The following is an English translation of the Notice of the 67th Ordinary General Meeting of Shareholders of Minebea Co., Ltd., to be held on June 27, 2013.
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 5, 2013

To the Shareholders

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

Minebea Co., Ltd.
Yoshihisa Kainuma
Representative Director

Notice of the 67th Ordinary General Meeting of Shareholders

The 67th 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 26, 2013.

Particulars of the Meeting

1. Date and Time:
10:00 a.m., Thursday, June 27, 2013

2. Place:
Convention Hall Asama
Karuizawa Prince Hotel West
Karuizawa, Karuizawa-machi, Kitasaku-gun, Nagano Prefecture

3. Purpose:

To report on:

1) The Business Report and the Consolidated Financial Statements for the 67th fiscal year (April 1, 2012 to March 31, 2013), 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 67th fiscal year (April 1, 2012 to March 31, 2013)

To vote on:

First Proposal:
Appropriation of Surplus

Second Proposal:
Election of Nine (9) Directors

4. Guidance on Exercising Voting Rights:

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

Please indicate your vote for or against each proposal on the enclosed voting card, and return it by 5:30 p.m., Wednesday, June 26, 2013.

(2) Exercise of your voting rights via the Internet, etc.

If you would exercise your voting rights via the Internet, etc., please refer to page 3 "Procedures for Exercising Voting Rights via the Internet" and complete the procedure by 5:30 p.m., Wednesday, June 26, 2013.

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1. If attending the Meeting, please hand in the enclosed voting card completed, to the receptionist at the meeting.
2. This notice of the Meeting is also posted on our website.
3. For any revisions to the contents of the reference documents for the Meeting, the business report or the consolidated and non-consolidated financial statements prior to the day before the Meeting, we will notify you of the revisions either by mail or via our website.

Minebea website: (http://www.minebea.co.jp/)

(Translation)

Procedures for Exercising Voting Rights via the Internet, etc.

If exercising voting rights via the Internet, etc., please review the following items in advance.

1. You may exercise your voting rights via the Internet only by accessing the Voting Rights Exercise Site designated by the Company. You may also your mobile phone (including smartphones. The same shall apply hereinafter) to access the site on the Internet.

   [The Voting Rights Exercise Site URL] http://www.web54.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 card, follow the guidance on the screen and vote for or against each proposal.
3. The deadline for the exercise of voting rights is 5:30 p.m., Wednesday, June 26, 2013, but shareholders are requested to do so as early as possible.
4. If you exercise your voting rights more than once by mail and via the Internet, etc., the voting via the Internet shall prevail. In the case where you exercise your voting rights via the Internet more than once or both by PC and by mobile phone, the last vote shall prevail.
5. The fees to the provider and telecommunications carriers (internet connection fees, etc.) for accessing the voting rights exercise site shall be borne by the shareholder.

Systems Environment Required for Exercising Voting Rights via the Internet

If you choose to exercise your voting right via the Internet, you will need the following system environment:

(1) Via the site for PCs
   a. A screen resolution of at least 800 dpi (horizontal) × 600 dpi (vertical) (SVGA) or better.
   b. The following applications installed:
      (a) Microsoft® Internet Explorer Version 5.01 SP2 or later for Internet browser for Windows PCs
      (b) Adobe® Acrobat® Reader™ Version 4.0 or later for PDF file browser or Adobe® Reader® Version 6.0 or later
      * Internet Explorer is a trademark and product name of Microsoft Corporation while Adobe® Acrobat® Reader™ is a trademark and product name of US Adobe Systems Incorporated. Both are registered in the US and other countries.

(2) Via the site for mobile phones
   Phone models that enables 128-bit SSL (Secure Socket Layer) connection security.
   You may also exercise your voting rights using the full browser function of most smartphones and other mobile devices. Note, however, that this may not be possible on some device models.

Inquiry for Exercising Voting Rights via the Internet

For questions about how to use PCs, etc.

(1) If you have any questions on the use of PCs or mobile devices for the exercise of voting rights, please contact the following:
   Stock Transfer Agency Website Support help desk, Sumitomo Mitsui Trust Bank, Limited.
   Phone: 0120-652-031 (9:00 a.m. to 9:00 p.m., toll free (only within Japan)

(2) For any other inquiries, please contact the following:
   a. For shareholders who have securities accounts, please contact your securities company.
   b. For shareholders who do not have securities accounts (special account holder)
      Stock Transfer Agency Department, Sumitomo Mitsui Trust Bank, Limited, Tokyo, Japan.
      Phone: 0120-782-031 (9:00 a.m. to 5:00 p.m., excluding Saturdays, Sundays and holidays, toll free (within Japan only))

The Electronic Voting Rights Exercise Platform (to institutional investors)

To exercise voting rights at this Ordinary General Meeting of Shareholders, institutional investors can use the Internet voting rights exercise platform operated by ICJ, Inc.

(Translation)

(Attached Documents)

Business Report

(April 1, 2012 to March 31, 2013)

1. Status of the Corporate Group

(1) Operating performance of the fiscal year

(i) Operating performance

Fueled by reconstruction efforts in the wake of the 3-11 earthquake, demand in the Japanese market during the fiscal year that ended on March 31, 2013 remained steady. Exports and capital investments, however, declined sharply amidst the global economic slowdown, the appreciation of the yen, and strained relations between Japan and China. At the same time though the Japanese economy started showing signs of recovery in the fourth quarter of the consolidated fiscal year as a result of urgent economic measures along with the weak yen policy implemented by the Liberal Democratic Party that took over the reins of government at the end of last year. Although the U.S. saw robust domestic consumer spending and improvements in the housing market, economic recovery was hampered by persistent high unemployment. Despite the prolonged sovereign debt crisis, the German economy remained strong. Elsewhere in Europe, however, the economic gap widened as the economies of some countries continued to lag behind due to higher unemployment rates and slow economic recovery. While the ailing European economy put the brakes on exports to Europe, stagnating domestic demand in China and India put a damper on economic growth there while ASEAN countries enjoyed a healthy economy fueled by robust domestic demand.

Working against this backdrop, the Minebea Group has been moving ahead to cut costs, create high-value-added products, develop new technologies, and enhance its marketing efforts with an eye to boosting profitability.

As a result, net sales increased 31,051 million yen (12.4%) year on year, to reach 282,409 million yen, and operating income increased 1,570 million yen (18.3%) year on year, to total 10,169 million yen. Ordinary income was up 1,174 million yen (18.1%) year on year to 7,673 million yen. Extraordinary income included a gain of 4,304 million yen from the sale of the Omori Plant as well as a gain of 2,572 million yen from a partial payment of the insurance claim for flood damage in Thailand. Extraordinary losses included losses due to restructuring of the rotary components business segment, impairment loss, etc., which came to 4,905 million yen. They also entailed costs associated with the partial discontinuation of the defined benefit pension plan at our U.S. subsidiary, which totaled 1,641 million yen, and losses due to restructuring of the speaker business segment as well as an allowance for doubtful accounts, which totaled 954 million yen. All these factors combined brought net income down 4,118 million yen (-69.5%) year on year to total 1,804 million yen.

Performance by business segment is as follows:

Machined Components Business

Our products in the Machined components business segment include our mainstay product, ball bearings, in addition to mechanical components such as rod-end bearings primarily used in aircraft and hard disk drive (HDD) pivot assemblies, as well as fasteners for automobiles and aircraft. While the first quarter of the consolidated fiscal year ball bearing sales and production remained steady, the global economic slowdown and deteriorating HDD market conditions that precipitated a drop in sales beginning in the second quarter as well as reduced production due to inventory adjustments led to a year-on-year decrease in operating income. Sales, on the other hand, edged up due to the weak yen. Rising demand from the aviation market kept rod-end bearing sales and profits up above last year's levels. The pivot assembly business had a good start in the first quarter with an increase in market share as demand rose in the aftermath of Thailand's severe floods. Although sales fell after the second quarter due to the ailing HDD market, both sales and profits were up year on year due to the weak yen and our increased market share. As a result, net sales were up 6,536 million yen (6.1%) year on year to total 113,573 million yen while operating income fell 152 million yen (-0.6%) year on year to total 25,459 million yen.

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, micro actuators, and other precision motors. The slowdown in the global economy and recent spat between Japan and China as well as sudden appreciation of local currencies in Thailand and China where we operate production facilities has put a dent in demand for our information motors, leading to declined sales of fan motors as well as DC brush motors. On the bright side, sales of stepping motors and DC brushless motors remained steady as a result of cost cuts despite a drop in profits. The vibration motor business was sluggish due to downtime losses associated with the discontinuation of our coreless vibration motors. Robust sales of automobile resolvers however drove operating income for precision motors up on a year-on-year basis. Micro actuators sales dropped sharply along with the declining market for compact digital cameras, in which they are the primarily used, while costs rose as we shifted production from a Chinese subcontractor to our Cambodian plant. Although the decline in the HDD market after the second quarter of the consolidated fiscal year has affected our HDD spindle motor business, overall sales soared and profits were up year on year as a result of our efforts to boost sales of our high-value-added products. As a result, net sales were up 10,556 million yen (11.6%) year on year to total 101,919 million yen while operating income decreased 250 million yen year on year to total -4,368 million yen.

Electronic Devices and Components Business

Liquid crystal display (LCD) backlights, inverters, and measuring components make up the core products of the Electronic devices and components business. The LCD backlight business posted a jump in profits as production and sales picked up after the second quarter of the consolidated fiscal year but saw a sharp decline in production and sales in the fourth quarter when customers made temporary, drastic cuts in production volume. Overall, business performance significantly improved over the last fiscal year. Overall performance for measuring components was also upbeat as sales to the auto sector climbed although fourth quarter performance was off due to sudden appreciation of local currencies in Thailand and China where we operate production facilities. All these factors resulted in net sales of 57,190 million yen, a significant increase of 19,303 million yen (50.9%) year on year. Operating income jumped 2,490 million yen year on year to 1,531 million yen thanks to a big improvement in the LCD backlight business.

Other Businesses

Our other business segment mainly includes speakers and special devices. Although the speaker business faced an uphill battle against falling sales, the special devices business saw a year-on-year increase in profits. The discontinuation of the finished keyboard line brought net sales down 5,342 million yen (-35.5%) year on year to total 9,726 million yen while operating income was up 569 million yen year on year at 231 million yen.

