices and components business	7,812	1,614
Other businesses	1,550	(1,510)
Whole company	550	15
Total	51,406	(2,421)

Notes:

1. *The number of employees is the number that is at work.*
2. *The "Whole company" refers to employees in the administration department but not under either business segment.*
3. *The number of employees in other businesses has decreased by 1,510 compared to the end of the previous year due to restructuring of the keyboard business.*

(ii) Employees of the Company

Number of employees	Increase (decrease) from the end of the previous year	Average age	Average of working years
2,909	65	41.7	16.9

Note: The number of employees is the number that is at work.

(8) Major lenders (As of March 31, 2012)

Lenders	Outstanding borrowing (millions of yen)
Syndicate loans	45,000
The Sumitomo Trust and Banking Co., Ltd.	25,758
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	20,445
Sumitomo Mitsui Banking Corporation	19,978
The Hachijuni Bank, Ltd.	4,000
Mizuho Corporate Bank, Ltd.	2,573

Notes:

1. *The syndicate loan refers to the total amount of 4 syndicate loans which are organized by 2 from The Sumitomo Trust and Banking Co., Ltd., 1 from The Bank of Tokyo-Mitsubishi UFJ, Ltd. and 1 from Sumitomo Mitsui Banking Corporation.*
2. *The Company has entered into a commitment line agreement with major financial correspondents in the total amount of ¥10,000 million in order to effectively finance the running cost. As of the end of current consolidated fiscal year, there is no borrowing under this agreement.*
3. *Effective April 1, 2012, The Sumitomo Trust and Banking Co., Ltd. merged with The Chuo Mitsui Trust and Banking Company, Limited and Chuo Mitsui Asset Trust and Banking Company, Limited, and changed its name to Sumitomo Mitsui Trust Bank, Limited.*

(9) Other important matters relating to current status of corporate group

There are no important matters to be reported.

2. Shares of the Company

(1) Overview of shares (As of March 31, 2012)

(i) Total number of shares authorized: 1,000,000,000 shares

(ii) Number of shares issued: 399,167,695 shares

(iii) Number of shareholders: 22,520 persons

(iv) Major shareholders (top 10 shareholders):

Name of shareholders	Number of shares (thousands)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	33,486	8.84
Japan Trustee Services Bank, Ltd. (Trust account)	32,569	8.60
Japan Trustee Services Bank, Ltd. (Trust account 9)	19,370	5.11
The Sumitomo Trust and Banking Co., Ltd.	15,349	4.05
KEIAISHA Co., Ltd.	15,000	3.96
Japan Trustee Services Bank, Ltd. (Trust account 4)	14,355	3.79
Takahashi Industrial and Economic Research Foundation	12,347	3.26
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	10,057	2.65
Sumitomo Mitsui Banking Corporation	10,000	2.64
Trust & Custody Services Bank, Ltd (Pension trust account)	7,628	2.01

Notes:

1. *The Company holds 20,245,981 shares of treasury stock, which are excluded from the major shareholders.*
2. *Shareholding ratio is calculated exclusive of treasury stock.*
3. *Effective April 1, 2012, The Sumitomo Trust and Banking Co., Ltd. merged with The Chuo Mitsui Trust and Banking Company, Limited and Chuo Mitsui Asset Trust and Banking Company, Limited, and changed its name to Sumitomo Mitsui Trust Bank, Limited.*

(2) Matters relating to stock acquisition rights, etc.

(i) Stock acquisition rights held by the Company's officers which were granted as consideration for their performance of duties

Not applicable

(ii) Stock acquisition rights granted to employees, etc. as consideration for their performance of duties during the current business year

Not applicable

(iii) Other important matters concerning stock acquisition rights, etc.

The overview of stock acquisition rights attached to Series I Unsecured Subordinated Convertible Bond-Type Bonds with Stock Acquisition Rights, which were issued by the resolution of the Board of Directors meeting held on February 2, 2012, is as follows.

Total issuance	¥7,700 million
Price per bond	¥100 million
Interest rate	0.60% per annum (Fixed)
Issue date	February 20, 2012
Redemption and term of the bond	The bonds shall be redeemed at the full par value of ¥100 per ¥100 amount on February 20, 2017.
Offer and method of allotment	The entire amount will be allotted to Development Bank of Japan Inc. through a third-party allocation.
Details of the stock acquisition rights	
Total number of stock acquisition rights attached to the bond	77
Class of shares to be issued upon exercise of stock acquisition rights	Common stock of the Company
Number of shares to be issued upon exercise of stock acquisition rights	Equal to the total face value of the bonds with stock acquisition rights divided by the valid conversion price at the time of the exercise.
Amount to be paid in for stock acquisition rights	No payment is required for the stock acquisition rights.
Amount to be paid in upon exercise of stock acquisition rights	1. Details of assets contributed upon exercise of the stock acquisition rights, the price and the calculation method (1) Upon exercise of each stock acquisition right, each bond to which such stock acquisition right is attached shall be contributed. (2) The amount of assets to be contributed upon exercise of each stock acquisition right shall be equal to the face value of each bond. 2. Conversion price The conversion price will initially be ¥382, and if adjusted, conversion price after adjustment.
Exercise period for stock acquisition rights	March 2, 2012 to February 12, 2017
Conditions for the exercise of stock acquisition rights	The stock acquisition rights may not be exercised in part.

3. Corporate Officers

(1) Directors and Corporate Auditors (As of March 31, 2012)

Title	Name	Responsibilities in the Company and significant concurrent positions outside the Company
Representative Director, President and Chief Executive Officer	Yoshihisa Kainuma	
Director, Vice President Executive Officer	Koichi Dosho	Officer in charge of Sales at HDD Motor Business Headquarters; Officer in charge of EMT Business Unit at Rotary Component Business Headquarters
Director, Senior Managing Executive Officer	Hiroharu Katogi	Officer in charge of Operation and Planning Division
Director, Senior Managing Executive Officer	Akihiro Hirao	Officer in charge of Engineering Support Division; Chief of Special Device Business Headquarters; Officer in charge of Engineering at HDD Motor Business Headquarters
Director, Senior Managing Executive Officer	Eiichi Kobayashi	Chief of HDD Motor Business Headquarters
Director, Senior Managing Executive Officer	Hiroyuki Yajima	Chief of Machined Component Business Headquarters; Head of Ball Bearing Business Unit
Director, Senior Managing Executive Officer	Masayoshi Yamanaka	Officer in charge of Sales Division
Director, Senior Managing Executive Officer	Hirotaka Fujita	Chief of Rotary Component Business Headquarters; Head of Information Motor Business Unit President and Representative Director of Minebea Motor Manufacturing Corporation
Director	Kohshi Murakami	Attorney at law
Director	Takashi Matsuoka	Senior Managing Director, KEIAISHA Co., Ltd.
Standing Corporate Auditor	Akifumi Kamoi	
Standing Corporate Auditor	Kazuaki Tanahashi	
Corporate Auditor	Hirotaka Fujiwara	Attorney at law
Corporate Auditor	Hisayoshi Rikuna	Certified Public Tax Accountant

Notes:

1. *Messrs. Kohshi Murakami and Takashi Matsuoka are Outside Directors. Mr. Kohshi Murakami is Independent Director notified pursuant to the provisions of the financial instruments exchange.*
2. *Messrs. Kazuaki Tanahashi, Hirotaka Fujiwara and Hisayoshi Rikuna are Outside Corporate Auditors. Mr. Hirotaka Fujiwara is Independent Auditor notified pursuant to the provisions of the financial instruments exchange.*
3. *Corporate Auditor Mr. Kazuaki Tanahashi has been for many years engaged in financial affairs in a commercial bank and has considerable knowledge of finance and accounting.*
4. *Corporate Auditor Mr. Hirotaka Fujiwara is familiar with business law services as a lawyer and has considerable knowledge of finance and accounting.*
5. *Corporate Auditor Mr. Hisayoshi Rikuna was newly elected as Corporate Auditor at the 65th Ordinary General Meeting of Shareholders that was held on June 29, 2011, and assumed office. He is familiar with tax services as a certified public tax accountant and has considerable knowledge of finance and accounting.*
6. *Corporate Auditor Mr. Isao Hiraide retired from his position at the conclusion of the 65th Ordinary General Meeting of Shareholders that was held on June 29, 2011, due to the expiration of his term of office.*

(Translation)

(2) Amount paid as remuneration to Directors and Corporate Auditors

Categories	Number of persons to be paid	Amount of remuneration, etc.
Directors (Outside Directors)	10 (2)	¥290,353 thousand (¥12,407 thousand)
Corporate Auditors (Outside Corporate Auditors)	5 (4)	¥50,271 thousand (¥32,403 thousand)
Total	15	¥340,624 thousand

Notes:

1. *Mr. Isao Hiraide who retired at the conclusion of the 65th Ordinary General Meeting of Shareholders that was held on June 29, 2011 is included above.*
2. *The remuneration for Directors excludes the salary to be paid for service as officer or employee for a Director who concurrently holds a post of officer or employee of the Company.*
3. *The Company resolved that the maximum annual remuneration for Directors shall be not more than ¥500 million (this amount includes maximum annual remuneration of ¥20 million for Outside Directors) at the 61st Ordinary General Meeting of Shareholders held on June 28, 2007.*
4. *The Company resolved that the maximum annual remuneration for Corporate Auditors shall be not more than ¥100 million at the 61st Ordinary General Meeting of Shareholders held on June 28, 2007.*
5. *The above amount of remuneration, etc. includes ¥23,347 thousand reported as allowance for bonuses to directors during the current business year.*
6. *The amount of remuneration, etc. is shown with fractions of ¥1 thousand rounded off.*

(3) Matters relating to outside officers

(i) Significant concurrent positions outside the Company and relation between the Company and such other corporations

Director Mr. Takashi Matsuoka holds an additional post of senior managing director of KEIAISHA Co., Ltd. The Company purchases steel and other materials from KEIAISHA Co., Ltd.

(ii) Main activities during the current business year

Name	Attendance and contributions
Director Kohshi Murakami	He attended all 12 meetings of the Board of Directors that were held during the current business year, and provided necessary counsel on a timely basis for deliberation of agenda items and other topics at such meetings.
Director Takashi Matsuoka	He attended all 12 meetings of the Board of Directors that were held during the current business year, and provided necessary counsel on a timely basis for deliberation of agenda items and other topics at such meetings.
Corporate Auditor Kazuaki Tanahashi	He attended 11 of the 12 meetings of the Board of Directors and all 12 meetings of the Board of Corporate Auditors that were held during the year under review, and provided necessary counsel on a timely basis for deliberation of agenda items and other topics at such meetings.
Corporate Auditor Hirotaka Fujiwara	He attended all 12 meetings of the Board of Directors and all 12 meetings of the Board of Corporate Auditors that were held during the current business year, and provided necessary counsel on a timely basis for deliberation of agenda items and other topics at such meetings.
Corporate Auditor Hisayoshi Rikuna	He attended 9 of the 10 meetings of the Board of Directors and all 9 meetings of the Board of Corporate Auditors that were held since he took office as Corporate Auditor on June 29, 2011. He provided necessary counsel on a timely basis for deliberation of agenda items and other topics at such meetings.

(iii) Overview of limited liability agreements

The Company and each of the Outside Officers have executed agreement to limit liabilities of damages of Paragraph 1, Article 423 of Companies Act pursuant to the provisions of Paragraph 1, Article 427 of Companies Act.

The amount subject to the limitation of liabilities of damages shall be the amount set forth by the laws.

4. Matters relating to Independent Auditors

(1) Name: KPMG AZSA LLC

(2) Amount of remuneration, etc.