In addition to the figures above, the operating income for the consolidated fiscal year includes 12,683 million yen of corporate expenses, etc. as adjustments not belonging to any particular segment. Adjustments for the previous fiscal year amounted to 11,595 million yen on a consolidated basis.

(ii) Capital expenditures

During the consolidated fiscal year under review, capital expenditures were 9,100 million yen for the Machined Components Business, 11,974 million yen for the Rotary Components Business, 2,261 million yen for the Electronic Devices and Components Business, 763 million yen for the Other Businesses and 19,587 million yen for adjustment, totaling 43,687 million yen.

The main capital expenditures for the Machined Components Business were equipment for increasing the production and rationalization of production for bearings and HDD pivot assemblies in Thailand. The main capital expenditures for the Rotary Components Business were equipment for HDD spindle motors in Thailand and equipment for information motors in Cambodia, China and other countries. The main capital expenditures for the Electronic Devices and Components Business were LCD backlights and components related facilities in Thailand and China. Other capital expenditures for other businesses and at the corporate level were mainly expenditures related to the Company's head office building (a Company's own building).

Capital expenditures included 893 million yen for intangible assets and an asset increase of 143 million yen through new finance lease arrangements.

(iii) Financing

The Company borrowed 17,000 million yen from financial institutions on a long-term basis to fund capital expenditures in Japan during the fiscal year under review.

At the end of the consolidated fiscal year under review, borrowings including corporate bonds stood at 170,142 million yen.

(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 subscription rights to shares, etc. of other companies

The Company acquired the majority of issued shares outstanding (50.8%) of Moatech Co., Ltd., a leading manufacturer of small precision motors in South Korea, as of May 31, 2012.

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

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

	Fiscal 2010 (4/09–3/10)	Fiscal 2011 (4/10–3/11)	Fiscal 2012 (4/11–3/12)	Fiscal 2013 (4/12–3/13)
Net sales (millions of yen)	228,446	269,139	251,358	282,409
Ordinary income (millions of yen)	10,203	20,364	6,499	7,673
Net income (millions of yen)	6,662	12,465	5,922	1,804
Net income per share (yen)	17.20	32.61	15.63	4.83
Total assets (millions of yen)	277,967	291,092	306,772	362,805
Net assets (millions of yen)	108,381	109,967	109,777	137,858

Note: Amounts less than 1 million yen are omitted.

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

	Fiscal 2010 (4/09–3/10)	Fiscal 2011 (4/10–3/11)	Fiscal 2012 (4/11–3/12)	Fiscal 2013 (4/12–3/13)
Net sales (millions of yen)	158,011	201,058	186,316	204,291
Ordinary income (millions of yen)	6,753	9,012	4,542	8,424
Net income (millions of yen)	5,221	4,817	4,556	2,880
Net income per share (yen)	13.48	12.60	12.02	7.71
Total assets (millions of yen)	311,837	323,792	339,795	355,589
Net assets (millions of yen)	173,026	174,926	175,830	175,315

Note: Amounts less than 1 million yen 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	Nagano, Japan	JPY 11,500 million	100.0%	Manufacture and sales of rotary components and parts
NMB-Minebea Thai Ltd.	Thailand	BAHT 15,305,363 thousand	100.0%	Manufacture and sales of machined components, rotary components, electronic devices, components and others
NMB (USA) Inc.	U.S.A.	USD 311,093 thousand	100.0%	Holding company
NMB Technologies Corporation	U.S.A.	USD 6,800 thousand	100.0% (100.0%)	Sales of machined components, rotary components and others
New Hampshire Ball Bearings, Inc.	U.S.A.	USD 94,000 thousand	100.0% (100.0%)	Manufacture and sales of bearings
MINEBEA ELECTRONICS & HI-TECH COMPONENTS (SHANGHAI) LTD.	China	USD 239,060 thousand	100.0%	Manufacture and sales of machined components, rotary components, electronic devices, components and others
MINEBEA (HONG KONG) LIMITED	Hong Kong	HKD 100,000 thousand	100.0%	Sales of machined components, rotary components, electronic devices and others

Notes: 1. Figures in parentheses for the voting rights ratio in the above table show the ratio of indirect ownership.

2. When a joint venture business with Panasonic Corporation terminated in February 2013, Minebea Motor Manufacturing Corporation additionally acquired its shares and implemented a capital increase. Consequently, its common share capital and voting rights ratios have changed.

Minebea Motor Manufacturing Corporation was dissolved through an absorption-type merger in which the Company became the surviving company, effective as of April 2, 2013.

(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 our integrated capabilities. . 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 develop a more flexible system for producing pivot assemblies in order to keep pace with the declining demand from the hard disk drive-related market.

(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; 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.

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

(5) Main business lines (As of March 31, 2013)

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	Speakers and special devices, etc.

(6) Major offices and plants (As of March 31, 2013)

(i) The Company's major offices and plants

Head Office	Miyota-machi, Kitasaku-gun, Nagano Prefecture
Tokyo Head Office	Minato-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 (Minato-ku, Tokyo) West Kanto Branch (Hachioji-shi, Tokyo) Nagoya Branch (Nagoya-shi, Aichi Prefecture) Osaka Branch (Osaka-shi, Osaka Prefecture)

Note: The Tokyo Head Office and Tokyo Branch relocated to Minato-ku, Tokyo from Meguro-ku, Tokyo in January 2013

(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, 2013)

(i) Employees of the corporate group

Classification	Number of employees	Increase (decrease) from the end of the previous year
Machined components business	18,068	(541)
Rotary components business	23,991	1,106
Electronic devices and components business	9,092	1,280
Other businesses	1,584	34
Whole company (common)	592	42
Total	53,327	1,921

Notes:

1. *The number of employees is the number that is at work.*
2. *The "Whole company (common)" refers to employees in the administration department but not under either business segment.*
3. *The number of employees in the Electronic Devices and Components Business increased by 1,280 compared to the previous consolidated fiscal year. This increase was necessary to support the increase in LCD backlight production.*

(ii) Employees of the Company

Number of employees	Increase (decrease) from the end of the previous year	Average age	Average of working years
3,282	373	42.3	16.8

Notes:

1. *The number of employees is the number that is at work.*
2. *The number of employees increased mainly due to the absorption-type merger of Minebea Motor Manufacturing Corporation.*

(8) Major lenders (As of March 31, 2013)

Lenders	Outstanding borrowing (millions of yen)
Syndicate loans	45,000
Sumitomo Mitsui Trust Bank, Limited	29,293
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	23,177
Sumitomo Mitsui Banking Corporation	22,969
The Hachijuni Bank, Ltd.	5,682
Mizuho Corporate Bank, Ltd.	3,640

Notes:

1. *The syndicate loan refers to the total amount of 4 syndicate loans which are organized by 2 from Sumitomo Mitsui Trust Bank, Limited, 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 yen in order to effectively finance the running cost. As of the end of current consolidated fiscal year, there is no borrowing under this agreement.*

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

(Investigations by Korean, Singaporean and the U.S. competition authorities)

We are currently responding to the investigations made by Korean, Singaporean and the U.S. competition authorities on suspicion of attempted violation of relevant competition laws in those countries in relation to the dealing in the miniature ball baring products. It is difficult for us to predict whether or not there would be material impacts on the operating results etc. of the Company at this point in time.

(Translation)

2. Shares of the Company

(1) Overview of shares (As of March 31, 2013)

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

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

(iii) Number of shareholders: 23,771 persons

(iv) Major shareholders (top 10 shareholders):

Name of shareholders	Number of shares (thousands)	Shareholding ratio (%)
Japan Trustee Services Bank, Ltd. (Trust account)	27,079	7.15
The Master Trust Bank of Japan, Ltd. (Trust account)	25,495	6.73
Japan Trustee Services Bank, Ltd. (Trust account 9)	16,338	4.31
Zenkyoren (National Mutual Insurance Federation of Agricultural Cooperatives)	15,761	4.16
Takahashi Industrial and Economic Research Foundation	15,447	4.08
Sumitomo Mitsui Trust Bank, Limited	15,349	4.05
KEIAISHA Co., Ltd.	15,000	3.96
Japan Trustee Services Bank, Ltd. (Trust account 4)	13,531	3.57
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	10,057	2.65
Sumitomo Mitsui Banking Corporation	10,000	2.64

Notes:

1. *The Company holds 20,248,627 shares of treasury stock, which are excluded from the major shareholders.*
2. *Shareholding ratio is calculated exclusive of treasury stock.*

(2) Matters relating to subscription rights to shares, etc.

(i) Subscription rights to shares held by the Company's officers which were granted as consideration for their performance of duties at the end of the fiscal year under review

	Series I subscription rights to shares of Minebea Co., Ltd. issued in 2012 (Issued on July 17, 2012)
Resolution date of issuance	June 28, 2012
Number of subscription rights to shares	470
Number of holders	Eight directors (excluding outside directors)
Class and number of shares underlying the exercise of subscription rights to shares	47,000 shares of common stock of the Company (100 shares as per one subscription right to share)
Issue prices and capitalization value when shares are issued through the exercise of subscription rights to shares	Issue price 252 yen *1 Capitalization 126 yen *2
Value of assets contributed to the exercise of subscription rights to shares	1 yen per share
Exercise period for subscription rights to shares	From July 18, 2012 to July 16, 2042
Key terms and conditions for the exercise of stock acquisition rights	*3

Notes:

*1. *The issue prices represent the sum total of the fair value of subscription rights to shares as of the allotment date (251 yen per share) and the payment amount at the time of exercise of subscription rights to shares (1 yen per share).*
Any person who receives an allotment of subscription rights to shares (hereinafter, a "holder of subscription rights to shares") may offset debts for payment for the subscription rights to shares with compensations receivable due to them in lieu of direct payment.

*2. *Shares delivered to holders of subscription rights to shares when they exercise subscription rights to shares are exclusively shares of treasury stock, hence no new shares will be issued in the context of this transaction. If any shares of treasury stock are delivered, no capitalization will be made.*

*3. *(i) During the exercise period, any director who is a holder of subscription rights to shares may exercise all of his or her subscription rights to shares at one time within a 10-day period following the date of termination of his or her directorship (when the 10th day following the date of termination falls on holiday, the period up to the following business day).*
(ii) When any holder of subscription rights to shares passes away, his or her heirs may exercise all the subscription rights to shares, only in a single transaction, within the six-month period following the date of death.
(iii) Other terms and conditions for the exercise of subscription rights to shares are as specified in the "Subscription rights to shares Agreement" entered into by and between the Company and the holders of subscription rights to shares.