	Amount paid
Amount of remuneration, etc. of Independent Auditors for the current business year	¥90 million
Total amount of money and other property benefit to be paid from the Company and its subsidiaries to Independent Auditors	¥125 million

Note:
In the audit agreement by and between the Company and the Independent Auditors, the Company does not keep accounts by each category of the amount of audit fee, etc. for auditing services under the Companies Act and under the Financial Instruments and Exchange Law. As the amount of auditing services may be difficult to classify, the Company states the total amount thereof in the amount of remuneration, etc. of Independent Auditors for the current business year.

(3) Non-auditing services

The Company and its subsidiaries pay considerations to KPMG AZSA LLC for its IFRS (International Financial Reporting Standards) advisory services and inspection relevant to consolidated financial statements.

(4) Policy regarding determination of removal or refusal of reappointment of Independent Auditors

The Board of Directors will recommend the agenda for the proposed meeting regarding removal or refusal of reappointment of Independent Auditors with the consent or upon the request of the Board of Corporate Auditors if the Board of Directors believes that it is necessary due to causes including the Independent Auditors’ difficulty in performing their duties.
If the Board of Corporate Auditors finds that the Independent Auditors fall under any of the events prescribed in each Item of Paragraph 1, Article 340 of the Companies Act, the Board of Corporate Auditors may remove the Independent Auditors under the consent of all Corporate Auditors. In this case, the Corporate Auditor appointed by the Board of Corporate Auditors will report its resolution relating to the removal of any Independent Auditor and its reasons to the first General Meeting of Shareholders after the removal thereof.

(5) Audit of consolidated subsidiaries

Some consolidated subsidiaries of the Company are subject to the audit of a certified public accountant or an auditing firm (including a person who has similar qualifications in foreign countries) other than the Company’s Independent Auditor, and the material ones are NMB-Minebea Thai Ltd., NMB (USA) Inc., NMB Technologies Corporation, New Hampshire Ball Bearings, Inc., MINEBEA ELECTRONICS & HI-TECH COMPONENTS (SHANGHAI) LTD., and MINEBEA (HONG KONG) LIMITED.

(Translation)

5. System to Ensure the Proper Business

Based on the Companies Act, the Company enacted its Basic Policy for the Formulation of an Internal Control System by a resolution of the Meeting of the Board of Directors in an effort to ensure the sound management of the Company. A summary of this resolution is provided below.

(1) Structure to assure that Directors', Executive Officers' and employees' execution of duties conform to laws and Articles of Incorporation

(i) The Company has set up a management structure regarding compliance and established a Minebea Group Code of Conduct in order to have group company Directors, Executive Officers and Employees follow laws, the Company's Articles of Incorporation and corporate philosophy.

(ii) This Group Code of Conduct has set the specific standards that have to be observed for labor, safety and health, environment protection, and ethical management. In order to enforce this, the Compliance Committee was established to control the Group's compliance efforts in a cross-section manner, as well as educating officers and staff members.

(iii) The Minebea Group will have nothing to do with antisocial influences that threaten social order or safety. It will not acquiesce to unreasonable demands, and it will work uncompromisingly in cooperation with external authorized institutions such as police and lawyers.

(iv) The activities of the Compliance Committee will be reported regularly or accordingly to the Board of Directors.

(v) Outside directors in the Board of Directors will be appointed in order to have the check-and-balance system that assures the legality of the Directors' execution of duties.

(2) Storage and management of information related to execution of duties by Directors and Executive Officers

(i) The Board of Directors has established the Minebea Group Document Management Rules for maintaining documents (including electronic records) and other relevant materials.

(ii) If the documents should be kept for a certain period of time or at a certain location, the preservation period and location must follow these rules except in cases where there are specific provisions in any law. The documents are stored by a method as it can be viewed within 2 days, if there is an inspection request from a Director or Corporate Auditor.

(3) Rules for risk of loss management and other structures

(i) The Company established "Minebea Group Basic Regulations for Risk Management" that systematically sets up risk management. The Chief Officer of the risk management of Minebea Group shall be the Representative Director, President and Chief Executive Officer, and the Risk Management Committee is under his direct control.

(ii) Based on these Regulations, the individual risks will be monitored continuously by each responsive organization, and we also assume and classify specific risks in advance, and develop a quick, adequate communication and emergency structure in case of an emergency.

(iii) The Risk Management Committee will regularly review above structure, verify specific items and report the status of risk management including such verification results to the Board of Directors regularly, or whenever necessary.

(4) Structure that assures the execution of duties by the Directors and Executive Officers are efficiently done

(i) The Company has a ten-member Director system to facilitate prompt and strategic decision making. At the same time, by introducing an Executive Officer system, we have delegated significant authority from the Board of Directors to Executive Officers, clearly divide the role of management / supervision functions from execution functions, and heighten the organization's agility.

(ii) While everyone at the Company shares the same vision in working toward a common goal, the leaders of each business headquarters, business unit and division decide on their own specific targets and how to achieve them. Their performance results are converted into verifiable data via an IT system and are regularly reviewed by the Board of Directors after being analyzed by each relevant business headquarters, business unit and division. Leveraging the inherent strength of this process, enables us to sweep away obstacles to efficiency, bring everyone closer to achieving their goals, and lay a solid foundation upon which we can build a more efficient organization.

(5) Structures to ensure that the operations of the Company's and its affiliated companies are adequate

(i) The Company's business headquarters, business units and divisions take all necessary steps to provide effective guidance on group company business operations.
(ii) Our common commitment to legal and ethical standards is reflected in the Minebea Group Code of Conduct.
(iii) In order to increase the effects of the internal control system audits for Group Companies currently done by the Corporate Auditors, we maintain a cooperative posture toward the Corporate Auditors.
(iv) We set numerical goals for each group company, review them regularly, and provide relevant organizations with feedback after performing a thorough performance review.
(v) The Internal Auditing Office regularly audits the Group Companies.

(6) Issues concerning when a Corporate Auditor requests for an employee to assist him/her

When such employee is required, he/she is properly set, and we assist the audit.

(7) Independence from the Board of Directors of the employee mentioned in the preceding paragraph (6) hereof

(i) The audit support by such employee is done under the Corporate Auditor's directions and orders.
(ii) The Board of Corporate Auditors' opinion is respected on the personnel changes and personnel evaluation regarding such employee.

(8) Structure of Directors', Executive Officers' and employees' report to the Corporate Auditor, and other reporting structure to the Corporate Auditor

(i) The Directors report the following to the Board of Corporate Auditors
  a. Matters discussed at the Senior Executive Officers Council.
  b. Matters that might cause the Company a significant loss
  c. Monthly business conditions that is important
  d. Important matters regarding internal audit status and risk management
  e. Significant violations of law or Articles of Incorporation
  f. Status of calls to the compliance hotline and its contents
  g. Other important matters related to compliance
  h. Matters related to request for approval decided by Directors or Executive Officers
  i. Agreements executed by Directors or Executive Officers
  j. Matters related to litigations
(ii) Executive Officers directly report b. through e. in the previous paragraph (i) hereof to the Board of Corporate Auditors. Also, if the employee discovers a significant fact related to b. and e. in the previous paragraph (i) hereof, he/she may directly report it to the Board of Corporate Auditors.

(9) Other matters in order to ensure the efficiency of the Corporate Auditors audit

(i) The Corporate Auditor has an opportunity to interview Directors, Executive Officers and important employees, as well as hold informal meetings regularly with Representative Director, President and Chief Executive Officer and the Independent Auditor respectively.
(ii) The Internal Auditing Office carries out the internal audit items requested by the Corporate Auditors based on discussions with the Corporate Auditors and reports those results to the Corporate Auditors.

Based on the policies above, the Company is promoting in unison the establishment of the internal control system.

6. Basic Policy relating to Control of the Company

(1) Contents of Basic Policy

The Company believes that the persons who control decisions on the Company's financial and business policies need to be persons who fully understand the details of the Company's financial and business affairs and the source of the Group's corporate value and who will make it possible to continually and persistently ensure and enhance the Group's corporate value and, in turn, the common interests of its shareholders.

The Company believes that ultimately its shareholders as a whole must make the decision on any proposed acquisition that would involve a transfer of corporate control of the Company. Also, the Company would not reject a large-scale acquisition of the shares in the Company if it would contribute to the corporate value of the Group and, in turn, the common interests of its shareholders.

Nonetheless, there are some forms of corporate acquisition that benefit neither the corporate value of the target company nor the common interests of its shareholders including without limitation, those with a purpose that would obviously harm the corporate value of the target company and the common interests of its shareholders, those with the potential to substantially coerce shareholders into selling their shares, those that do not provide sufficient time or information for the target company's board of directors and shareholders to consider the details of the large-scale acquisition or for the target company's board of directors to make an alternative proposal and those that require the target company to discuss or negotiate with the acquirer in order to procure more favorable terms for shareholders than those presented by the acquirer.

In order for the Group to ensure and enhance the corporate value and, in turn, the common interests of its shareholders, it is necessary for the Group to efficiently and continuously develop new products, cultivate new markets and revolutionize production technology in the mid- to long-term globally based on the Group's original vertically integrated manufacturing system, and to drive to be a company that leads the competition through manufacturing and technological excellence based on advanced ultra-precision machining technology and mass production techniques for mechatronic products that are the source of the Group's corporate value.

Unless the acquirer in a proposed large-scale acquisition of the shares in the Company understands the source of the corporate value and the characteristics that are indispensable to enhance the corporate value of the Group, as well as the details of the financial and business affairs of the Company, and will ensure and realize these elements over the medium-to-long-term, the corporate value of the Group and the common interests of its shareholders would be harmed.

Therefore, the Company believes that persons who would make a large-scale acquisition of the shares in the Company in a manner that does not contribute to the corporate value of the Group or the common interests of its shareholders would be inappropriate to become persons who control decisions on the Company's financial and business policies. The Company believes that it is necessary to ensure the corporate value of the Group and, in turn, the common interests of its shareholders by taking the necessary and reasonable countermeasures for the purpose of deterring acquisitions that are detrimental to the corporate value of the Group and, in turn, the common interests of its shareholders.

(2) Special measures for realization of Basic Policy

The Group's business objective is to fulfill its social responsibilities to the various stakeholders, such as shareholders, business partners, local communities, the international society and employees, and maximize its corporate value.

Under this basic management policy, we have actively addressed the development of high value-added products and the sophistication of product quality. In addition 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 strengthened our operations based on financial improvements, and have striven to practice a transparent management form that is easier to understand within and across the company.

In addition, we carry out our corporate social responsibility and pursue the further sophistication of our businesses by driving forward reduction of burdens on the environment arising from products and environmental protection activities; operating fair and appropriate businesses in line with compliance and corporate ethics; and implementing various initiatives in maintenance of good relationships with stakeholders, etc.

The Group will make best efforts to realize the direction and vision in the mid-term business plan ending in the fiscal year of March 2015 and fulfill annual business plans, endeavor to develop organizations that make decisions regarding corporate management and carry out business, and promote the establishment, development and improvement of the internal control system in order to strengthen its corporate governance.

(3) Measures to prevent control over decisions on the Company's financial and business policies by persons deemed as inappropriate under the Basic Policy

Regarding the plan for countermeasures to large-scale acquisitions of the shares in the Company (takeover defense measures) introduced on May 8, 2008, the Board of Directors resolved, at a meeting held on May 10, 2011, to partially revise the plan and introduce a renewed plan. The renewed plan (The Plan) was approved by the Company's 65th Ordinary General Meeting of Shareholders held on June 29, 2011.
Outline of the "Measures to prevent control over decisions on the Company's financial and business policies by persons deemed as inappropriate under the Basic Policy" are described below.
For details of The Plan, please refer to our web site below.
http://www.minebea.co.jp/english/company/aboutus/governance/takeover_defense_measures/index.html

1) Purpose of the Plan
As set out in the Basic Policy, the Company's Board of Directors believes that persons who would propose a large-scale acquisition in a manner that does not contribute to the corporate value of the Group or the common interests of its shareholders would be inappropriate as persons who control decisions on the Company's financial and business policies. The purpose of the Plan is to prevent decisions on the Company's financial and business policies from being controlled by persons deemed inappropriate, to deter large-scale acquisitions that are detrimental to the corporate value of the Group and, in turn, the common interests of its shareholders, and on the occasion that the Company receives a large-scale acquisition proposal regarding the shares in the Company from an acquirer, to enable the Company's Board of Directors to present an alternative proposal to the shareholders or ensure necessary time and information for the shareholders to decide whether or not to accept the large-scale acquisition proposal, and to enable the Board of Directors to negotiate for the benefit of the shareholders.

2) Outline of the Plan
The Plan will be applied in cases where any purchase or other acquisition of share certificates, etc. of the Company that falls under (i) or (ii) below or any similar action (including a proposal for such action) (except for such action as the Company's Board of Directors separately determines not to be subject to the Plan; the "Acquisition") takes place.

(i) A purchase or other acquisition that would result in the holding ratio of share certificates, etc. of a holder totaling at least 20% of the share certificates, etc. issued by the Company; or

(ii) A tender offer that would result in the party conducting the tender offer's ownership ratio of share certificates, etc. and the ownership ratio of share certificates, etc. of a person having a special relationship totaling at least 20% of the share certificates, etc. issued by the Company.

The party intending to make the Acquisition (the "Acquirer") shall follow the procedures prescribed in the Plan, and the Acquirer must not effect the Acquisition until and unless the Company's Board of Directors resolves not to implement the gratis allotment of Stock Acquisition Rights in accordance with the Plan.
The Company will request the Acquirer to submit to the Company' Board of Directors an Acquirer's Statement and an Acquisition Document which include a list of information necessary to evaluate the Acquisition before commencing or effecting the Acquisition.
The Independent Committee may request that the Company's Board of Directors present an opinion on the Acquirer's Acquisition terms and an alternative proposal (if any), and any other information that the Independent Committee considers necessary.
Then, the Independent Committee will conduct its consideration of the Acquisition terms and may directly or indirectly discuss and negotiate with the Acquirer. If the Independent Committee determines that the Acquisition by the Acquirer is not in compliance with the procedures of the Plan, or that it threatens to cause obvious harm to the corporate value of the Group and, in turn, the common interests of its shareholders, and it is reasonable to implement the gratis allotment of Stock Acquisition Rights, and it falls under one of the triggering events set in the Plan, the Independent Committee will recommend the implementation of the gratis allotment of stock acquisition rights with clauses prescribing that exercise of the rights by the Acquirer is, in principle, not allowed and that the Company may acquire Stock Acquisition Rights from holders other than the Acquirer in exchange for shares of the Company, to the Company's Board of Directors. If the Independent Committee determines the Acquisition by the Acquirer does not fall under any of the trigger events set in the Plan, the Independent Committee will recommend the non-implementation of the gratis allotment of Stock Acquisition Rights to the Company's Board of Directors. The Company's Board of Directors, in exercising their role as an organization under the Companies Act, will pass a resolution relating to the implementation or non-implementation of a gratis allotment of Stock Acquisition Rights respecting to the maximum extent any recommendation of the Independent Committee.

If a gratis allotment of stock acquisition rights were to take place in accordance with the Plan and all shareholders other than the Acquirer received one share per stock acquisition right in the Company as a result of those shareholders exercising or the Company acquiring those stock acquisition rights, the ratio of voting rights in the Company held by the Acquirer may be diluted by up to 50%.
The effective period of the Plan will be the period until the conclusion of the ordinary general meeting of shareholders relating to the last fiscal year ending within three years after the conclusion of the 65th Ordinary General Meeting of Shareholders held on June 29, 2011.

(4) Decisions and reasoning by the Company’s Board of Directors regarding above measures

The Company has implemented such measures for enhancing the corporate value as establishing the mid-term business plan and such policies as strengthening its corporate governance practices as specific measures to continually and persistently enhance the Group’s corporate value and, in turn, the common interests of the Company’s shareholders. These measures will indisputably contribute to the realization of the Basic Policy.

The Plan is a mechanism to maintain the corporate value of the Group and in turn, the common interests of its shareholders when an Acquisition is proposed. Therefore, the Plan is in compliance with the Basic Policy.
The Plan satisfies all of the three principles set out in the Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders’ Common Interests released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005, namely, the principles of: Ensuring and enhancing the corporate value and shareholders’ common interests; Prior disclosure and respect for shareholder intent; and Ensuring necessity and reasonableness. The Plan is placing high value on the intent of shareholders because it was approved at the 65th Ordinary General Meeting of Shareholders, it is with the Effective Period of approximately three years and if the Board of Directors or the general meeting of shareholders of the Company resolves to abolish the Plan, the Plan will be abolished at that time. In addition, the plan has a mechanism to enhance the objectivity and fairness because substantive decisions on triggering of, amendment to or other operation of the Plan will be made by the Independent Committee, which is solely composed of outside directors or other outsiders who are independent from the Company, and the Independent Committee may obtain the advice of independent third parties (financial advisors, certified public accountants, lawyers, tax accountants, consultants and other experts) at the cost of the Company. Therefore, these measures comply with the Basic Policy and are consistent with the common interests of the Company’s shareholders, and are not implemented for the purpose of maintaining the positions of the directors and the corporate auditors of the Company.

Consolidated Balance Sheet

(As of March 31, 2012)

(Unit: millions of yen)

Assets	
Item	**Amount**
Current assets	**157,787**
Cash and cash equivalents	28,330
Notes and accounts receivable	58,794
Marketable securities	787
Finished goods	16,897
Work in process	14,623
Raw materials	9,647
Supplies	3,531
Goods in transit	4,324
Deferred tax assets	4,374
Others	16,603
Allowance for doubtful receivables	(129)
Fixed assets	**148,920**
Tangible fixed assets	**127,039**
Buildings and structures	101,407
Machinery and transportation equipment	231,887
Tools, furniture and fixtures	43,206
Land	13,236
Leased assets	1,619
Construction in progress	6,514
Accumulated depreciation	(270,831)
Intangible fixed assets	**5,479**
Goodwill	4,222
Others	1,256
Investments and other assets	**16,401**
Investments in securities	8,050
Long-term loans receivable	19
Deferred tax assets	5,846
Others	2,498
Allowance for doubtful receivables	(13)
Deferred charges	**65**
Total assets	**306,772**

Note: Amounts less than ¥1 million are omitted.

(Unit: millions of yen)

Liabilities	
Item	**Amount**
Current liabilities	**115,713**
Notes and accounts payable	23,336
Short-term loans payable	53,449
Current portion of long-term loans payable	15,157
Lease obligations	280
Accrued income taxes	791
Accrued bonuses	3,818
Allowance for bonuses to directors	23
Allowance for loss on after-care of products	16
Allowance for environmental remediation expenses	71
Allowance for business restructuring losses	104
Others	18,665
Long-term liabilities	**81,281**
Bonds	10,000
Convertible bond-type bonds with stock acquisition rights	7,700
Long-term loans payable	56,237
Lease obligations	442
Allowance for retirement benefits	4,666
Allowance for retirement benefits to executive officers	145
Allowance for environmental remediation expenses	943
Others	1,146
Total liabilities	**196,995**
Net assets	
Shareholders' equity	**197,023**
Common stock	**68,258**
Capital surplus	**94,756**
Retained earnings	**41,790**
Treasury stock	**(7,782)**
Total accumulated other comprehensive income	**(87,629)**
Difference on revaluation of available-for-sale securities	**89**
Deferred gains or losses on hedges	**(5)**
Foreign currency translation adjustments	**(85,395)**
Unfunded retirement benefit obligation of foreign subsidiaries	**(2,318)**
Minority interests in consolidated subsidiaries	**384**
Total net assets	**109,777**
Total liabilities and net assets	**306,772**

Note: Amounts less than ¥1 million are omitted.

Consolidated Statement of Income

(From April 1, 2011 to March 31, 2012)

(Unit: millions of yen)

Item	Amount	
Net sales		**251,358**
Cost of sales		**198,505**
Gross profit		**52,852**
Selling, general and administrative expenses		**44,253**
Operating income		**8,599**
Other income		
Interest income	446	
Dividends income	158	
Others	478	**1,083**
Other expenses		
Interest expenses	2,320	
Foreign currency exchange loss	20	
Others	841	**3,182**
Ordinary income		**6,499**
Extraordinary income		
Gain on sales of fixed assets	218	
Insurance income	9,614	
Gain on sales of investment securities	28	**9,861**
Extraordinary loss		
Loss on sales of fixed assets	24	
Loss on disposal of fixed assets	82	
Impairment loss	290	
Loss on disaster	7,844	
Business restructuring losses	1,602	
Loss on valuation of investment securities	830	
Loss on after-care of products	90	
Allowance for environmental remediation expenses	42	**10,808**
Income before income taxes and minority interests		**5,551**
Income taxes (including enterprise tax)	2,620	
Adjustment of income taxes	(1,362)	1,258
Income before minority interests		**4,293**
Minority interests in loss		1,629
Net income		**5,922**

Note: Amounts less than ¥1 million are omitted.

(Translation)

Consolidated Statement of Changes in Net Assets

(From April 1, 2011 to March 31, 2012)

(Unit: millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current fiscal year	68,258	94,823	38,535	(6,280)	195,337
Changes					
Cash dividend from surplus			(2,665)		(2,665)
Net income			5,922		5,922
Purchase of treasury stocks				(2,011)	(2,011)
Disposal of treasury stocks		(70)		509	439
Transfer of loss on disposal of treasury stocks		3	(3)		—
Changes (net) in non-shareholders' equity items					
Total changes	—	(66)	3,254	(1,502)	1,685
Balance at end of current fiscal year	68,258	94,756	41,790	(7,782)	197,023

	Accumulated other comprehensive income					Minority interests in consolidated subsidiaries	Total net assets
	Difference on revaluation of available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Unfunded retirement benefit obligation of foreign subsidiaries	Total accumulated other comprehensive income		
Balance at beginning of current fiscal year	(497)	0	(84,638)	(2,283)	(87,418)	2,049	109,967
Changes							
Cash dividend from surplus							(2,665)
Net income							5,922
Purchase of treasury stocks							(2,011)
Disposal of treasury stocks							439
Transfer of loss on disposal of treasury stocks							—
Changes (net) in non-shareholders' equity items	587	(5)	(757)	(35)	(211)	(1,665)	(1,876)
Total changes	587	(5)	(757)	(35)	(211)	(1,665)	(190)
Balance at end of current fiscal year	89	(5)	(85,395)	(2,318)	(87,629)	384	109,777

Note: Amounts less than ¥1 million are omitted.

(Translation)

Notes to Consolidated Financial Statements

Basis of Presenting Consolidated Financial Statements

1. Scope of consolidation

(1) Consolidated subsidiaries

Number of consolidated companies: 40 companies

The names of principal consolidated subsidiaries:

Minebea Motor Manufacturing Corporation, NMB-Minebea Thai Ltd., NMB (USA) Inc., NMB Technologies Corporation, New Hampshire Ball Bearings, Inc., MINEBEA ELECTRONICS & HI-TECH COMPONENTS (SHANGHAI) LTD., and MINEBEA (HONG KONG) LIMITED

(2) Non-consolidated subsidiaries

The names of non-consolidated subsidiaries:

DAIICHI SEIMITSU SANGYO CO., LTD., DAIICHI PRECISION MOLD (HK) LIMITED, DONGGUAN CHENGQU DAIICHI PRECISION MOLD CO. LTD, and NMB-MINEBEA DO BRASIL IMPORTACAO E COMERCIO DE COMPONENTES DE PRECISAO LTDA

Reason for exclusion from the scope of consolidation:

The reason is that non-consolidated subsidiaries are all small operations, and each of their total assets, sales, net income (amount equivalent to equity), retained earnings (amount equivalent to equity), etc. has no significant impact on our consolidated financial statements.