(ii) Subscription rights to shares granted to employees, etc. as consideration for their performance of duties during the fiscal year under review

Not applicable

(iii) Other important matters concerning subscription rights to shares, etc.

The overview of subscription rights to shares attached to Series I Unsecured Subordinated Convertible Bond-Type Bonds with Subscription rights to shares, 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 yen
Price per bond	100 million yen
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 yen per 100 yen 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 subscription rights to shares	
Total number of subscription rights to shares attached to the bond	77
Class of shares to be issued upon exercise of subscription rights to shares	Common stock of the Company
Number of shares to be issued upon exercise of subscription rights to shares	Equal to the total face value of the bonds with subscription rights to shares divided by the valid conversion price at the time of the exercise.
Amount to be paid in for subscription rights to shares	No payment is required for the subscription rights to shares.
Amount to be paid in upon exercise of subscription rights to shares	1. Details of assets contributed upon exercise of the subscription rights to shares, 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 yen, and if adjusted, conversion price after adjustment.
Exercise period for subscription rights to shares	From March 2, 2012 to February 12, 2017
Terms and conditions for the exercise of subscription rights to shares	The subscription rights to shares may not be exercised in part.

(Translation)

3. Corporate Officers

(1) Directors and Corporate Auditors (As of March 31, 2013)

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	Chief of Global Motor Business Headquarters; Officer in charge of Sales at HDD Motor Manufacturing Headquarters
Director, Senior Managing Executive Officer	Hiroharu Katogi	Officer in charge of Administration, Planning & Accounting Division; Officer in charge of Personnel & General Affairs Division
Director, Senior Managing Executive Officer	Akihiro Hirao	Officer in charge of Engineering Support Division; Chief of Special Device Manufacturing Headquarters; Officer in charge of Engineering at HDD Motor Manufacturing Headquarters
Director, Senior Managing Executive Officer	Hiroyuki Yajima	Chief of Machined Component Manufacturing Headquarters
Director, Senior Managing Executive Officer	Masayoshi Yamanaka	Officer in charge of Sales Division
Director, Senior Managing Executive Officer	Hirotaka Fujita	Chief of Electronic Device & Component Manufacturing Headquarters
Director	Eiichi Kobayashi	
Director	Kohshi Murakami	Attorney at law
Director	Takashi Matsuoka	Director and Senior Managing Executive Officer, 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 an independent officer 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 an independent officer 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 is familiar with tax services as a certified public tax accountant and has considerable knowledge of finance and accounting.*
6. *Directors' responsibilities in the Company changed on January 1, 2013 as follows:*

Name	Before change	After change
Eiichi Kobayashi	Senior Managing Executive Officer Chief of HDD Motor Manufacturing Headquarters	–

7. *Directors' responsibilities in the Company changed on April 1, 2013 as follows:*

Name	Before change	After change
Koichi Dosho	Chief of Global Motor Business Headquarters; Officer in charge of Sales at HDD Motor Manufacturing Headquarters	Chief of Electronic Device & Component Manufacturing Headquarters; Officer in charge of Global Motor Division
Akihiro Hirao	Officer in charge of Engineering Support Division; Chief of Special Device Manufacturing Headquarters; Officer in charge of Engineering at HDD Motor Manufacturing Headquarters	Officer in charge of Engineering Support Division
Hiroyuki Yajima	Chief of Machined Component Manufacturing Headquarters	Chief of Machined Component Manufacturing Headquarters; Officer in charge of Production Support Division
Hirotaka Fujita	Chief of Electronic Device & Component Manufacturing Headquarters	Deputy Chief of Electronic Device & Component Manufacturing Headquarters; Officer in charge of Electronic Device Division

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

Categories	Number of persons to be paid	Amount of remuneration, etc. (thousands of yen)			
		Basic remuneration	Bonuses	Stock options	Total
Directors (Outside Directors)	10 (2)	273,493 (12,500)	– (–)	8,847 (–)	282,340 (12,500)
Corporate Auditors (Outside Corporate Auditors)	4 (3)	50,292 (32,358)	– (–)	– (–)	50,292 (32,358)
Total	14	323,785	–	8,847	332,632

Notes:

1. *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.*
2. *The Company resolved that the maximum annual remuneration for Directors shall be not more than 500 million yen (this amount includes maximum annual remuneration of 20 million yen for Outside Directors) at the 61st Ordinary General Meeting of Shareholders held on June 28, 2007. Furthermore, the Company resolved at the 66th Ordinary General Meeting of Shareholders held on June 28, 2012 that the Company may grant stock-based compensation stock options of up to 30 million yen per annum, within the limits of the above remuneration amount, to Directors of the Company (excluding Outside Directors).*
3. *The Company resolved that the maximum annual remuneration for Corporate Auditors shall be not more than 100 million yen at the 61st Ordinary General Meeting of Shareholders held on June 28, 2007.*
4. *The above amounts of stock options represent the amounts recognized as expenses during the fiscal year under review.*
5. *The amount of remuneration, etc. is shown with fractions of 1 thousand yen 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 Director and Senior Managing Executive Officer of KEIAISHA Co., Ltd. The Company purchases steel and other materials from KEIAISHA Co., Ltd.

(ii) Main activities during the fiscal year under review

Name	Attendance and contributions
Director Kohshi Murakami	He attended all 14 meetings of the Board of Directors that were held during the current fiscal year under review, and provided necessary counsel on a timely basis for deliberation of agenda items and other topics at such meetings.
Director Takashi Matsuoka	He attended 13 of the 14 meetings of the Board of Directors that were held during the current fiscal year under review, 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 all 14 meetings of the Board of Directors and all 13 meetings of the Board of Corporate Auditors that were held during the fiscal 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 13 of the 14 meetings of the Board of Directors and all 13 meetings of the Board of Corporate Auditors that were held during the current fiscal year under review, 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 all 14 meetings of the Board of Directors and all 13 meetings of the Board of Corporate Auditors that were held during the fiscal year under review. 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 fiscal year under review	96 million yen
Total amount of money and other property benefit to be paid from the Company and its subsidiaries to Independent Auditors	121 million yen

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 fiscal year under review.

(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.

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 the Minebea Group Code of Conduct (hereafter the "Code of Conduct"), the Minebea Group Officer and Employee Compliance Guidelines (hereafter the "Compliance Guidelines") and Compliance Management Rules (hereafter the "Rules") in order to have group company Directors, Executive Officers and Employees follow laws, the Company's Articles of Incorporation and corporate philosophy.

(ii) These Code of Conduct and Compliance Guidelines have 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-sectional manner, as well as educating officers and staff members. In the Rules, the basic policy, such as a basic policy of the compliance in our group, organization, and management rules are defined, and the various measures regarding maintenance of organization and compliance are implemented appropriately.

(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. Moreover, it is also written in the Code of Conduct and the Compliance Guidelines.

(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 Company 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 manufacturing 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 manufacturing 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 manufacturing 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 and the Compliance Guidelines.
(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 2016 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 website 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 Subscription rights to shares 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 Subscription rights to shares, 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 subscription rights to shares with clauses prescribing that exercise of the rights by the Acquirer is, in principle, not allowed and that the Company may acquire Subscription rights to shares 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 Subscription rights to shares 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 Subscription rights to shares respecting to the maximum extent any recommendation of the Independent Committee.

If a gratis allotment of subscription rights to shares 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 subscription rights to shares, 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.

(Translation)

Consolidated Balance Sheet

(As of March 31, 2013)

(Unit: millions of yen)

Assets	
Item	**Amount**
Current assets	**170,976**
Cash and cash equivalents	34,182
Notes and accounts receivable	62,645
Marketable securities	1,415
Finished goods	21,430
Work in process	15,714
Raw materials	11,354
Supplies	4,023
Goods in transit	5,711
Deferred tax assets	5,648
Others	8,991
Allowance for doubtful receivables	(141)
Fixed assets	**191,777**
Tangible fixed assets	**170,762**
Buildings and structures	126,614
Machinery and transportation equipment	273,704
Tools, furniture and fixtures	49,562
Land	23,784
Leased assets	1,210
Construction in progress	8,358
Accumulated depreciation	(312,472)
Intangible fixed assets	**4,868**
Goodwill	3,502
Others	1,366
Investments and other assets	**16,146**
Investments in securities	7,842
Long-term loans receivable	121
Deferred tax assets	5,423
Others	3,341
Allowance for doubtful receivables	(582)
Deferred charges	**51**
Total assets	**362,805**

Note: Amounts less than 1 million yen are omitted.

(Translation)

(Unit: millions of yen)

Liabilities	
Item	**Amount**
Current liabilities	**128,484**
Notes and accounts payable	20,397
Short-term loans payable	65,966
Current portion of long-term loans payable	19,237
Lease obligations	244
Accrued income taxes	821
Accrued bonuses	4,138
Allowance for environmental remediation expenses	164
Allowance for business restructuring losses	465
Others	17,048
Long-term liabilities	**96,463**
Bonds	10,000
Convertible bond-type bonds with subscription rights to shares	7,700
Bonds with subscription rights to shares	203
Long-term loans payable	67,305
Lease obligations	345
Allowance for retirement benefits	8,147
Allowance for retirement benefits to executive officers	178
Allowance for environmental remediation expenses	1,060
Others	1,521
Total liabilities	**224,947**
Net assets	
Shareholders' equity	**194,419**
Common stock	**68,258**
Capital surplus	**94,756**
Retained earnings	**40,925**
Treasury stock	**(9,521)**
Total accumulated other comprehensive income	**(63,092)**
Difference on revaluation of available-for-sale securities	**1,088**
Deferred gains or losses on hedges	**(6)**
Foreign currency translation adjustments	**(61,643)**
Unfunded retirement benefit obligation of foreign subsidiaries	**(2,531)**
Subscription rights to shares	**51**
Minority interests in consolidated subsidiaries	**6,479**
Total net assets	**137,858**
Total liabilities and net assets	**362,805**

Note: Amounts less than 1 million yen are omitted.

(Translation)

Consolidated Statement of Income

(From April 1, 2012 to March 31, 2013)

(Unit: millions of yen)

Item	Amount	
Net sales		**282,409**
Cost of sales		**225,113**
Gross profit		**57,295**
Selling, general and administrative expenses		**47,125**
Operating income		**10,169**
Other income		
Interest income	425	
Dividends income	162	
Dividends income of insurance	178	
Others	722	**1,489**
Other expenses		
Interest expenses	2,651	
Foreign currency exchange loss	83	
Others	1,250	**3,985**
Ordinary income		**7,673**
Extraordinary income		
Gain on sales of fixed assets	4,571	
Insurance income	2,572	**7,143**
Extraordinary loss		
Loss on sales of fixed assets	22	
Loss on disposal of fixed assets	150	
Impairment loss	1,948	
Amortization of goodwill	620	
Loss on disaster	1,980	
Business restructuring losses	2,626	
Loss on abolishment of retirement benefit plan	1,641	
Provision of allowance for doubtful accounts	573	
Bad debts written off	135	
Allowance for environmental remediation expenses	235	**9,934**
Income before income taxes and minority interests		**4,882**
Income taxes (including enterprise tax)	4,057	
Adjustment of income taxes	(408)	3,649
Income before minority interests		**1,232**
Minority interests in loss		571
Net income		**1,804**

Note: Amounts less than 1 million yen are omitted.

(Translation)

Consolidated Statement of Changes in Net Assets

(From April 1, 2012 to March 31, 2013)

(Unit: millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of fiscal year under review	68,258	94,756	41,790	(7,782)	197,023
Changes					
Cash dividend from surplus			(2,633)		(2,633)
Net income			1,804		1,804
Purchase of treasury stocks				(2,155)	(2,155)
Disposal of treasury stocks		(35)		417	381
Transfer of loss on disposal of treasury stocks		35	(35)		–
Changes (net) in non-shareholders' equity items					
Total changes	–	–	(864)	(1,738)	(2,603)
Balance at end of fiscal year under review	68,258	94,756	40,925	(9,521)	194,419

	Accumulated other comprehensive income					Subscription rights to shares	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 fiscal year under review	89	(5)	(85,395)	(2,318)	(87,629)	–	384	109,777
Changes								
Cash dividend from surplus								(2,633)
Net income								1,804
Purchase of treasury stocks								(2,155)
Disposal of treasury stocks								381
Transfer of loss on disposal of treasury stocks								–
Changes (net) in non-shareholders' equity items	999	(0)	23,751	(213)	24,537	51	6,095	30,684
Total changes	999	(0)	23,751	(213)	24,537	51	6,095	28,080
Balance at end of fiscal year under review	1,088	(6)	(61,643)	(2,531)	(63,092)	51	6,479	137,858

Note: Amounts less than 1 million yen 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: 51 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.
MINEBEA (HONG KONG) LIMITED

(2) Non-consolidated subsidiaries

The names of non-consolidated subsidiaries:

NMB-MINEBEA DO BRASIL IMPORTACAO E COMERCIO DE COMPONENTES DE PRECISAO LTDA
MOATECH PHILIPPINES, INC.
CAMTON Co., Ltd.

The Company purchased additional shares of MOATECH PHILIPPINES, INC. and CAMTON Co., Ltd. during the fiscal year under review.

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) Non consolidated subsidiaries under equity method

Number of non-consolidated subsidiaries under equity method One company

Name of non-consolidated subsidiary MOATECH PHILIPPINES, INC.

As the Company newly acquired the shares of MOATECH PHILIPPINES, INC., it is included in the non-consolidated subsidiaries under equity method, effective of this consolidated fiscal year.

(2) Affiliated companies under the equity method

Number of affiliated companies under the equity method: 1 company

The names of affiliated companies:

SEFFICE Co. Ltd.

As the Company newly acquired the shares of SEFFICE Co. Ltd., it is included in the non-consolidated subsidiaries under equity method, effective of this consolidated fiscal year.

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

NMB-MINEBEA DO BRASIL IMPORTACAO E COMERCIO DE COMPONENTES DE PRECISAO LTDA and CAMTON Co., Ltd. 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.

(4) For any equity method affiliates whose balance sheet date is different from the consolidated balance sheet date, the Company uses the account on the balance sheet date of respective affiliates.

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

(1) Changes in scope of consolidation

Increase in consolidated subsidiaries through the establishment of companies (one company)

APB myonic GmbH	Australian company

Increase in consolidated subsidiaries through acquisition of shares (8 companies)

MOATECH CO., LTD.	South Korean company
MOATECH MANUFACTURING PHILS., INC.	Phillipines company
MOATECH REALTY, INC.	Phillipines company
MOATECH ELECTRONICS (BEIHAI) CO., LTD.	Chinese company
HYSONIC CO., LTD.	South Korean company
MOATECH HONGKONG LIMITED	Hong Kong company
DONGGUAN DONGMA ELECTRONICS CO., LTD.	Chinese company
HYSONIC PHILIPPINES, INC.	Phillipines company

Increase in non-consolidated subsidiaries through acquisition of shares (2 companies)

MOATECH PHILIPPINES, INC.	Phillipines company
CAMTON Co., Ltd.	Phillipines company

Increase of consolidated company by turning non-consolidated subsidiaries into consolidated subsidiaries (3companies)

DPM Co., Ltd.	Japanese company
DAIICHI PRECISION MOLD (HK) LIMITED	Hong Kong company
DONGGUAN CHENGQU DAIICHI PRECISION MOLD CO. LTD	Chinese company

Decrease through a merger (one company)

PELMEC INDUSTRIES (PTE.) LIMITED	Singapore company

(2) Change in scope for eqity method

Increase in non-consolidated subsidiary under equity method through acquistion of shares (one company)

MOATECH PHILIPPINES, INC.

Increase of affliated company under equity method through acquistion of shares (one company)

SEFFICE Co. Ltd.

4. Fiscal years, etc. of consolidated subsidiaries

The following shows consolidated subsidiaries whose balance sheet dates differ from the consolidated balance sheet date.

Company	Fiscal year end
MINEBEA ELECTRONICS & HI-TECH COMPONENTS (SHANGHAI) LTD.	December 31 *1
MINEBEA TRADING (SHANGHAI) LTD.	December 31 *1
SHANGHAI SHUN DING TECHNOLOGIES LTD.	December 31 *1
MINEBEA (SHENZHEN) LTD.	December 31 *1
MINEBEA ELECTRONICS MOTOR (ZHUHAI) CO., LTD.	December 31 *1
MINEBEA ELECTRONIC DEVICES (SUZHOU) LTD.	December 31 *1
DONGGUAN CHENGQU DAIICHI PRECISION MOLD CO. LTD	December 31 *1
MINEBEA (CAMBODIA) Co., Ltd.	December 31 *1
MOATECH CO., LTD.	December 31 *2
MOATECH MANUFACTURING PHILS., INC.	December 31 *2
MOATECH REALTY, INC.	December 31 *2
MOATECH ELECTRONICS (BEIHAI) CO., LTD.	December 31 *2
HYSONIC CO., LTD.	December 31 *2
MOATECH HONGKONG LIMITED	December 31 *2
DONGGUAN DONGMA ELECTRONICS CO., LTD.	December 31 *2
HYSONIC PHILIPPINES, INC.	December 31 *2

*1. Financial statements prepared on the basis of provisional settlments of accounts as of the consolidated balance sheet dates have been used.

*2. Financial statements of consolidated subsidiaries as of their balance sheet dates have been used; provided, however, that material transactions arising between balance sheet dates and consolidated balance sheet dates have been adjusted for the pupose of consolidation, as appropriate.

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 yen and less than 200,000 yen) 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 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.

(iv) 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.

(v) 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.

(vi) 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 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. Changes in accounting policy

(Change of depreciation method)

As a result of the revision of the Corporation Tax Law, regarding the tangible fixed assets acquired on or after April 1, 2012, the Company and its domestic consolidated subsidiaries adopt the depreciation method based on the Corporation Tax Law after the revision from the fiscal year under review.

Compared with the conventional method, this results in 106 million yen decrease in depreciation amount and increases 106 million yen in operating income, ordinary income and income before income taxes and minority interest, respectively.

7. Accounting standards, etc. that are not applied herein

ASBJ Statement No. 26 Accounting Standard for Retirement Benefits (May 17, 2012) and ASBJ Guidance No. 25 Guidance on Accounting Standard for Retirement Benefits (May 17, 2012)

(1) Outline

Under these new accounting standards, actuarial gains and losses and past service costs that are yet to be recognized in profit or loss will be recognized within the net asset section, after adjusting for tax effects, and the deficit or surplus would be recognized as liability or asset without any adjustments. Also, the accounting standards allows the choice of the method of attributing expected benefit to periods between straight-line basis and benefit formula basis, and the amendment relating to the discount rate will be implemented.

(2) Effective dates

The accounting standards will be effective for the consolidated financial statements for the annual period ending March 31, 2014. However, amendments relating to determination of retirement benefit obligations and current service costs will be effective starting for the annual period ending March 31, 2015. No retrospective application to financial statements in prior periods applies due to the fact that transitional measures are allowed for the application of these accounting standards.

(3) Impacts resulting from the application of these accounting standards

On account of the application of ASBJ Statement No. 26 Accounting Standard for Retirement Benefits, it is expected that there will be material impacts on the consolidated financial statements of Minebea Group. As for the consolidated statement of income, the amount of net assets will be significantly affected due mainly to the recognition of actuarial gains and losses at the time of application, however, effects on the actual amounts are currently under evaluation.

8. Additional information

(Reintroduction of "Trust-type Employee Shareholding Incentive Plan)

The Company announces that it has resolved at its board of directors' meeting held on May 10, 2012, to introduce the "Trust-type Employee Shareholding Incentive Plan" (the "Plan") to the Company, in order to provide the Company group's employees with incentives to increase the enterprise value of the Company, and to promote the benefit and welfare of the employees of the Company group and others.