2. Application of the equity method

(1) Affiliates under equity method

Number of affiliated companies: 0 companies

(2) Non-consolidated subsidiaries not accounted for by the equity method

DAIICHI SEIMITSU SANGYO CO., LTD., DAIICHI PRECISION MOLD (HK) LIMITED, DONGGUAN CHENGQU DAIICHI PRECISION MOLD CO. LTD and NMB-MINEBEA DO BRASIL IMPORTACAO E COMERCIO DE COMPONENTES DE PRECISAO LTDA are excluded from the scope of application by the equity method, because their net income (amount equivalent to equity), retained earnings (amount equivalent to equity), etc. are not important for our consolidated financial statements.

3. Changes in the scope of consolidation and application of equity method

Changes in scope of consolidation

Anew: Establishment (1 company)

NMB-MINEBEA DO BRASIL IMPORTACAO E COMERCIO DE COMPONENTES DE PRECISAO LTDA

4. Fiscal years, etc. of consolidated subsidiaries

Of the consolidated subsidiaries, regarding those whose balance sheet dates differ from the consolidated balance sheet date, the Company uses their financial statements based on the provisional settlements of accounts implemented as of the consolidated balance sheet date, in order to prepare the consolidated financial statements for the current fiscal year.

5. Accounting policies

(1) Valuation basis and method of significant assets

(i) Securities

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.

(ii) Derivatives

Market value method

(iii) Inventories

The Company and consolidated domestic subsidiaries state primarily at the moving average cost. (The balance sheet amounts of the inventories are calculated at the lowered book values reflecting potential decline in profitability).

Consolidated overseas subsidiaries state at the lower of average cost or market.

(2) Method of significant depreciation

(i) Tangible fixed assets (excluding leased 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 transportation 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 and less than ¥200,000) over the 3 years each consolidated fiscal year.
Consolidated overseas subsidiaries mainly adopt the straight-line method.

(ii) Intangible fixed assets (excluding leased 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.

(iii) Leased assets

Lease assets related to finance lease transactions that do not involve transfer of ownership
The Company and consolidated subsidiaries adopt the straight-line method of making lease periods depreciable lives and salvage values zero.

(3) Valuation basis of significant allowances

(i) 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 collectability of specific receivables with loss possibilities.
Consolidated overseas subsidiaries make the record in the amount required for the estimated uncollectible receivables based on the collectability of each receivable for possible losses on the receivables.

(ii) 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.

(iii) Allowance for bonuses to directors

To provide for payment of bonuses to directors, the Company records an amount, based upon the estimated amount of payment for the current consolidated fiscal year.

(iv) Allowance for retirement benefits

Regarding the Company and its consolidated domestic 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 consolidated fiscal year.
At the end of the current consolidated fiscal year, 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.
Over the 5 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 estimated to accrue at the end of the current consolidated fiscal year to provide for employee retirement benefits.
Actuarial gains and losses are amortized using the straight-line method over a period of 5 years, from the period subsequent to the period in which they are incurred.

(v) Allowance for retirement benefits to executive officers

With respect to the Company and some consolidated domestic subsidiaries, we posted retirement allowances to be required for payment at the end of the current consolidated fiscal year in accordance with regulations.

(vi) Allowance for loss on after-care of products

Our consolidated overseas subsidiaries post reasonably projected amounts to be incurred in the future as expenses for after-care of products.

(vii) Allowance for environmental remediation expenses

Our consolidated overseas subsidiaries post reasonably projected amounts to be incurred in the future as environment-related expenses in the U.S.

(viii) Allowance for business restructuring losses

Our consolidated overseas subsidiaries post reasonably projected amounts to be incurred in the future, based on the decision of restructuring plans, such as the closures.

(4) Translation of foreign currency assets and liabilities in financial statements of the Company and consolidated subsidiaries

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

Our consolidated overseas subsidiaries, 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 net assets.

(5) Accounting method of significant hedge transactions

(i) Method of hedge accounting

The Company adopts the allocation method to account for the forward exchange contracts for foreign currency-denominated receivables and payables, and the deferred hedge method to account for the forward exchange contracts for foreign currency-denominated anticipated transactions. The Company also adopts the special method to account for the interest rate swaps, which meet the requirements of special accounting.

(ii) Hedging vehicles and hedged items

(Hedging vehicles)

Forward exchange contracts

Interest rate swaps

(Hedged items)

Monetary receivables and payables in foreign currency

Anticipated transactions in foreign currencies

Interest rates on borrowings

(iii) Hedge policy

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

(iv) Method of assessing hedge effectiveness

Regarding forward exchange contracts, in principle, the Company allocates them to monetary receivable and payable with same maturities and same amounts in foreign currency at closing of forward exchange contracts in accordance with the risk management policy. This completely ensures correlations reflecting subsequent exchange rate fluctuations. The Company assesses hedge effectiveness based upon such correlations.

Also, regarding interest rate swaps, the Company assesses hedge effectiveness based upon the fulfillment of the accounting requirements for special treatment.

(6) Amortization of goodwill and negative goodwill

The goodwill is equally amortized for from 5 to 10 years.

(7) Others

(i) Amortization of deferred charges

Deferred charges are equally amortized over the term of bonds issued (5 years).

(ii) Accounting method of consumption tax and other

Consumption tax and other related taxes are excluded from revenue and purchases of the Company.

6. Additional information

(Application of Accounting Standard for Accounting Changes and Error Corrections, etc.)

For the accounting changes and error corrections after the beginning of the fiscal year, the Company has applied the Accounting Standard for Accounting Changes and Error Corrections (Business Accounting Standards No. 24; December 4, 2009) and the Guidance on Accounting Standard for Accounting Changes and Error Corrections (Application Guidelines for Business Accounting Standards No. 24; December 4, 2009).

Notes to Consolidated Balance Sheet

(1) Accounting of notes matured at the end of consolidated fiscal year

The Company accounts for settlement of matured notes at the end of consolidated fiscal year at their exchange dates. Because the end of the current consolidated fiscal year was a holiday for financial institutions, the Company includes the following matured notes in their balance at the end of the fiscal year.

Notes receivable: ¥232 million

(2) Marketable securities and Investment in securities

The balance of money in trust is ¥2,579 million. This is the balance of U.S. Treasury security 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.

(3) Lawsuit

NMB-Minebea Thai Ltd., our consolidated subsidiary company located in Thailand, received (1) a revised assessment of income tax liability in the amount of 502 million baht on August 25, 2008; (2) another revised assessment of income tax liability in the amount of 125 million baht on August 25, 2010; and (3) a third revised assessment of income tax liability in the amount of 101 million baht on August 11 and 22, 2011 from the Revenue Department of the Kingdom of Thailand. The Company has not accepted these revised assessments, believing them to be unjust and without legal grounds, and regarding item (1), the Company petitioned the Revenue Department for redress on August 25, 2009, and regarding items (2) and (3), has petitioned the Revenue Department for redress.

Regarding item (1), the Company has won the case as a result of the decision at the Tax Court of the Kingdom of Thailand on October 13, 2010, but the Revenue Department disagreed with this decision and appealed the case to the Supreme Court on December 9, 2010.

Payment of these amounts was made in subrogation on (1) September 22, 2008, (2) September 23, 2010 and (3) August 16, 2011, respectively, using a surety bond from a bank with which the Company does business.

Notes to Consolidated Statement of Income

(1) Loss on disaster

This loss consists of fixed costs of ¥2,968 million incurred during the low-level operation caused by the large-scale floods in Thailand; a fixed assets disposal loss of ¥2,239 million; an inventory assets disposal loss of ¥418 million; and disaster measures expenses of ¥2,217 million.

(2) Business restructuring losses

This loss consists of a loss of ¥893 million incurred by the downsized keyboard business; a loss of ¥426 million incurred by deteriorated earnings in the vibration motor business; and a loss of ¥282 million incurred by a partial closure of the in-house raw material production business.

Notes to Consolidated Statement of Changes in Net Assets

(1) Matters relating to class and total number of issued shares and class and total number of treasury stock

Class of shares	Shares at beginning of current 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)	16,523,203	5,006,716	1,220,938	20,308,981
Total	16,523,203	5,006,716	1,220,938	20,308,981

Notes:

1. The increase of 5,006,716 shares in the number of treasury shares of common stock reflects the increase of 5,000,000 shares following the acquisition of treasury stock in accordance with the resolution of the Board of Directors and the increase of 6,716 shares from the purchase of fractional shares.

2. The 1,220,938 shares decrease in the number of treasury shares of common stock reflects the decrease of 1,220,000 shares from the disposal of treasury stock by the Employee Stock Holding Partnership Exclusive Trust Account and the decrease of 938 shares from requests for further buying of our fractional shares.

3. The number of treasury shares of common stock includes our shares owned by the Employee Stock Holding Partnership Exclusive Trust Account (1,283,000 shares at the beginning of the current FY and 63,000 shares at the end of the current FY).

(2) Matters relating to dividends from surplus

(i) Matters on dividends by the resolution of the 65th Ordinary General Meeting of Shareholders held on June 29, 2011

Total amount of dividends:	¥1,530 million
Dividend per share:	¥4.00
Record date:	March 31, 2011
Effective date:	June 30, 2011

(Note) Total dividend does not include ¥5 million of dividends to the Employee Stock Holding Partnership Exclusive Trust Account. This represents that the Company recognizes the shares of consolidated companies owned by the Trust Account as treasury stock.

Matters on dividends by the resolution of the Meeting of the Board of Directors held on November 2, 2011

Total amount of dividends:	¥1,134 million
Dividend per share:	¥3.00
Record date:	September 30, 2011
Effective date:	December 5, 2011

(Note) Total dividend does not include ¥2 million of dividends to the Employee Stock Holding Partnership Exclusive Trust Account. This represents that the Company recognizes the shares of consolidated companies owned by the Trust Account as treasury stock.

(ii) Dividends with a record date that falls within the current consolidated fiscal period but an effective date in the following period

The following proposal will be submitted to the 66th Ordinary General Meeting of Shareholders to be held on June 28, 2012.

Total amount of dividends:	¥1,515 million
Dividend per share:	¥4.00
Record date:	March 31, 2012
Effective date:	June 29, 2012

(Note) Total dividend does not include ¥0 million of dividends to the Employee Stock Holding Partnership Exclusive Trust Account. This represents that the Company recognizes the shares of consolidated companies owned by the Trust Account as treasury stock.

Notes relating to Financial Instruments

(1) Matters relating to Financial Instruments

(i) Policy on handling of financial instruments

The Minebea Group procures necessary funds (primarily through bank loans and issuance of corporate bonds) in light of its capital expenditure plan. Temporary surplus funds are invested mainly in highly liquid financial assets while short-term operating funds are procured through bank loans. The Company, by policy, utilizes derivatives to evade risks described hereafter and not for the purpose of speculative transactions.

(ii) Contents of financial instruments and associated risks

Notes and accounts receivable, which are operating receivables, are exposed to the credit risk of customers. Although foreign currency-based receivables that arise in conducting business in overseas are exposed to FX rate fluctuation risk, the Company, as a general rule, hedges the risk with the use of exchange forward contracts with the exception of any receivable item within the outstanding balance of accounts payable in the same foreign currency.

Marketable and investment securities are bonds categorized under other securities and stocks of companies with which the Company holds business relationships, and are exposed to market price fluctuation risk. The Company also provides long-term loans for employees.

As for notes and accounts payable, which are operating payables, most of the items are due for payment within 6 months. Though some of them are foreign currency-based and are exposed to FX rate fluctuation risk, the Company hedges the risk with the use of exchange forward contracts with the exception of any payable item within the outstanding balance of accounts receivable in the same foreign currency.

Bank loans, corporate bonds and lease obligations relating to finance lease transactions are executed for the purpose of procuring funds primarily for capital expenditures, and the redemption dates arrive, at the longest, in 7 years after the account closing date. While these obligations, in part, are exposed to interest rate fluctuation risk, the Company hedges the risk with the use of derivative transactions (interest rate swaps).