(Intent and overview of reintroduction of the Plan)

The Plan is an incentive plan, in which all employees of the Company group who are members of the "Minebea Employee Stock Holding Partnership" ("Stock Holding Partnership") (a Company group employee who is a member of the Stock Holding Partnership is hereinafter referred to as an "Employee") may participate. In the Plan, the "Minebea Employee Stock Holding Partnership Exclusive Trust Account" ("Trust"), which is to be established for the purpose of securing the Company shares for the Stock Holding Partnership to effect purchases, will borrow money from banks for a considerable number of Company shares that are expected to be acquired by the Stock Holding Partnership during approximately the next five years, and acquire Company shares in a number equal to such borrowings from the market at the time the Plan is reintroduced. Subsequently, the Trust is to continuously transfer the Company shares to the Stock Holding Partnership in accordance with certain plans (conditions and methods) and terminate, e.g. if all of the Company shares belonging to the trust assets of the Trust are transferred. If any capital gains, such as gains on sale of the Company shares, accumulate within the Trust by the time of its termination, and if any money remains within the Trust after repaying all the debts such as borrowings to be borne by the Trust, then such money is to be distributed as residual assets to those Employees that fulfill the requirements for eligible beneficiaries.

Furthermore, in order to guarantee the Trust's borrowings for the acquisition of Company shares, in the event that there are any remaining borrowings corresponding to such losses on the sale of shares within the Trust at the time of the termination of the Trust, the Company is to repay the remaining borrowings pursuant to a guarantee agreement.

For the acquisition and disposal of Company shares, the Company guarantees the liabilities of the Trust, and from a conservative perspective valuing economic realities, conducts accounting treatments on the basis that the Trust goes along with the Company. Based on this principle, the Company includes the Company shares owned by the Trust, as well as the assets, liabilities, expenses and revenues of the Trust in its Consolidated Balance Sheet, Consolidated Statement of Income and Consolidated Statement of Changes in Net Assets. The number of Company shares owned by the Trust at the end of the fiscal year is 5,463,000 shares

(Investigations by Korean, Singaporean and the U.S. competition authorities)

We are currently responding to the investigations made by Korean, Singaporean and the U.S. competition authorities on suspicion of attempted violation of relevant competition laws in those countries in relation to the dealing in the miniature ball baring products. It is difficult for us to predict whether or not there would be material impacts on the operating results etc. of the Company at this point in time.

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: 169 million yen

(2) Marketable securities and Investment in securities

The balance of money in trust is 3,104 million yen. 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; (3) a third revised assessment of income tax liability in the amount of 101 million baht on August 11 and 22, 2011; and (4) a fourth revised assessment of income tax liability in the amount of 71 million baht on July 2, August 8, August 17, 2012 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), (3) and (4), 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, (3) August 16, 2011 and (4) August 23, 2012, respectively, using a surety bond from a bank with which the Company does business.

Notes to Consolidated Statement of Income

(1) Amortization of goodwill

This loss is incurred by writing-down stocks of our domestic consolidated subsidiaries, Minebea Motor Manufacturing Corporation and NMB Mechatronics Co., Ltd.

(2) Loss on disaster

This loss consists of fixed costs of 1,714 million yen incurred during the low-level operation caused by the large-scale floods in Thailand; and disaster measures expenses of 266 million yen.

(3) Business restructuring losses

This loss consists of a loss of 1,254 million yen incurred by the withdraw from the coreless vibration motor business; a loss of 568 million yen incurred by rationalizing in-house motor parts production business; a loss of 246 million yen incurred by withdraw from the speaker business; and the other losses 557 million yen.

(4) Loss on abolishment of retirement benefit plan

This is due to the loss on abolishment of retirement benefit plan in certain consolidated overseas subsidiaries.

(5) Provision of allowance for doubtful accounts, and bad debts written off

Due to the virtual bankruptcy of the Taiwan-based customer of MINEBEA TECHNOLOGIES TAIWAN CO., LTD., one of our consolidated overseas subsidiaries, allowance for doubtful receivable in the amount of 573 million yen, and bad debts written off 135 million yen is recorded.

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)	20,308,981	6,675,458	1,272,812	25,711,627
Total	20,308,981	6,675,458	1,272,812	25,711,627

Notes:

1. The increase of 6,675,458 shares in the number of treasury shares of common stock reflects the increase of 6,672,000 shares following the acquisition of stock by the Employee Stock Holding Partnership Exclusive Trust Account and the increase of 3,458 shares from the purchase of fractional shares.

2. The decrease of 1,272,812 shares in the number of treasury shares of common stock reflects the decrease of 1,272,000 shares from the disposal of treasury stock by the Employee Stock Holding Partnership Exclusive Trust Account and the decrease of 812 shares from requests for additional purchases of fractional shares.

3. The number of treasury shares of common stock includes our shares owned by the Employee Stock Holding Partnership Exclusive Trust Account (63,000 shares at the beginning of the current fiscal year and 5,463,000 shares at the end of the current fiscal year).

(2) Matters relating to dividends from surplus

(i) Amount of dividends paid

Matters on dividends by the resolution of the 66th Ordinary General Meeting of Shareholders held on June 28, 2012

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

Note: Total dividend does not include 0 million yen 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, 2012

Total amount of dividends:	1,118 million yen
Dividend per share:	3.00 yen
Record date:	September 30, 2012
Effective date:	December 5, 2012

Note: Total dividend does not include 18 million yen 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 67th Ordinary General Meeting of Shareholders to be held on June 27, 2013.

Total amount of dividends:	1,493 million yen
Dividend per share:	4.00 yen
Record date:	March 31, 2013
Effective date:	June 28, 2013

Note: Total dividend does not include 21 million yen 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.

(3) Matters related to subscription rights to shares at the end of the current consolidated fiscal year

(i) Filing company (parent company)

	Series I subscription rights to shares
Class of shares underlying subscription rights to shares	Shares of common stock
Number of shares underlying subscription rights to shares	47,000 shares
Outstanding balances of subscription rights to shares	8 million yen

(ii) Consolidated subsidiary (MOATECH CO., LTD.)

	Series II subscription rights to shares
Class of shares underlying subscription rights to shares	Shares of common stock
Number of shares underlying subscription rights to shares	158,200 shares
Outstanding balances of subscription rights to shares	34 million yen

Note: The above excludes any subscription rights to shares whose exercise periods have not yet arrived.

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. Long-term loans payable are mainly loans to employees of the Company.

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 subscription rights to shares were issued to procure investment funds for M&A activities, and their redemption date is February 20, 2017. Convertible bonds with subscription rights to shares were bonds issued by the South Korean subsidiary acquired by the Company during the fiscal year under review, and the shares underlying the subscription rights to shares represent shares of the South Korean subsidiary.
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 included in Other Securities are US treasury bonds held according to our fund management policy and corporate bonds held by the South Korean subsidiary acquired by the Company during the fiscal year under review. The credit risks inherent in US treasury bonds are minor and the value of the corporate bonds, etc. held in South Korea is small.
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 Corporate Finance & Compliance Promotion 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, 2013, 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	34,182	34,182	–
(ii) Notes and accounts receivable	62,645	62,645	–
(iii) Marketable and investment securities	6,852	6,852	–
(iv) Long-term loans receivable	121	121	–
Total assets	103,802	103,802	–
(v) Notes and accounts payable	20,397	20,397	–
(vi) Short-term loans payable	65,966	65,966	–
(vii) Current portion of long-term loans payable	19,237	19,347	110
(viii) Bonds	10,000	10,130	130
(ix) Convertible bond-type bonds with subscription rights to shares	7,700	7,862	162
(x) Bonds with subscription rights to shares	203	206	2
(xi) Long-term loans payable	67,305	67,814	508
Total liabilities	190,810	191,726	915
Derivative transactions (*1)	(17)	(17)	–

*(*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

Assets

(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

Long-term loans are loans to employees of the Company. Because they have no significant value, the market value represents the book value.

Liabilities

(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, (xi) 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 subscription rights to shares. (x) Bonds with subscription rights to shares

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	19
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	34,182	–	–	–
Notes and accounts receivable	62,645	–	–	–
Marketable and investment securities of which securities with maturity	1,415	1,778	4	–
Long-term loans receivable	–	113	8	0
Total	98,243	1,891	13	0

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	20,397	–	–	–
Short-term loans payable	65,966	–	–	–
Bonds	–	10,000	–	–
Convertible bond-type bonds with subscription rights to shares	–	7,700	–	–
Bonds with subscription rights to shares	–	203	–	–
Long-term loans payable	19,237	62,855	4,450	–
Total	105,601	80,759	4,450	–

Notes to Per Share Information

(1) Net assets per share 351.65 yen
(2) Net income per share 4.83 yen

Notes to Impairment Loss

Use	Business and location	Impairment loss	
		Class	Amount (millions of yen)
Idle assets	Two facilities: Former Ichinoseki plant Former Kanegasaki plant (Ichinoseki-shi, Iwate Prefecture, etc.)	Land	12
		Total	12
Business assets	HDD Spindle motor business (Ayutthaya, Thailand)	Buildings and structures	423
		Machinery and transportation equipment	992
		Tools, furniture and fixtures	519
		Total	1,936
	Fan motor business (Shanghai, China, etc.)	Machinery and transportation equipment	104
		Tools, furniture and fixtures	25
		Total	129
	Vibration motor business (Yonago factory etc.)	Machinery and transportation equipment	78
		Tools, furniture and fixtures	208
		Total	287
	In-house motor parts production business (Malaysia etc.)	Buildings and structures	18
		Machinery and transportation equipment	354
		Tools, furniture and fixtures	129
		Total	503
	Speaker business (Taiwan etc.)	Buildings and structures	0
		Machinery and transportation equipment	20
		Tools, furniture and fixtures	11
		Total	32
Total			2,900

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 unprofitable business compression and lower capacity utilization rate, and reduced the value to a recoverable value based on the net sale value or use value. Of these assets, 952 million yen (Fan motor business 129 million yen, Vibration motor business 287 million yen, In-house motor parts production business 503 million yen, and Speaker business 32 million yen) is included in “Business restructuring losses” under “Extraordinary loss.”

Calculation method of collectable amounts

Idle 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)

Notes to Business Combination

Business Combination through Acquisitions

1. Outline of the business combination

(1) Name of the acquired company and its business activities
Name of the acquired company: MOATECH CO., LTD.
Business activities: Manufacture and sales of small-sized motors for use in the IT devices, automobiles, office equipment, home electronic appliances and cameras, etc.

(2) Major reasons for the business combination
MOATECH CO., LTD. (hereafter "MOATECH") was established in 1989 in Korea and has its shares listed in KOSDAQ (Korean Securities Dealers Automated Quotations). MOATECH retain an affiliate company called HYSONIC CO., LTD., a manufacturer of small-sized precision motors, whose shares are also listed in KOSDAQ. In addition, MOATECH has its production facilities located in Korea, China and the Philippines and has established an efficient system stretching from the development and design stages to the manufacturing processes in the small-sized motor businesses, which provides MOATECH with a high level of competitiveness in quality, production capability and manufacturing costs. In the segment of stepping motors to be used for IT devices, which is one of its major product lines, MOATECH retains a high market share in the global market. The company also strives to expand into the motor businesses to be used for automobiles, office equipment, home electronic appliances and cameras, in which small-sized precision motors are expected to increase its sales significantly in the years to come. As such, MOATECH is expected to secure its place in the global marketplace going forward. The shift to and proliferation of electronic cars such as Plug-in Hybrid Vehicles (PHV) and Electronic Vehicles (EV) are anticipated in the near future. Under such circumstances, Minebea has decided to carry out a business combination with MOATECH and is determined to enhance its product development capability, establish streamlined process of manufacturing and sales, and expand its sales of small-sized precision motors, by acting in coordination with and complementing the activities of MOATECH, one of the leading Korean manufacturers in this business.

(3) Effective date of the business combination
May 31, 2012

(4) Legal structure of the business combination
Stock acquisition with cash considerations

(5) Name of the company subsequent to the business combination
MOATECH CO., LTD.

(6) Percentage of voting rights acquired by Minebea

Percentage of voting rights immediately before the stock acquisition	–%
Percentage of voting rights to be acquired on the effective date of the business combination	50.8%
Percentage of voting rights subsequent to the stock acquisition	50.8%

(7) Primary basis for determining the acquirer
Due to the fact that Minebea has acquired 50.8% of the voting rights of the acquired company through stock acquisition with cash considerations

2. Period of business performances of the acquired company to be included in the consolidated financial statements
Since the deemed date of the stock acquisition is June 30, 2012 and, for the said subsidiary, the consolidated settlement of accounts has been posted based on the financial statements as of December 31, 2012, and therefore, the business performances from April 1, 2012 through December 31, 2012 have been included in the consolidated financial statements.

3. Acquisition cost of the acquired company and its details

Consideration for the acquisition	Purchase price of shares (cash)	4,171 million yen
Direct cost for the acquisition	Advisory cost, etc.	297 million yen
Acquisition cost		4,468 million yen

4. Amount of goodwill amortization, and the source, method and period of goodwill amortization

(1) Amount of goodwill
9 million yen

(2) Source of goodwill
Primarily due to the excess earning power to be expected on account of the development capability and cost competitiveness and the sales capacity of MOATECH

(3) Method and period of goodwill amortization
Due to an insignificant amount of goodwill amortization, goodwill has been amortized fully during the current consolidated fiscal year.

5. Amount of assets and liabilities received at the effective date of business combination and its details

	(millions of yen)
Current assets	9,353
Fixed assets	3,620
Total assets	12,974
Current liabilities	2,334
Long-term liabilities	405
Total liabilities	2,740

6. Assuming that the business combination has been completed at the beginning date of the current consolidated fiscal year, approximate estimates of impacts of such business combination on the consolidated financial statements and the method for calculating such amounts

	(millions of yen)
Total sales	2,627
Operating loss	(54)
Ordinary loss	(35)
Loss before income taxes and minority interests	(56)

(Method for calculating approximate estimates)
The differences between total sales and the relevant profit and loss information based on the assumption that the business combination has been completed at the beginning date of the consolidated fiscal year, and the total sales and the relevant profit and loss information on the consolidated financial statements as recorded hereof are used as the approximate estimates of impacts of the business combination on the consolidated financial statements.
Please be noted that such approximate estimates have not been audited and attested by the audit certification.

(Translation)

Non-Consolidated Balance Sheet

(As of March 31, 2013)

(Unit: millions of yen)

Assets	
Item	**Amount**
Current assets	**99,573**
Cash and cash equivalents	9,313
Notes receivable	1,014
Accounts receivable	39,648
Purchased goods	2,950
Finished goods	535
Work in process	3,772
Raw materials	1,231
Supplies	76
Goods in transit	795
Advances to vendor	0
Prepaid expenses	445
Short-term loans receivable from affiliates	31,404
Accounts receivable - other	3,790
Temporary advance	14
Deferred tax assets	4,297
Others	289
Allowance for doubtful receivables	(8)
Fixed assets	**255,964**
Tangible fixed assets	**37,308**
Buildings	15,418
Structures	753
Machinery and equipment	3,784
Vehicles	18
Tools, furniture and fixtures	1,536
Land	14,887
Leased assets	351
Construction in progress	557
Intangible fixed assets	**995**
Patents	173
Leasehold rights	35
Software	752
Others	34
Investments and other assets	**217,660**
Investments in securities	5,940
Investments securities in affiliates	168,698
Investments in partnerships	0
Investments in partnerships with affiliates	40,866
Long-term loans receivable from affiliates	453
Long-term prepaid expenses	272
Deferred tax assets	832
Others	921
Allowance for doubtful receivables	(324)
Deferred charges	**51**
Bond issuance expenses	51
Total assets	**355,589**

Note: Amounts less than 1 million yen are omitted.

(Translation)

(Unit: millions of yen)

Liabilities	
Item	**Amount**
Current liabilities	**94,243**
Accounts payable	29,833
Short-term loans payable	36,650
Current portion of long-term loans payable	19,100
Lease obligations	140
Accounts payable - other	4,015
Accrued expenses	1,630
Accrued income taxes	216
Advances received	17
Deposits received	204
Deferred income	11
Accrued bonuses	2,231
Allowance for business restructuring losses	145
Others	47
Long-term liabilities	**86,029**
Bonds	10,000
Convertible bond-type bonds with subscription rights to shares	7,700
Long-term loans payable	67,305
Lease obligations	227
Allowance for retirement benefits	23
Allowance for retirement benefits to executive officers	173
Others	599
Total liabilities	**180,273**
Net assets	
Shareholders' equity	**174,222**
Common stock	**68,258**
Capital surplus	**94,756**
Capital reserve	94,756
Retained earnings	**20,728**
Earned surplus	2,085
Others	18,643
Reserve for reduction entry	2,034
Reserve for general purpose	6,500
Retained earnings carried forward	10,108
Treasury stock	**(9,521)**
Revaluation / Translation differences	**1,084**
Difference on revaluation of available-for-sale securities	**1,084**
Deferred gains or losses on hedges	**0**
Subscription rights to shares	**8**
Total net assets	**175,315**
Total liabilities and net assets	**355,589**

Note: Amounts less than 1 million yen are omitted.

Non-Consolidated Statement of Income

(From April 1, 2012 to March 31, 2013)

(Unit: millions of yen)

Item	Amount	
Net sales		**204,291**
Cost of sales		**181,163**
Gross profit		**23,127**
Selling, general and administrative expenses		**19,692**
Operating income		**3,435**
Other income		
Interest income	420	
Dividends income	6,413	
Rent income of fixed assets	260	
Dividends income of insurance	153	
Others	175	**7,424**
Other expenses		
Interest expenses	1,130	
Interest on bonds	114	
Foreign currency exchange loss	829	
Others	360	**2,434**
Ordinary income		**8,424**
Extraordinary income		
Gain on sales of fixed assets	4,321	
Affiliates liquidating dividends	10	**4,331**
Extraordinary loss		
Loss on sales of fixed assets	0	
Loss on disposal of fixed assets	54	
Impairment loss	12	
Business restructuring losses	201	
Loss on valuation of stocks of subsidiaries and affiliates	5,011	
Adjustment for the transfer price taxation	2,907	**8,186**
Income before income taxes		**4,569**
Income taxes (including enterprise tax)	997	
Adjustment of income taxes	691	1,689
Net income		**2,880**

Note: Amounts less than 1 million yen are omitted.

(Translation)

Non-Consolidated Statement of Changes in Net Assets

(From April 1, 2012 to March 31, 2013)

(Unit: millions of yen)

	Shareholders' equity								
		Capital surplus			Retained earnings				
						Others			
	Common stock	Capital reserve	Others	Total capital surplus	Earned surplus	Reserve for reduction entry	Reserve for general purpose	Retained earnings carried forward	Total retained earnings
Balance at beginning of fiscal year under review	68,258	94,756	–	94,756	2,085	–	6,500	11,931	20,516
Changes									
Cash dividend from surplus								(2,633)	(2,633)
Net income								2,880	2,880
Purchase of treasury stocks									
Disposal of treasury stocks			(35)	(35)					
Transfer of loss on disposal of treasury stocks			35	35				(35)	(35)
Provision of reserve for reduction entry						2,034		(2,034)	–
Changes (net) in non-shareholders' equity items									
Total changes	–	–	–	–	–	2,034	–	(1,823)	211
Balance at end of fiscal year under review	68,258	94,756	–	94,756	2,085	2,034	6,500	10,108	20,728

	Shareholders' equity		Revaluation / Translation differences			Subscription rights to shares	Total net assets
	Treasury stock	Total shareholders' equity	Difference on revaluation of available-for-sale securities	Deferred gains or losses on hedges	Total revaluation / translation differences		
Balance at beginning of fiscal year under review	(7,782)	175,749	80	0	80	–	175,830
Changes							
Cash dividend from surplus		(2,633)					(2,633)
Net income		2,880					2,880
Purchase of treasury stocks	(2,155)	(2,155)					(2,155)
Disposal of treasury stocks	417	381					381
Transfer of loss on disposal of treasury stocks		–					–
Provision of reserve for reduction entry		–					–
Changes (net) in non-shareholders' equity items			1,003	(0)	1,003	8	1,012
Total changes	(1,738)	(1,527)	1,003	(0)	1,003	8	(514)
Balance at end of fiscal year under review	(9,521)	174,222	1,084	0	1,084	8	175,315

Note: Amounts less than 1 million yen 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 yen and less than 200,000 yen 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 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 fiscal year under review, 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 fiscal year under review is shown.