The convertible bond-type bonds with stock acquisition rights were issued to procure investment funds for M&A activities, and their redemption date is February 20, 2017.

Derivative transactions are exchange forward contracts executed for the purpose of hedging FX rate fluctuation risk associated with foreign currency-based operating receivables and payables, and interest rate swaps executed for the purpose of hedging interest rate fluctuation risk associated with bank loans. With respect to hedging vehicles and hedged items, hedge policy and method of assessing hedge effectiveness;

please refer to “5. Accounting policies (5) Accounting method of significant hedge transactions” under Basis of Presenting Consolidated Financial Statements previously described.

(iii) Risk management system relating to financial instruments

(a) Management of credit risk (risk associated with breach of contract, etc. by customer)

The Company, in accordance with its credit management regulations, manages operating receivables by means of a periodical monitoring of major customers conducted by the Administration Department of Sales Division. The Company also controls due dates of payment and outstanding balances by customer on a monthly basis as well as reviews credit rate rankings and credit limits once a year in order to promote prompt detection and mitigation of any doubtful collectibles due to deterioration of financial conditions and other factors. The consolidated subsidiaries exercise similar management based on the credit management regulations of the Company.

Bonds under other securities are limited to U.S. Treasury Securities, in accordance with the fund management policy, and hence there is minimal credit risk.

As derivative transactions are executed only with financial institutions with high ratings, the Company recognizes there is hardly any credit risk.

(b) Management of market risk (FX and interest rate fluctuation risks)

The Minebea Group, with respect to foreign currency-based operating receivables and payables, hedges FX fluctuation risk identified by currency by month with the use, as a general rule, of exchange forward contracts. The Company executes exchange forward contracts against foreign currency-based accounts receivables expected to surely arise under planned transactions associated with exports. The Company also utilizes interest rate swaps to mitigate interest rate fluctuation risk associated with loans payable and bonds payable.

For marketable and investment securities, the Company periodically monitors the market values and financial conditions of the issuing entities (corporate customers).

The execution and management of derivative transactions are performed by the responsible department in accordance with the market risk management regulations that define transaction authority and limits and etc. and with approval from the authorized persons. Monthly transaction records are reported to the executive officer in charge of Finance and Administration Division.

Risk management is performed in consolidated subsidiaries also in accordance with the market risk management regulations of the Company.

(c) Liquidity risk associated with funds procurement (risk of failure to pay on due date)

The Company manages liquidity risk by having the responsible department timely develop and update the funding plan based on reports from each of the departments and by maintaining short-term liquidity. Subsidiaries also exercise similar management.

(iv) Supplementary explanation on matters relating to the market value of financial instruments, etc.

The market value of financial instruments include, in addition to the value based on market value, a value rationally computed in the absence of market value. The computation of such a value incorporates fluctuation factors, and as different preconditions, etc. are adopted, the value may be subject to fluctuation.

(2) Matters relating to the Market Value of Financial Instruments, etc.

Amount on the consolidated balance sheet as of March 31, 2012, market value and the variance are as follows. Market value is omitted in case it is extremely difficult to obtain the value. (Please refer to item 2. of Notes.)

	Amount on consolidated balance sheet (millions of yen)	Market value (millions of yen)	Variance (millions of yen)
(i) Cash and cash equivalents	28,330	28,330	–
(ii) Notes and accounts receivable	58,794	58,794	–
(iii) Marketable and investment securities	5,123	5,123	–
(iv) Long-term loans receivable	19	19	–
Total assets	92,267	92,267	–
(v) Notes and accounts payable	23,336	23,336	–
(vi) Short-term loans payable	53,449	53,449	–
(vii) Current portion of long-term loans payable	15,157	15,326	169
(viii) Bonds	10,000	10,050	50
(ix) Convertible bond-type bonds with stock acquisition rights	7,700	7,816	116
(x) Long-term loans payable	56,237	56,741	504
Total liabilities	165,879	166,720	840
Derivative transactions (*1)	10	10	–

*(*1) Receivable and payable arising from derivative transactions are presented in net value.*

Notes:

1. Matters relating to computation method for market value of financial instruments and to securities and derivative transactions

<u>Assets</u>

(i) Cash and cash equivalents, (ii) Notes and accounts receivable

As these items are settled in a short term and the market value is close to book value, they are presented in book value.

(iii) Marketable and investment securities

Market value of stocks, etc. are based on prices on stock exchanges while the market value of bonds are either prices on stock exchanges or those quoted by counterpart financial institutions, etc.

(iv) Long-term loans receivable

The Company's long-term loans receivable is limited to housing loan for employees, and as there is no significance in value, the market value represents the book value.

<u>Liabilities</u>

(v) Notes and accounts payable, (vi) Short-term loans payable

As these items are settled in a short term and the market value is close to book value, they are presented in book value.

(vii) Current portion of long-term loans payable, (x) Long-term loans payable

Loans with variable interest, as interest is settled on a short term and the market value is close to book value, are presented in book value. For loans with fixed interest, the total amount of principal and interest is discounted by the expected interest rate assumed for a similar new loan to derive the present value.

(viii)Bonds, (ix) Convertible bond-type bonds with stock acquisition rights

Items with market value are presented based on market value. For items without market value, the total amount of principal and interest is discounted by the expected interest rate assumed for a similar issuance to derive the present value.

2. Financial instruments for which identification of market value is extremely difficult

Item	Amount on consolidated balance sheet (millions of yen)
Unlisted stock	2,301
Investments in subsidiaries	1,328
Investments in capital of subsidiaries	84

As these items do not have market value and the identification of market value is considered to be extremely difficult, they are not included in "(iii) Marketable and investment securities".

3. Expected redemption amount of monetary receivables and securities with maturity arriving after the consolidated account closing date

	Within 1 year (millions of yen)	Over 1 year to 5 years (millions of yen)	Over 5 years to 10 years (millions of yen)	Over 10 years (millions of yen)
Cash and cash equivalents	28,330	–	–	–
Notes and accounts receivable	58,794	–	–	–
Marketable and investment securities of which securities with maturity (U.S. Treasury Security)	787	1,791	–	–
Long-term loans receivable	–	16	2	–
Total	87,912	1,808	2	–

4. Expected amount of redemption and repayment of monetary payables due after the consolidated account closing date

	Within 1 year (millions of yen)	Over 1 year to 5 years (millions of yen)	Over 5 years to 10 years (millions of yen)	Over 10 years (millions of yen)
Notes and accounts payable	23,336	–	–	–
Short-term loans payable	53,449	–	–	–
Bonds	–	10,000	–	–
Convertible bond-type bonds with stock acquisition rights	–	7,700	–	–
Long-term loans payable	15,157	56,237	–	–
Total	91,942	73,937	–	–

Notes to Per Share Information

(1) Net assets per share ¥288.74
(2) Net income per share ¥15.63

Notes to Impairment Loss

Use	Business, location	Impairment loss	
		Class	Amount (millions of yen)
Idle assets	Two facilities: former Ichinoseki and Kanegasaki plants (Ichinoseki-shi, Iwate Prefecture, etc.)	Land	13
		Total	13
Business assets	Keyboard business (Shanghai, China)	Buildings and structures	1
		Machinery and transportation equipment	254
		Tools, furniture and fixtures	20
		Total	277
	Vibration motor business (Zhuhai, China, etc.)	Buildings and structures	1
		Machinery and transportation equipment	166
		Tools, furniture and fixtures	62
		Total	230
	In-house raw material production business (Ayutthaya, Thailand)	Buildings and structures	12
		Machinery and transportation equipment	237
		Tools, furniture and fixtures	4
		Total	253
Total			775

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 idle assets (Land) have no future utilization plans. Due to this, the Company recognized impairment losses.

Regarding business assets (Buildings and structures, Machinery and transportation equipment, Tools, furniture and fixtures), we recognized an impairment loss because their cash flow is expected to be lower than the book value of the assets group in the future due to business downsizing, deteriorated earnings or partial closures, and reduced the value to a recoverable value based on the net sale value or use value. Of these assets, ¥484 million (¥230 million in the vibration motor business and ¥253 million in the in-house raw material production business) is included in “Business restructuring losses” under “Extraordinary loss.”

Calculation method of collectable amounts

Idle assets and certain business assets are measured by net sales values, and calculated based on appraisal values by third party. Other business assets are measured by use values, but the full amount of their book value is recorded as impairment loss because their cash flow is not expected in the future.

(Translation)

Non-Consolidated Balance Sheet

(As of March 31, 2012)

(Unit: millions of yen)

Assets	
Item	**Amount**
Current assets	**99,754**
Cash and cash equivalents	10,850
Notes receivable	976
Accounts receivable	44,707
Purchased goods	2,823
Finished goods	491
Work in process	3,662
Raw materials	1,155
Supplies	77
Goods in transit	905
Advances to vendor	171
Prepaid expenses	459
Short-term loans receivable from affiliates	25,622
Accounts receivable - other	3,944
Temporary advance	7
Deferred tax assets	3,461
Others	443
Allowance for doubtful receivables	(7)
Fixed assets	**239,976**
Tangible fixed assets	**23,933**
Buildings	10,057
Structures	787
Machinery and equipment	4,104
Vehicles	15
Tools, furniture and fixtures	1,590
Land	6,752
Leased assets	475
Construction in progress	149
Intangible fixed assets	**1,006**
Patents	278
Leasehold rights	35
Software	648
Others	45
Investments and other assets	**215,035**
Investments in securities	4,838
Investments securities in affiliates	165,767
Investments in partnerships	0
Investments in partnerships with affiliates	40,350
Long-term loans receivable from employees	0
Long-term loans receivable from affiliates	524
Long-term prepaid expenses	223
Deferred tax assets	2,459
Others	1,213
Allowance for doubtful receivables	(341)
Deferred charges	**65**
Bond issuance expenses	65
Total assets	**339,795**

Note: Amounts less than ¥1 million are omitted.

(Translation)

(Unit: millions of yen)

Liabilities	
Item	**Amount**
Current liabilities	**89,453**
Accounts payable	32,708
Short-term loans payable	36,650
Current portion of long-term loans payable	14,625
Lease obligations	187
Accounts payable - other	1,782
Accrued expenses	998
Accrued income taxes	69
Deposits received	178
Deferred income	1
Accrued bonuses	2,182
Allowance for bonuses to directors	23
Others	46
Long-term liabilities	**74,511**
Bonds	10,000
Convertible bond-type bonds with stock acquisition rights	7,700
Long-term loans payable	56,100
Lease obligations	311
Allowance for retirement benefits	33
Allowance for retirement benefits to executive officers	134
Others	231
Total liabilities	**163,965**
Net assets	
Shareholders' equity	**175,749**
Common stock	**68,258**
Capital surplus	**94,756**
Capital reserve	94,756
Retained earnings	**20,516**
Earned surplus	2,085
Others	18,431
Reserve for general purpose	6,500
Retained earnings carried forward	11,931
Treasury stock	**(7,782)**
Revaluation / Translation differences	**80**
Difference on revaluation of available-for-sale securities	**80**
Deferred gains or losses on hedges	**0**
Total net assets	**175,830**
Total liabilities and net assets	**339,795**

Note: Amounts less than ¥1 million are omitted.

Non-Consolidated Statement of Income

(From April 1, 2011 to March 31, 2012)

(Unit: millions of yen)

Item	Amount	
Net sales		**186,316**
Cost of sales		**165,099**
Gross profit		**21,217**
Selling, general and administrative expenses		**19,301**
Operating income		**1,916**
Other income		
Interest income	325	
Dividends income	3,231	
Rent income of fixed assets	128	
Others	325	**4,010**
Other expenses		
Interest expenses	1,173	
Interest on bonds	139	
Foreign currency exchange loss	28	
Others	43	**1,384**
Ordinary income		**4,542**
Extraordinary income		
Gain on sales of fixed assets	149	
Gain on sales of investment securities	28	**178**
Extraordinary loss		
Loss on sales of fixed assets	0	
Loss on disposal of fixed assets	56	
Impairment loss	13	
Business restructuring losses	91	
Loss on valuation of investment securities	830	
Loss on valuation of investments in partnerships with affiliates	2,334	**3,327**
Income before income taxes		**1,393**
Income taxes (including enterprise tax)	716	
Adjustment of income taxes	(3,880)	(3,163)
Net income		**4,556**

Note: Amounts less than ¥1 million are omitted.

(Translation)

Non-Consolidated Statement of Changes in Net Assets

(From April 1, 2011 to March 31, 2012)

(Unit: millions of yen)

	Shareholders' equity							
		Capital surplus			Retained earnings			
						Others		
	Common stock	Capital reserve	Others	Total capital surplus	Earned surplus	Reserve for general purpose	Retained earnings carried forward	Total retained earnings
Balance at beginning of current fiscal year	68,258	94,756	66	94,823	2,085	6,500	10,044	18,629
Changes								
Cash dividend from surplus							(2,665)	(2,665)
Net income							4,556	4,556
Purchase of treasury stocks								
Disposal of treasury stocks			(70)	(70)				
Transfer of loss on disposal of treasury stocks			3	3			(3)	(3)
Changes (net) in non-shareholders' equity items								
Total changes	–	–	(66)	(66)	–	–	1,887	1,887
Balance at end of current fiscal year	68,258	94,756	–	94,756	2,085	6,500	11,931	20,516

	Shareholders' equity		Revaluation / Translation differences			
	Treasury stock	Total shareholders' equity	Difference on revaluation of available-for-sale securities	Deferred gains or losses on hedges	Total revaluation / translation differences	Total net assets
Balance at beginning of current fiscal year	(6,280)	175,430	(503)	(0)	(504)	174,926
Changes						
Cash dividend from surplus		(2,665)				(2,665)
Net income		4,556				4,556
Purchase of treasury stocks	(2,011)	(2,011)				(2,011)
Disposal of treasury stocks	509	439				439
Transfer of loss on disposal of treasury stocks		–				–
Changes (net) in non-shareholders' equity items			584	0	584	584
Total changes	(1,502)	319	584	0	584	904
Balance at end of current fiscal year	(7,782)	175,749	80	0	80	175,830

Note: Amounts less than ¥1 million are omitted.

(Translation)

Notes to Non-Consolidated Financial Statements

Significant Accounting Policies

(1) Standards and method of valuation of assets

Marketable securities

Investments securities in subsidiaries:

Stated at cost determined by the moving average method.

Other marketable securities:

·Securities with market value

Market value method based on market prices and other conditions at the end of the term. (The revaluation differences are accounted for based on the direct net assets method and the sales costs are calculated by the moving average method.)

·Securities without market value

Non listed marketable securities are stated at cost determined by the moving average method.

Derivatives

Market value method

Inventories

Purchased goods: Stated at cost determined by the moving average method (the balance sheet amounts of the inventories are calculated at the lowered book values reflecting potential decline in profitability).

Finished goods: Stated at cost determined by the moving average method (the balance sheet amounts of the inventories are calculated at the lowered book values reflecting potential decline in profitability).

Work in process: Stated at cost determined by the moving average method for bearings, fasteners, and motors (the balance sheet amounts of the inventories are calculated at the lowered book values reflecting potential decline in profitability).

Stated at cost determined respectively for measuring instruments, special motors and special devices (the balance sheet amounts of the inventories are calculated at the lowered book values reflecting potential decline in profitability).

Raw materials: Stated at cost determined by the moving average method (the balance sheet amounts of the inventories are calculated at the lowered book values reflecting potential decline in profitability).

Supplies: Stated at cost determined by the moving average method (the balance sheet amounts of the inventories are calculated at the lowered book values reflecting potential decline in profitability).

(2) Depreciation

Tangible fixed assets (excluding leased assets):

Depreciation of tangible fixed assets is made on the declining balance method based on estimated useful lives of the assets.

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

The depreciation method of depreciation assets whose acquisition values are more than ¥100,000 and less than ¥200,000 has been changed to a method by which those assets are equally depreciated in lump sum for 3 years.

Intangible fixed assets (excluding leased assets):

Depreciation of intangible fixed assets is made on the straight-line method.

The depreciation method of software (for internal use) is computed on the straight-line method based on our expected useful period (5 years).

Leased assets:

Lease assets related to finance lease transactions that do not transfer ownership

The Company adopts the straight-line method of making lease periods depreciable lives and salvage values zero.

Long-term prepaid expenses:

Depreciation of long-term prepaid expenses is made on the straight-line method.

(3) Translation of foreign currency assets and liabilities

Translation of foreign currency assets and liabilities are translated into yen at the exchange rate on the balance sheet date. The resulting exchange differences are accounted for as an exchange gain or loss.

(4) Allowances

Allowance for doubtful receivables:

In order to prepare against losses resulting from irrecoverable receivables, an allowance has been reserved in the amount required for estimated uncollectible receivables based on actual losses of trade receivables and on collectability of specific receivables with loss possibilities.

Accrued bonuses:

To make preparations for the payment of bonuses to employees, accrued bonuses are shown based on the anticipated amounts of payment in the current term.

Allowance for bonuses to directors:

To provide for payment of bonuses to directors, the Company records an amount, based upon the estimated amount of payment for the current fiscal year.

Allowance for retirement benefits:

To provide for payment of employee retirement benefits, the Company reported an 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 fiscal year, 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.

Over the 5 years from the following term after the differences accrue, the Company will charge differences in mathematical calculation to expenses in accordance with the straight-line method.

Allowance for retirement benefits to executive officers:

To provide for payment of retirement allowance to executive officers, the estimated amount to be required according to our internal regulations as of the end of the period of the current fiscal year is shown.

(5) Accounting method of hedge transactions

(i) Method of hedge accounting

The Company adopts the allocation method to account for the forward exchange contracts for foreign currency-denominated receivables and payables, and the deferred hedge method to account for the forward exchange contracts for foreign currency-denominated anticipated transactions. The Company also adopts the special method to account for the interest rate swaps, which meet the requirements of special accounting.

(ii) Hedging vehicles and hedged items

(Hedging vehicles)

Forward exchange contracts

Interest rate swaps

(Hedged items)

Monetary receivables and payables in foreign currency

Anticipated transactions in foreign currencies

Interest rates on borrowings

(iii) Hedge policy

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

(iv) Method of assessing hedge effectiveness

Regarding forward exchange contracts, the Company allocates them to monetary receivable and payable with same maturity and with same amounts in foreign currency, at closing of exchange contracts in accordance with the risk management policy. This completely ensures correlations reflecting subsequent exchange rate fluctuations. The Company assesses hedge effectiveness based upon such correlations.

Also, regarding interest rate swaps, the Company assesses hedge effectiveness based upon the fulfillment of the accounting requirements for special treatment.

(6) Others

(i) Amortization of deferred charges

Deferred charges are equally amortized over the term of bonds issued (5 years).

(ii) Accounting method of consumption tax and other

Consumption tax and other related taxes are excluded from revenue and purchases of the Company.

(7) Change of presentation
(Non-Consolidated Statement of Income)
"Reversal of allowance for doubtful receivables" (¥66 million for the fiscal year under review), which was separately recorded under extraordinary income until the previous fiscal year, has been stated under other income in the fiscal year under review, in accordance with the Practical Guidelines on Accounting Standards for Financial Instruments (Report No. 14 of the Accounting System Committee of the Japanese Institute of Certified Public Accountants). "Reversal of allowance for doubtful receivables" for the fiscal year under review, however, was less than 10% of total other income, and included in "Others" under other income.

(8) Additional information
(Application of Accounting Standard for Accounting Changes and Error Corrections, etc.)
For the accounting changes and error corrections after the beginning of the fiscal year, the Company has applied the Accounting Standard for Accounting Changes and Error Corrections (Business Accounting Standards No. 24; December 4, 2009) and the Guidance on Accounting Standard for Accounting Changes and Error Corrections (Application Guidelines for Business Accounting Standards No. 24; December 4, 2009).
"Reversal of allowance for doubtful receivables" (¥66 million for the fiscal year under review) has been stated under "Other income" in the fiscal year under review, in accordance with the Practical Guidelines on Accounting Standards for Financial Instruments (Report No. 14 of the Accounting System Committee of the Japanese Institute of Certified Public Accountants). Yet, we have not retroactively treated "Reversal of allowance for doubtful receivables" for the previous fiscal year.

Notes to Non-Consolidated Balance Sheet

(1) Accumulated depreciation of property, plant and equipment: ¥54,317 million

(2) Contingent liabilities
Guarantee liabilities
The Company has provided the following companies with guarantees for their bank borrowings, etc.

Guarantee	Amount (millions of yen)
NMB-Minebea Thai Ltd.	6,657
MINEBEA (HONG KONG) LIMITED	4,598
NMB SINGAPORE LIMITED	1,192
Other 9 companies	814
Total	13,264

(3) Monetary receivables from and monetary payables to affiliates:
Short-term receivables ¥31,343 million
(excluding short-term loan receivables from affiliates)
Short-term payables ¥24,313 million

(4) Accounting of notes matured at the end of fiscal year
The Company accounts for settlement of matured notes at the end of fiscal year at their exchange dates. Because the end of the current fiscal year was a holiday for financial institutions, the Company includes the following matured notes in their balance at the end of the fiscal year.
Notes receivable: ¥116 million

Notes to Non-Consolidated Statement of Income

(1) Transaction with affiliates:
Sales: ¥131,923 million
Purchase: ¥120,924 million
Amount of other operational transactions: ¥4,532 million
Amount of non-operating transactions: ¥3,839 million

(2) Total R&D expenses
The R&D expenses included in general administrative expenses and manufacturing costs for the current fiscal year are ¥5,816 million.

(3) Business restructuring losses
Loss accompanying the downsizing of the keyboard business.

Notes to Non-Consolidated Statement of Changes in Net Assets

Class and Number of Treasury Stock

Class of shares	Shares at beginning of current FY (shares)	Increased shares in current FY (shares)	Decreased shares in current FY (shares)	Shares at end of current FY (shares)
Common stock (Notes)	16,523,203	5,006,716	1,220,938	20,308,981

Notes:

1. *The increase of 5,006,716 shares in the number of treasury shares of common stock reflects the increase of 5,000,000 shares following the acquisition of treasury stock in accordance with the resolution of the Board of Directors and the increase of 6,716 shares from the purchase of fractional shares.*
2. *The 1,220,938 shares decrease in the number of treasury shares of common stock reflects the decrease of 1,220,000 shares resulting from disposal of treasury stock by the Employee Stock Holding Partnership Exclusive Trust Account, and request for purchases of 938 fractional shares.*
3. *The number of treasury shares of common stock includes our shares owned by the Employee Stock Holding Partnership Exclusive Trust Account (1,283,000 shares at the beginning of the current FY and 63,000 shares at the end of the current FY).*

Notes to Tax-Effect Accounting

(1) Major reasons for the accrual of deferred tax assets and deferred tax liabilities:

(Deferred tax assets)	
Excess of allowed limit chargeable to the accrued bonuses	¥829 million
Retirement benefits to directors and corporate auditors	70
Loss on the revaluation of investments in securities	617
Loss on the revaluation of investments securities in affiliates	1,244
Excess of allowed limit chargeable to the allowance for doubtful receivable	129
Excess of allowed limit chargeable to the depreciation	333
Impairment loss	117
Deficit brought forward	4,346
Foreign tax credit carry forwards	741
Others	406
Sub-total	8,837
Valuation allowance	(2,542)
Total deferred tax assets	6,295
(Deferred tax liabilities)	
Difference on revaluation of other marketable securities	12
Prepaid pension cost	361
Total deferred tax liabilities	374
Net deferred tax assets	5,920

(2) Major reasons for significant difference 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)	
Items to be regarded as taxable expenses, such as entertainment expenses	2.9
Items to be excluded from gross revenue, such as dividends income	(83.8)
Inhabitant tax levied per capita	2.7
Foreign tax credit carry forwards	0.3
Valuation allowance	(246.0)
Income taxes for prior year	48.7
Decrease in year-end deferred tax assets due to tax rate changes	10.1
Others	(0.9)
Ratio of income tax burden after the application of tax effect accounting	(227.0)

(3) Corrections of deferred tax assets and deferred tax liabilities in relation to changes in corporate tax rate

The Act for Partial Revision of the Income Tax Act, etc. for the Purpose of Creating Taxation System Responding to Changes in Economic and Social Structures (Act No. 114 of 2011) and the Act on Special Measures for Securing Financial Resources Necessary to Implement Measures for Reconstruction from the Great East Japan Earthquake (Act No. 117 of 2011) were promulgated on December 2, 2011. As a result, the corporate tax rate will be lowered and a reconstruction corporate tax will be imposed from the fiscal year beginning on or after April 1, 2012.