Allowance for business restructuring losses

The Company posts reasonably projected amount to be incurred in the future, based on the decision of restructuring plans.

(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 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, 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) Changes in accounting policy

(Change of depreciation method)

As a result of the revision of the Corporation Tax Law, regarding the tangible fixed assets acquired on or after April 1, 2012, the Company adopts the depreciation method based on the Corporation Tax Law after the revision from the fiscal year under review.

Compared with the conventional method, this results in 102 million yen decrease in depreciation amount and increases 102 million yen in operating income, ordinary income and income before income taxes and minority interest, respectively.

(8) Additional information

(Reintroduction of “Trust-type Employee Shareholding Incentive Plan)

The Company announces that it has resolved at its board of directors’ meeting held on May 10, 2012, to introduce the “Trust-type Employee Shareholding Incentive Plan” (the “Plan”) to the Company, in order to provide the Company group’s employees with incentives to increase the enterprise value of the Company, and to promote the benefit and welfare of the employees of the Company group and others.

The Company previously introduced the Plan on November 2009, and the Plan expired on April 5, 2012. The Company has decided to reintroduce the Plan after comprehensive consideration regarding actual performance during the term of the Plan and other factors.

(Intent and overview of reintroduction of the Plan)

The Plan is an incentive plan, in which all employees of the Company group who are members of the “Minebea Employee Stock Holding Partnership” (“Stock Holding Partnership”) (a Company group employee who is a member of the Stock Holding Partnership is hereinafter referred to as an “Employee”) may participate. In the Plan, the “Minebea Employee Stock Holding Partnership Exclusive Trust Account” (“Trust”), which is to be established for the purpose of securing the Company shares for the Stock Holding Partnership to effect purchases, will borrow money from banks for a considerable number of Company shares that are expected to be acquired by the Stock Holding Partnership during approximately the next five years, and acquire Company shares in a number equal to such borrowings from the market at the time the Plan is reintroduced. Subsequently, the Trust is to continuously transfer the Company shares to the Stock Holding Partnership in accordance with certain plans (conditions and methods) and terminate, e.g. if all of the Company shares belonging to the trust assets of the Trust are transferred. If any capital gains, such as gains on sale of the Company shares, accumulate within the Trust by the time of its termination, and if any money remains within the Trust after repaying all the debts such as borrowings to be borne by the Trust, then such money is to be distributed as residual assets to those Employees that fulfill the requirements for eligible beneficiaries.

Furthermore, in order to guarantee the Trust's borrowings for the acquisition of Company shares, in the event that there are any remaining borrowings corresponding to such losses on the sale of shares within the Trust at the time of the termination of the Trust, the Company is to repay the remaining borrowings pursuant to a guarantee agreement.

For the acquisition and disposal of Company shares, the Company guarantees the liabilities of the Trust, and from a conservative perspective valuing economic realities, conducts accounting treatments on the basis that the Trust goes along with the Company. Based on this principle, the Company includes the Company shares owned by the Trust, as well as the assets, liabilities, expenses and revenues of the Trust in its Non-Consolidated Balance Sheet, Non-Consolidated Statement of Income and Non-Consolidated Statement of Changes in Net Assets. The number of Company shares owned by the Trust at the end of the fiscal year is 5,463,000 shares.

(Translation)

Notes to Non-Consolidated Balance Sheet

(1) Accumulated depreciation of property, plant and equipment: 54,822 million yen

(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.	18,588
MINEBEA (HONG KONG) LIMITED	5,424
NMB-Minebea-GmbH	1,156
Other 8 companies	2,759
Total	27,929

(3) Monetary receivables from and monetary payables to affiliates:
Short-term receivables 27,513 million yen
(excluding short-term loan receivables from affiliates)
Short-term payables 26,657 million yen

(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 fiscal year under review 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: 88 million yen

Notes to Non-Consolidated Statement of Income

(1) Transaction with affiliates:
Sales: 151,062 million yen
Purchase: 136,206 million yen
Amount of other operational transactions: 5,192 million yen
Amount of non-operating transactions: 6,892 million yen

(2) Total R&D expenses
The R&D expenses included in general administrative expenses and manufacturing costs for the fiscal year under review are 5,681 million yen.

(3) Business restructuring losses
These have been mainly incurred from the reorganization of overseas R&D bases.

(4) Loss on valuation of stocks of subsidiaries and affiliates
These losses have arisen on the revaluation of shares of Minebea Motor Manufacturing Corporation and NMB Mechatronics Corporation, two Japanese consolidated subsidiaries of the Company.

(5) Adjustment for the transfer price taxation
With respect to transactions with NMB-Minebea Thai Ltd. in Thailand, the Company has applied to Japanese and Thai tax authorities to enter an Advance Pricing Arrangement (APA), an arrangement inclusive of methods for determining prices at arm’s length. Based on the APA agreement reached through mutual consultation between the tax authorities of the two countries, the payment of adjustment for transfer prices in the amount of 1,158 million baht has been finalized, and the Company has accordingly recognized 2,907 million yen as extraordinary losses for the current fiscal year.

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)	20,308,981	6,675,458	1,272,812	25,711,627

Notes:

1. *The increase of 6,675,458 shares in the number of treasury shares of common stock reflects the increase of 6,672,000 shares following the acquisition of stock by the Employee Stock Holding Partnership Exclusive Trust Account and the increase of 3,458 shares from the purchase of fractional shares.*
2. *The decrease of 1,272,812 shares in the number of treasury shares of common stock reflects the decrease of 1,272,000 shares from the disposal of treasury stock by the Employee Stock Holding Partnership Exclusive Trust Account and the decrease of 812 shares from requests for additional purchases of fractional shares.*
3. *The number of treasury shares of common stock includes our shares owned by the Employee Stock Holding Partnership Exclusive Trust Account (63,000 shares at the beginning of the current fiscal year and 5,463,000 shares at the end of the current fiscal year).*

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	848	million yen
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	2,660	
Excess of allowed limit chargeable to the allowance for doubtful receivable	123	
Excess of allowed limit chargeable to the depreciation	363	
Impairment loss	121	
Deficit brought forward	4,173	
Foreign tax credit carry forwards	993	
Others	692	
Sub-total	10,665	
Valuation allowance	(3,984)	
Total deferred tax assets	6,680	
(Deferred tax liabilities)		
Difference on revaluation of other marketable securities	111	
Reserve for reduction entry	1,126	
Prepaid pension cost	312	
Total deferred tax liabilities	1,550	
Net deferred tax assets	5,130	

(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	38.0%
(Adjustments)	
Items to be regarded as taxable expenses, such as entertainment expenses	1.0
Items to be excluded from gross revenue, such as dividends income	(50.2)
Inhabitant tax levied per capita	0.8
Foreign tax credit carry forwards	(5.5)
Valuation allowance	31.6
Income taxes for prior year	22.5
Differences in tax rate on special income tax for reconstruction	(1.6)
Others	0.4
Ratio of income tax burden after the application of tax effect accounting	37.0

(Translation)

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

Tangible fixed assets: Mainly computer terminals (Tools, furniture and fixtures).

(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	0 million yen
Due after 1 year	0
Total	1

(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	100.0 *5	Concurrently serving 0	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	49,163	Account payable *2	4,304
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	13,931	Account receivable	2,670
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	768	Account payable-other	214
NMB-Minebea Thai Ltd.	100.0	Concurrently serving 3	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	52,353	Account payable	10,529
				Sales of the Company's products and products purchased	19,123	Account receivable	2,930
				Fund loan	87,500	Short-tem loans receivable	28,000
				Recovery of funds	84,000	–	–
				Interest income	385	–	–
				–	–	Guarantee of obligation	18,588
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	93,368	Account receivable	13,834
				–	–	Guarantee of obligation	5,424

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.*

*5. *Voting rights or ownership changed as the Company acquired additional shares following the end of joint venture with Panasonic Corporation in February 2013.*
Effective April 2, 2013, Minebea Motor Manufacturing Corporation dissolved as a result of an absorption-type merger where the Company is the surviving 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.	5,618	Account payable *2	403
					Tools, furniture and fixtures lease transactions & rent etc.	489	Leased assets	161
							Lease obligations *2	169
							Account payable - other, current liabilities and others *2	8
					Land rent	35	Account receivable - others *2	1
					Non-operating income	16		

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 469.42 yen

(2) Net income per share 7.71 yen

(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: (millions of yen)

		(millions of yen)
a.	Retirement benefit liabilities	16,793
b.	Pension assets	15,088
c.	Balance (a – b)	1,704
d.	Unrecognized prior service costs	1,540
e.	Unrecognized amortization of actuarial difference	960
f.	Difference (c – d – e)	(797)
g.	Prepaid pension cost	(821)
h.	Allowance for retirement benefit	23

(ii) Breakdown of expense for retirement benefit:

		(millions of yen)
a.	Service expense	750
b.	Interest expense	293
c.	Expected investment income	(246)
d.	Unrecognized prior service costs expenses	308
e.	Amortization of actuarial difference treated as expense	829
f.	Retirement benefit costs (a + b + c + d + e)	1,935
g.	Defined contribution pension premiums	147
	Total	2,082

(3) Calculation basis for retirement benefit liabilities

Discount rate 1.1%

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 fiscal 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 fiscal year, it is charged to expense by the straight-line method.)

(Translation)

Significant subsequent events
(Absorption-type merger of consolidated subsidiary)
The Company resolved at the meeting of Board of Directors on March 1, 2013 to absorb and merge Minebea Motor Manufacturing Corporation, and thereupon effected the absorption-type merger on April 2, 2013.