In line with this, the legal effective tax rate, which is used to calculate deferred tax assets and deferred tax liabilities, will be reduced from the current 39.0% to 38.01% for a temporary difference which is expected to be eliminated during the period between the fiscal year beginning April 1, 2012 and the fiscal year beginning April 1, 2014, and 35.64% for a temporary difference which is expected to be eliminated in or after the fiscal year beginning April 1, 2015.

The changes in the tax rate resulted in decreasing the amount of deferred tax assets (after deducting deferred tax liabilities) at the end of the fiscal year under review by ¥139 million, while increasing the adjustment of income taxes and the difference on revaluation of available-for-sale securities by ¥140 million and ¥1 million, respectively.

Notes to Fixed Assets Used through Lease Contracts

(1) Finance lease transactions (lessee)

Finance lease transactions that do not involve transfer of ownership

(i) Leased asset quality

a. Tangible fixed assets

Mainly helicopters (vehicles) and computer terminals (Tools, furniture and fixtures).

b. Intangible fixed assets

Software

(ii) Depreciation method of leased assets

Please refer to (2) Depreciation of Significant Accounting Policies.

(2) Operating leases

Outstanding future lease payments for noncancellable operating leases

Due within 1 year	¥342 million
Due after 1 year	0
Total	342

(Translation)

Notes to Transactions with Relevant Parties

(1) Subsidiaries etc.

Name of company, etc.	Voting rights or ownership (%)	Contents of relation		Contents of transaction	Transaction amount (millions of yen)	Account title	Year end balance (millions of yen)
		Concurrently serving etc.	Business relations				
Minebea Motor Manufacturing Corporation	60.0	Concurrently serving 1	NMB-MAT sells rotary components and related parts and the Company purchases from NMB-MAT certain parts of such components and parts for resale.	Purchase of rotary components and related parts	51,720	Account payable*2	4,108
NMB-Minebea-GmbH	100.0	Concurrently serving 0	NMB-Minebea-GmbH sells the Company's products and products purchased mainly in Germany.	Sales of the Company's products and products purchased	13,540	Account receivable	3,657
Precision Motors Deutsche Minebea GmbH	100.0	Concurrently serving 0	Precision Motors Deutsche Minebea GmbH develops and designs motors and others.	Payment of development cost incurred	665	Account payable -other	178
NMB-Minebea Thai Ltd.	100.0	Concurrently serving 4	NMB-Minebea Thai Ltd. manufactures machined components, rotary components, electronic devices and others, and the Company purchases them for resale. Loans from the Company.	Purchase of machined components, rotary components, electronic devices and others	41,476	Account payable	9,171
				Sales of the Company's products and products purchased	15,150	Account receivable	6,093
				Fund loan	60,800	Short-tem loans receivable	24,500
				Recovery of funds	58,800	—	—
				Interest income	311	—	—
				—	—	Guarantee of obligation	6,657
MINEBEA (HONG KONG) LIMITED	100.0	Concurrently serving 1	MINEBEA (HONG KONG) LIMITED sells the Company's products and products purchased mainly in China.	Sales of the Company's products and products purchased	78,675	Account receivable	12,752
				—	—	Guarantee of obligation	4,598

Notes: Terms and decision policy of the transaction

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

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

3. *Lending rate on loans is reasonably determined taking into account the market interest rate.*
4. *The Company provides debt guarantee for bank loan etc. of each company.*

(2) Directors and main individual shareholder

Attribution	Name of company, etc.	Voting rights (own or owned)	Contents of relation		Contents of transaction	Transaction amount (millions of yen)	Account title	Year end balance (millions of yen)
			Concurrently serving etc.	Business relations				
Companies which the Company's directors and nearly related person have over 50% of voting right	KEIAISHA Co., Ltd.	(Owned) Direct 3.96%	Concurrently serving 1	The Company purchases steel bar etc.	Purchase of steel bar etc.	3,195	Account payable*2	1,354
					Tools, furniture and fixtures lease transactions & rent etc.	602	Leased assets	210
							Lease obligations*2	220
							Account payable - other, current liabilities and others*2	12
					Land rent	35	Account receivable - others*2	2
					Non-operating income	12		

Notes: Terms and decision policy of the transaction

1. *Transaction amounts, 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.*

Notes to Per Share Information

(1) Net assets per share ¥464.11

(2) Net income per share ¥12.02

(Translation)

Notes to the Retirement Allowance Accounting

(1) Retirement allowance plan adopted by the Company

The Company has fully adopted the defined contribution pension plan and the defined benefit pension plan to provide against retirement payments to employees.

(2) Substance of retirement benefit liabilities

(i) Retirement benefit liabilities and their breakdown:

a.	Retirement benefit liabilities	¥14,696 million
b.	Pension assets	12,336
c.	Balance (a – b)	2,360
d.	Unrecognized prior service costs	1,849
e.	Unrecognized amortization of actuarial difference	1,427
f.	Difference (c – d – e)	(916)
g.	Prepaid pension cost	(949)
h.	Allowance for retirement benefit	33

(ii) Breakdown of expense for retirement benefit:

a.	Service expense	¥727 million
b.	Interest expense	285
c.	Expected investment income	(220)
d.	Unrecognized prior service costs expenses	308
e.	Amortization of actuarial difference treated as expense	695
f.	Retirement benefit costs (a + b + c + d + e)	1,797
g.	Defined contribution pension premiums	146
	Total	1,943

(3) Calculation basis for retirement benefit liabilities

Discount rate	2.0%
Expected investment income rate	2.0%

Method of periodic allocation of expected retirement benefit amounts: Periodic fixed standard

Number of years for amortization of unrecognized prior service costs: 10 years (From the business year which they are incurred, it is charged to expense by the straight-line method.)

Number of years required for the treatment of the amortization of actuarial difference: 5 years (From the next business year, it is charged to expense by the straight-line method.)

(Translation)

Report of the Independent Auditors for Consolidated Financial Statements

AUDIT REPORT OF THE INDEPENDENT AUDITORS

May 10, 2012

To: The Board of Directors
Minebea Co., Ltd.

KPMG AZSA LLC

Toshiharu Kawai (seal)
Designated Limited Liability Partner
Certified Public Accountant

Yoshihiko Nakamura (seal)
Designated Limited Liability Partner
Certified Public Accountant

Danya Sekiguchi (seal)
Designated Limited Liability Partner
Certified Public Accountant

We have audited the Consolidated Financial Statements, including the Consolidated Balance Sheet, the Consolidated Statement of Income, the Consolidated Statement of Changes in Net Assets and Notes to Consolidated Financial Statements of Minebea Co., Ltd. for the fiscal year from April 1, 2011 to March 31, 2012, pursuant to Paragraph 4, Article 444, of the Companies Act.

Management's responsibility for the consolidated financial statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with generally accepted accounting principles in Japan. This includes the development, implementation, and maintenance of internal control deemed necessary by management for the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Independent auditors' responsibility
Our responsibility is to express an opinion on the consolidated financial statements based on our audits as independent auditors. We conducted our audits in accordance with auditing standards generally accepted in Japan. Those auditing standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected and applied depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. The purpose of an audit is not to express an opinion on the effectiveness of the entity's internal control. However, in making those risk assessment, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used, the method of their application, and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Audit opinion
In our opinion, the consolidated financial statements referred to above, presents fairly, in all material respects, the financial position and the results of operations of Minebea Co., Ltd. and its consolidated subsidiaries as of the date and for the period for which the consolidated financial statements were prepared in accordance with generally accepted accounting principles in Japan.

Interests in the Company
Neither our firm nor any of the partners in charge has any interest in the Company as required to be disclosed herein under the provisions of the Certified Public Accountant Act.

(Translation)

Report of the Independent Auditors for Non-Consolidated Financial Statements

AUDIT REPORT OF THE INDEPENDENT AUDITORS

May 10, 2012

To: The Board of Directors
Minebea Co., Ltd.

KPMG AZSA LLC

Toshiharu Kawai (seal)
Designated Limited Liability Partner
Certified Public Accountant

Yoshihiko Nakamura (seal)
Designated Limited Liability Partner
Certified Public Accountant

Danya Sekiguchi (seal)
Designated Limited Liability Partner
Certified Public Accountant

We have audited the Financial Statements, including the Balance Sheet, the Statement of Income, the Statement of Changes in Net Assets, Notes to Non-Consolidated Financial Statements and their supplementary statements of Minebea Co., Ltd. for the 66th fiscal year from April 1, 2011 to March 31, 2012, pursuant to Item 1, Paragraph 2, Article 436, of the Companies Act.

Management's responsibility for the Financial Statements, etc.
Management is responsible for the preparation and fair presentation of these financial statements and their supplementary statements in accordance with generally accepted accounting principles in Japan. This includes the development, implementation, and maintenance of internal control deemed necessary by management for the preparation and fair presentation of financial statements and their supplementary statements that are free from material misstatement, whether due to fraud or error.

Independent auditors' responsibility
Our responsibility is to express an opinion on the financial statements and their supplementary statements based on our audits as independent auditors. We conducted our audits in accordance with auditing standards generally accepted in Japan. Those auditing standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and their supplementary statements are free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and their supplementary statements. The procedures selected and applied depend on our judgment, including the assessment of the risks of material misstatement of the financial statements and their supplementary statements, whether due to fraud or error. The purpose of an audit is not to express an opinion on the effectiveness of the entity's internal control. However, in making those risk assessment, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements and their supplementary statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used, the method of their application, and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and their supplementary statements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Audit opinion
In our opinion, the financial statements and their supplementary statements referred to above, presents fairly, in all material respects, the financial position and the results of operations of Minebea Co., Ltd. as of the date and for the period for which the financial statements and their supplementary statements were prepared in accordance with generally accepted accounting principles in Japan.

Interests in the Company
Neither our firm nor any of the partners in charge has any interest in the Company as required to be disclosed herein under the provisions of the Certified Public Accountant Act.

(Translation)

Report of the Board of Corporate Auditors

AUDIT REPORT

As the results of deliberation, the Board of Corporate Auditors prepared this Audit Report in accordance with reports presented by each Corporate Auditor with respect to the performance of duties by the Directors during the 66th business year from April 1, 2011 to March 31, 2012, and report the results as follows:

1. Method and Content of Audit Conducted by Corporate Auditors and Board of Corporate Auditors

The Board of Corporate Auditors established the audit policy and allocation of duties, etc., received reports from each Corporate Auditor on the implementation of audit and its results, received reports from Directors, etc. and the Independent Auditors on the performance of their duties and asked them details when necessary.

Each Corporate Auditor conforms to the auditing standards prescribed by the Board of Corporate Auditors, complies with the audit policy and allocation of duties, etc., maintains communication with Directors, Executive Officers, the Internal Auditing Office and other employees, etc., endeavors to collect information and establishes a system necessary for auditing services, attends meetings of the Board of Directors and other important meetings, receives reports from Directors, Executive Officers and employees, etc. on the performance of their duties, asks them details when necessary, reviews important written decisions, and investigates business and financial conditions at the head office as well as at the main business offices of the Company. In addition, each Corporate Auditor monitors and examines the resolutions of the Board of Directors and the status of the system developed under such resolutions with regard to the development of the system stipulated in Article 100, Paragraph 1 and 3 of the Enforcement Regulations of the Companies Act (Internal Control System) necessary to ensure the conformity of the performance of duties by Directors with laws and the Articles of Incorporation and also ensure the appropriateness of business in a corporation.

Regarding the internal control relevant to financial report under the Financial Instruments and Exchange Law, we received report from both directors, etc., and KPMG AZSA LLC regarding progress of their discussions and evaluation of internal control and auditing status, and asked for explanation as needed.

The Basic Policy of Item 3 (a), Article 118 of the Enforcement Regulations of the Companies Act and each approach of Item 3 (b), Article 118 of the same described in the Business Report were reviewed based upon the deliberations by the Board of Directors and others.

Each Corporate Auditor maintains communication and exchanges information with Directors and Corporate Auditors, etc. of subsidiaries, receives business reports of the subsidiaries when necessary. Through the above methods, the Corporate Auditor reviews business reports and detailed statements of the Company for such business year.

Further, we monitored and verified that the Independent Auditors have maintained their independence and conducted appropriate audits. Also, we received reports from the Independent Auditors regarding the execution of their duties and requested explanations as needed. The Company received a notice from the Independent Auditors purporting to the formulation of a “System to ensure proper performance of its duties” (provided in each item of Article 131 of the Corporate Accounting Rules) in accordance with the “Quality Control Standards for Audits” (Business Accounting Council, October 28, 2005), among others, and requested explanations as needed.

Through the above methods, we reviewed financial statements for such business year (balance sheet, statement of income, statement of changes in net assets and notes to financial statements) and supplementary statements and consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets and notes to consolidated financial statements).

2. Results of Audit

(1) Audit Results of Business Reports, etc.

1) We certify that the business reports and their detailed statements fairly present the situation of the Company in accordance with laws and the Articles of Incorporation.
2) We found no wrongful act or material fact in violation of laws or the Articles of Incorporation with respect to the performance of duties by the Directors.
3) We certify that the resolutions of the Board of Directors with respect to the internal control system are proper and correct. In addition, we found no matter to be pointed out about the performance of duties by the Directors with respect to the internal control system.
4) We found no matter to be pointed out about the basic policy, which is described in the business report, regarding the quality and nature of persons who control decisions on the Company’s financial and business policies. We certify that those measures are consistent with such basic policy, would not interfere with the shareholders’ common interests and are introduced not for maintaining the positions of the Company’s officers.

(2) Audit Results of Financial Statements and Supplementary Statements
We certify that the auditing method of KPMG AZSA LLC and the results of its audit are proper and correct.

(3) Audit Results of Consolidated Financial Statements
We certify that the auditing method of KPMG AZSA LLC and the results of its audit are proper and correct.

May 10, 2012

Board of Corporate Auditors of Minebea Co., Ltd.

Akifumi Kamoi (seal)
Standing Corporate Auditor

Kazuaki Tanahashi (seal)
Standing Outside Corporate Auditor

Hirotaka Fujiwara (seal)
Outside Corporate Auditor

Hisayoshi Rikuna (seal)
Outside Corporate Auditor

(Translation)

Reference Documents for the General Meeting of the Shareholders

First Proposal:
Appropriation of Surplus

The appropriation of surplus of the Company shall be as follows:

Matters concerning year-end dividend:
Comprehensively taking into account the business environment and maintaining a continuous, stable profit distribution, the Company will set the basic policy under which it gives top priority to improving the efficiency of shareholders' equity and distributing more profit to shareholders, thereby returning its profits to shareholders commensurate with its business performance. In accordance with this policy, the dividends of the 66th business period shall be as follows:

(1) Type of dividend
Cash

(2) Matters concerning the allocation of dividend and total amount
Dividend per common share of the Company would be ¥4
In this case, total dividends are ¥1,515,686,856.
Since the interim dividend in the amount of ¥3 has been distributed, the annual dividend for the current term would be ¥7 per share.

(3) Effective date for surplus dividend
June 29, 2012

Second Proposal:
Revision of Remunerations for Directors (Introducing Stock Options for Directors Compensation)

The Company resolved that the amount of the annual remuneration for the Directors shall be not more than ¥500 million (including remuneration of up to ¥20 million for outside directors and not including employee remuneration for directors that are concurrently employed by the Company) at the 61st Ordinary General Meeting of Shareholders held on June 28, 2007 and the rules have been applicable up to the present. However, this time, in line with the review of the director's remuneration system, the Company proposes a partial revision of the system of remuneration (introducing stock options for Directors Compensation), for the purpose of making the link between the Company's business performance and stock value clearer in the director's remuneration system, giving them greater motivation to make contributions to improve business performance and increase enterprise value in the medium and long run, and facilitating their sense of sharing value with shareholders. Under the revised system, the annual remuneration for the Directors includes the remunerations of up to ¥30 million per annum for stock options to be granted for directors (excluding outside directors) within the limits of the above remuneration amount.

The granting of stock options will be executed by providing directors allotted stock acquisition rights with the same amount of cash remuneration as the amount to be paid for the stock acquisition rights. The directors shall set off his/ her claims for remuneration against the Company in lieu of payment of monies for the stock acquisition rights allotted. The amount of stock option compensation will be determined by multiplying the fair value per one stock acquisition right calculated on the day of allotment by the total number of stock acquisition rights allotted. If the granting of stock options will be executed, the Company will reduce an amount of cash remuneration equivalent to the same amount of the remuneration to be paid for the stock acquisition rights from the total amount of remuneration granted for such directors.

At present, there are ten directors (including two outside directors).

(Translation)

Details of Stock Acquisition Rights (Stock Options) used as Remunerations for Directors

(1) Total number of stock acquisition right, and class and number of shares to be issued upon exercise of stock acquisition rights

1) Total number of stock acquisition rights
The maximum number of stock acquisition rights is 1,000, which will be allotted among directors within a year from the day of the Ordinary General Meeting of Shareholders for the corresponding fiscal year.

2) Class and number of shares to be issued upon exercise of stock acquisition rights
The class of shares to be issued upon exercise of stock acquisition rights will be common shares of the Company. The number of shares to be issued upon exercise of each of the 1,000 stock acquisition rights will be 100 shares (hereafter the “Number of Allotted Shares”).

In case the Company conducts a share split or a consolidation of shares, after the date of the allocation of stock acquisition rights (hereafter the “Day of Allotment”), the Number of Allotted Shares will be adjusted according to the formula below.

Number of Allotted Shares after adjustment = Number of Allotted Shares before adjustment x Ratio of share split or consolidation of shares

In addition, in the case that the Company is subject to a merger, a company split, a share exchange or an allotment of shares without contribution after the Day of Allotment, or if there is another instance in which the adjustment of the Number of Allotted Shares is appropriate, the Company shall appropriately adjust it to a necessary and reasonable extent.

Any fractional shares resulting from the adjustment mentioned above shall be rounded off.

(2) Amount of assets to be contributed upon the exercise of stock acquisition rights
The amount of assets to be contributed upon the exercise of stock acquisition rights shall be determined by multiplying the per-share value by the Number of Allotted Shares, where the value per share to be received by the exercise of stock acquisition rights shall be ¥1.

(3) Exercise period for stock acquisition rights
Within 30 years of the day following the Day of Allotment.

(4) Restrictions on transfer of stock acquisition rights
Any proposed transfer of stock acquisition rights shall be subject to the approval of the Board of Directors of the Company.

(5) Conditions for the exercise of stock acquisition rights
A person who has been granted stock acquisition rights, but who ceases to be a director before the expiration of the exercise period in (3) above, may exercise all such rights, in a single transaction, within ten days (in the event that the 10th day is a holiday, by the next business day) of the day immediately following the day upon which he/she ceases to be a director.

(6) Other details of stock acquisition rights
Other matters related to stock acquisition rights shall be determined by the Board of Directors of the Company when the subscription requirements for stock acquisition rights are determined.

---End---

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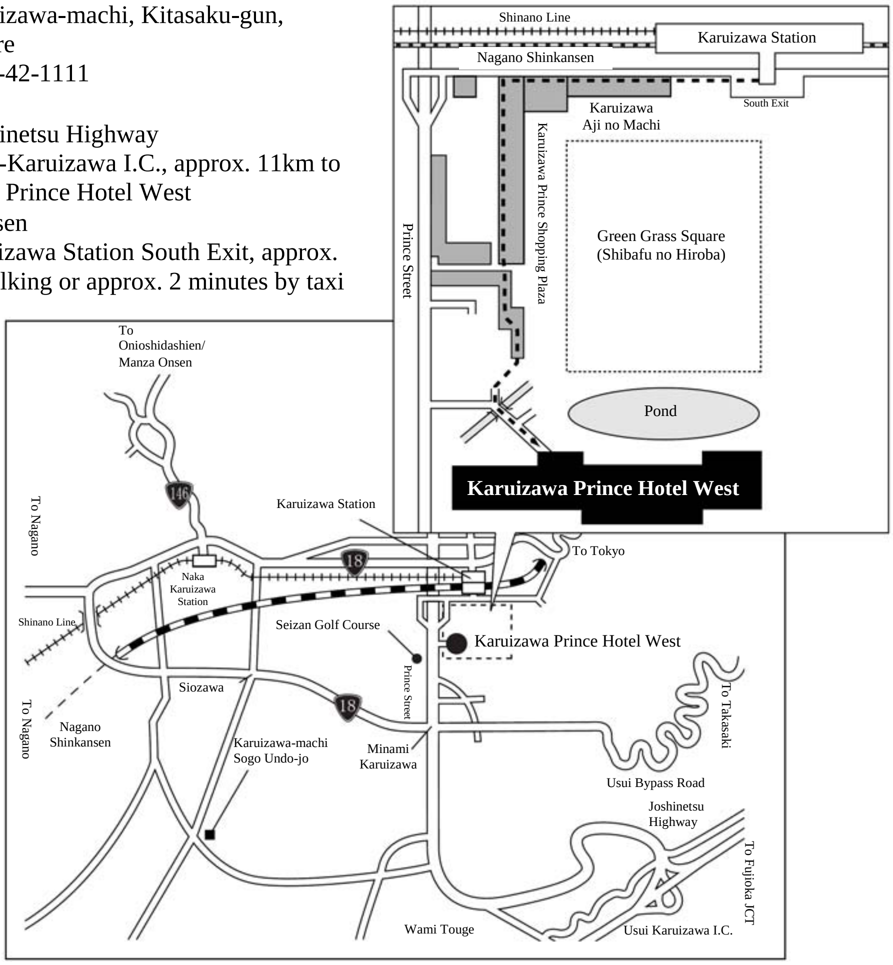
(Translation)

ROUTE MAP

Place: Convention Hall Asama
Karuizawa Prince Hotel West
Karuizawa, Karuizawa-machi, Kitasaku-gun,
Nagano Prefecture
Telephone: 0267-42-1111

Access: Automobile/Joshinetsu Highway
From the Usui-Karuizawa I.C., approx. 11km to the Karuizawa Prince Hotel West
Nagano Shinkansen
From JR Karuizawa Station South Exit, approx. 15 minutes walking or approx. 2 minutes by taxi



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[Transportation from JR Karuizawa Station to the Location of the General Meeting of Shareholders]

A chartered bus will depart from the South Exit of JR Karuizawa Station for the location of the General Meeting of Shareholders at the following times.

From JR Karuizawa Station South Exit	9:20 am
	9:40 am