(1) Outline of transactions, including details on the combined company and its lines of business, the business combination date, the legal form of business combination, the trade name of the combined company, and the purpose of the transactions
  (i) Combined company
    Minebea Motor Manufacturing Corporation
  (ii) Lines of business
    Development, manufacturing, and sales of small motors for electrical appliances and information communication devices, and applied equipment and components
  (iii) Business combination date
    April 2, 2013
  (iv) Legal form of the business combination
    Minebea Motor Manufacturing Corporation was dissolved in an absorption-type merger in which the Company became a surviving company.
  (v) Name of the companies after the business combination
    Minebea Co., Ltd.
  (vi) Outline of transactions including the purpose of transactions
    Minebea Motor Manufacturing Corporation was founded as a joint venture between the Company and Panasonic Corporation in the information motor business, with 60% equity held by the Company and 40% equity held by Panasonic. When the joint venture terminated in February 2013, Minebea Motor Manufacturing Corporation became a wholly owned subsidiary of the Company. The Company effected the absorption-type merger with a view to improving the efficient allocation of management resources and enhancing business efficiency in order to establish more robust management bases and further expanding businesses.
    As the absorption-type merger was carried out for a wholly owned subsidiary of the Company, no new shares have been issued and no common share capital was added.
    The size of the combined business is as follows.
    (As of March 31, 2013)

Net sales	50,181 million yen
Net loss	(2,732) million yen
Capital stock	11,500 million yen
Net assets	346 million yen
Total assets	13,183 million yen

(2) Outline of accounting treatment
  The Company accounted for the transaction as a transaction under common control in accordance with the “Accounting Standard for Business Combinations (Accounting Standards Board of Japan (“ASBJ”) Statement No. 21, December 26, 2008)” and Revised Guidance on the Accounting Standard for Business Combinations and the Accounting Standard for Business Divestures (Accounting Standards Board of Japan (“ASBJ”) Guidance No. 10, December 26, 2008)

(Translation)

Report of the Independent Auditors for Consolidated Financial Statements

AUDIT REPORT OF THE INDEPENDENT AUDITORS

May 8, 2013

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

KPMG AZSA LLC

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

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

Koji Tomono (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, 2012 to March 31, 2013, 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 8, 2013

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

KPMG AZSA LLC

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

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

Koji Tomono (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 67th fiscal year from April 1, 2012 to March 31, 2013, 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 67th fiscal year from April 1, 2012 to March 31, 2013, 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.

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 fiscal 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 fiscal 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 9, 2013

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 67th 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 yen.
In this case, total dividends are 1,515,676,272 yen.
Since the interim dividend in the amount of 3 yen has been distributed, the annual dividend for the current term would be 7 yen per share.

(3) Effective date for surplus dividend
June 28, 2013

Second Proposal:
Election of Nine (9) Directors

The terms of office of all ten (10) Directors will expire at the conclusion of this General Meeting of Shareholders. Therefore, it is hereby requested that nine (9) Directors be elected at this General Meeting of Shareholders.

The candidates for Director of the Company are as follows:

No.	Name (Date of Birth)	Career Summary, Position and Responsibilities at the Company (including significant concurrent positions outside the Company)			Number of shares of the Company held
1	Yoshihisa Kainuma (February 6, 1956)	Apr.	1983	Member of Daini Tokyo Bar Association	66,000
		Dec.	1988	Director and General Manager of Legal Department of the Company	
		Sep.	1989	Member of New York State Bar Association	
		Dec.	1992	Managing Director and Deputy General Manager of Operations Headquarters	
		Dec.	1994	Senior Managing Director, General Manager of European and American Regional Sales Headquarters, Deputy General Manager of Operations Headquarters	
		Jun.	2003	Director, Senior Managing Executive Officer	
		Apr.	2009	Representative Director, President and Chief Executive Officer (Present)	
2	Koichi Dosho (November 4, 1949)	Mar.	1973	Joined the Company	56,000
		Dec.	1989	Director	
		Apr.	1999	Managing Director	
		Jun.	2003	Director (Present), Managing Executive Officer	
		Jun.	2005	Senior Managing Executive Officer	
		Jun.	2009	Vice President Executive Officer (Present) in charge of Sales at HDD Motor Business Headquarters	
		May	2012	Chief of Global Motor Business Headquarters, Officer in charge of Sales at HDD Motor Manufacturing Headquarters	
		Apr.	2013	Chief of Electronic Device & Component Manufacturing Headquarters, Officer in charge of Global Motor Division (Present)	
3	Hiroharu Katogi (March 21, 1949)	Mar.	1971	Joined the Company	52,000
		Dec.	1993	Director	
		Jun.	2003	Executive Officer	
		Jun.	2004	Managing Executive Officer, in charge of Business Administration and Investor Relations	
		Jun.	2005	Director (Present)	
		Jul.	2005	Chief of Administration Headquarters, Head of Business Administration Division and of Information Systems Division	
		Jun.	2007	Senior Managing Executive Officer (Present)	
		Jun.	2009	Officer in charge of Operations & Planning Division	
		May	2012	Officer in charge of Administration, Planning & Accounting Division and Personnel & General Affairs Division (Present)	
4	Hiroyuki Yajima (April 29, 1951)	Mar.	1973	Joined the Company	37,000
		Jun.	2003	Executive Officer	
		Jun.	2004	Managing Executive Officer	
		Jul.	2005	Head of Ball Bearing Business Unit (Present)	
		Jun.	2007	Senior Managing Executive Officer (Present)	
		Jun.	2009	Director (Present), Chief of Machined Component Business Headquarters	
		May	2012	Chief of Machined Component Manufacturing Headquarters (Present)	
		Apr.	2013	Officer in charge of Production Support Division (Present)	

(Translation)

No.	Name (Date of Birth)	Career Summary, Position and Responsibilities at the Company (including significant concurrent positions outside the Company)			Number of shares of the Company held
5	Hirotaka Fujita (May 23, 1952)	Apr.	1976	Joined the Company	25,000
		Jun.	2003	Executive Officer	
		Jun.	2005	Managing Executive Officer	
		Jun.	2007	Director (Present)	
		Jun.	2009	Senior Managing Executive Officer (Present), Chief of Rotary Component Business Headquarters, Head of Information Motor Business Unit	
		May	2012	Chief of Electronic Device & Component Manufacturing Headquarters	
		Apr.	2013	Deputy Chief of Electronic Device & Component Manufacturing Headquarters, Officer in charge of Electronic Device Division (Present)	
6	*Daishiro Konomi (September 30, 1951)	Apr.	1975	Joined the Company	20,000
		Sep.	1999	Deputy General Manager of European Region Operations	
		Jun.	2005	Executive Officer	
		Jul.	2005	General Manager of Regional Affairs for Europe (Present)	
		Apr.	2011	General Manager of European and the American Regional Sales (Present)	
		Jun.	2011	Managing Executive Officer (Present)	
7	*Tamio Uchibori (September 6, 1952)	Apr.	1977	Joined the Company	11,000
		Dec.	2003	General Manager of Business Administration Department	
		Jun.	2007	Executive Officer, Head of Corporate Planning Division, General Manager of Corporate Planning Department, Operations Headquarters	
		Jun.	2011	Managing Executive Officer (Present)	
		May	2012	Deputy Officer in charge of Administration, Planning & Accounting Division, General Manager of Corporate Planning Department (Present)	
8	Kohshi Murakami (February 8, 1940)	Apr.	1967	Appointed an assistant Judge, Tokyo District Court	-
		Apr.	1999	Presiding Justice of the Division (Acting Chief Justice, Specialized Economic and Financial Affairs Department), Tokyo High Court	
		Apr.	2005	Employed as Professor, Graduate School of Law, Kyoto University	
		Jun.	2005	Joined TMI Associates as Special Counsel (Present)	
		Nov.	2005	Appointed Outside Corporate Auditor of SANEI-INTERNATIONAL CO., LTD.	
		Apr.	2008	Employed as Visiting Professor, Yokohama National University	
		May	2008	Member of the Independent Committee of the Company (Present)	
		Jun.	2008	Director of the Company (Present)	
		Apr.	2010	Employed as Professor, Juris Doctor Program, Daito Bunka University	
9	Takashi Matsuoka (January 17, 1964)	Apr.	2003	General Manager of Planning Division, KEIAISHA Co., Ltd.	93,765
		Jun.	2003	Director, KEIAISHA Co., Ltd.	
		Jun.	2004	Managing Director, KEIAISHA Co., Ltd.	
		Jun.	2005	Director of the Company (Present)	
		Jun.	2007	Senior Managing Director, KEIAISHA Co., Ltd.	
		Jun.	2011	Director and Senior Managing Executive Officer, KEIAISHA Co., Ltd. (Present)	

Notes:

1. Persons marked with an asterisk are candidates for new Directors.

2. Special relationship between respective candidates and the Company is as follows:

(1) Mr. Takashi Matsuoka concurrently holds a post as Director and Senior Managing Executive Officer of KEIAISHA Co., Ltd. The Company purchases steel and other materials from KEIAISHA Co., Ltd.

(2) There are no conflicts of interest existing between other candidates and the Company.

3. Messrs. Kohshi Murakami and Takashi Matsuoka are candidates for Outside Director of the Company. The Company has filed a notification to financial instruments exchanges explaining that Kohshi Murakami is an independent officer, pursuant to the provisions prescribed by those exchanges.

4. Special notes regarding candidates for outside directors are as follows:

(1) Reason for election of Outside Director

(i) Mr. Kohshi Murakami has a wealth of experience and keen insight as a former Presiding Justice of the Division of the Tokyo High Court and as an attorney. He will provide guidance to ensure the sound management of the Company and promote compliance, therefore, we hereby ask that he be elected as Outside Director of the Company. Mr. Kohshi Murakami has never been involved in corporate management by means other than being outside officer, however, we have concluded that he is able to perform the duties of an outside director properly because of the above reason and since he is currently fulfilling his responsibilities as Outside Director of the Company appropriately.

(ii) Mr. Takashi Matsuoka has profound knowledge regarding corporate operations and we anticipate to reflect such knowledge to the management of the Company, and since he is currently fulfilling his responsibilities as Outside Director of the Company appropriately, we hereby ask that he be elected as Outside Director of the Company.

(2) The number of years since the candidates for our outside directors assumed the office:

(i) Mr. Kohshi Murakami would have been in office for five years at the conclusion of the Meeting since he assumed the post of outside director.

(ii) Mr. Takashi Matsuoka would have been in office for eight years at the conclusion of the Meeting since he assumed the post of Outside Director.

(3) Concerning limited liability agreements with Outside Director

The Company executed agreement with Outside Directors for limiting their liabilities under Paragraph 1, Article 423 of the Companies Act so that the Outside Directors may fully perform their roles expected as such. The amount subject to the limitation of liabilities of damages shall be the amount set forth by laws and regulations. If this agenda is approved as drafted, the Company will continue the said liability limitation agreement with Mr. Kohshi Murakami and Mr. Takashi Matsuoka.

—End—