

61st Business Year Semiannual Business Report



Minebea

Minebea Co., Ltd.

April 1, 2006 ▶ September 30, 2006



T. Yamagishi

Takayuki Yamagishi
Representative Director
December 2006

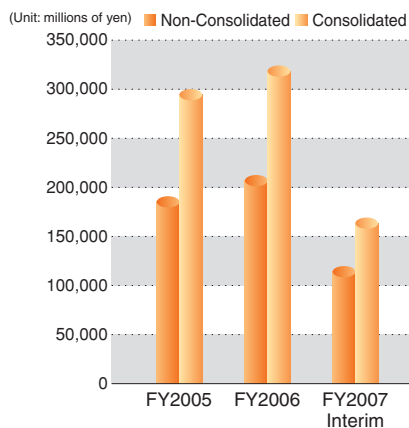
The Business results for the 61st Business Year will be reported at our Ordinary General Meeting of Shareholders scheduled to be held in June 2007. The Business results for the FY2007 interim term (April 1, 2006 - September 30, 2006) are as follows.

Overview of the interim term

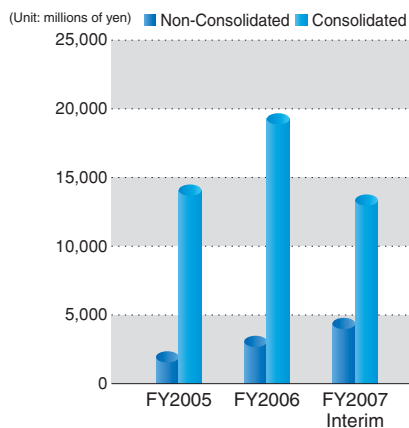
During the current consolidated interim term, the Japanese economy continued to expand, supported by improved corporate earnings and increased capital spending. The U.S. economy, despite a slowdown in growth in personal consumption and housing investment, continued stable growth, and the European economy also continued moderate growth, led by recovered domestic demand in Germany. In China, economic growth remained high due mainly to favorable exports and investment in fixed assets. In other Asian countries also, the economies were generally solid. Under these management circumstances, we strove to implement sweeping cost reduction measures, develop new technologies and high value-added products, and promote sales expansion activities, in order to further increase earnings.

As a result, net sales increased ¥8,258 million (5.3%) year on

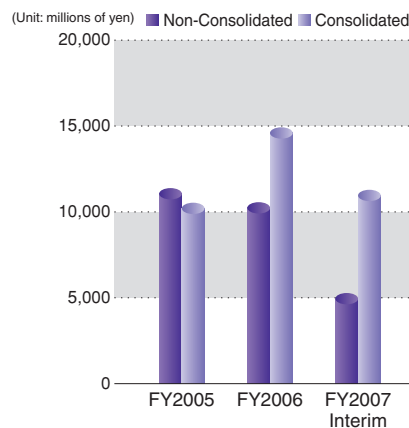
Net Sales



Operating Income



Ordinary Income



year, to ¥163,998 million, operating income also increased ¥6,142 million (85.0%) year on year, to ¥13,367 million. Ordinary income largely increased ¥5,624 million (105.7%), to ¥10,947 million, and net income also largely increased ¥5,047 million (208.4%) year on year, to ¥7,468 million.

■ Outlook for the current fiscal year

For the remaining half of the current fiscal year, we expect that the global economy will show continued balanced growth, although we have to pay attention to possibilities of an end to the real estate boom and an economic slowdown in the United States, money-tightening measures and others in China, and movements in crude oil and raw materials prices.

Under these circumstances, we expect consolidated full-year net sales of ¥324,000 million (up 1.7%), operating income of ¥28,000 million (up 45.3%), ordinary income of ¥22,000 million (up 50.7%), and net income of ¥13,500 million (up 217.1%).

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

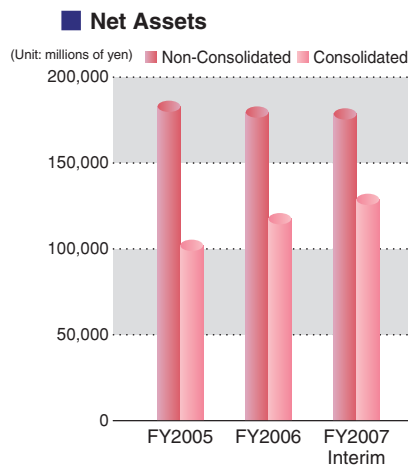
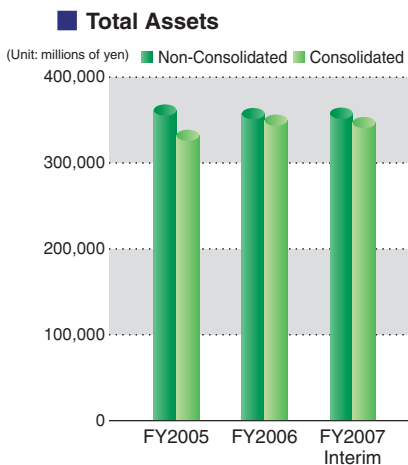
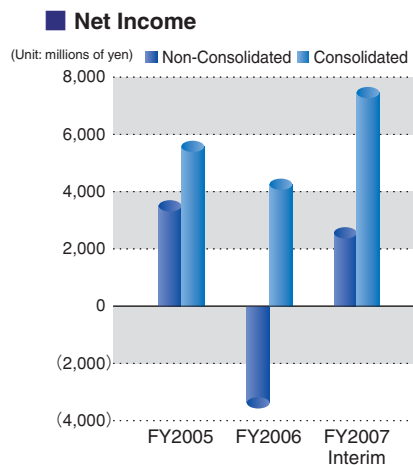
◆ Machined components business

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

◆ Electronic devices and components business

In this business segment, we will aim to switch from volume to quality by continuing to increase high value-added items sales. Also, by taking such rationalization measures as cost reduction and restructuring, we will further expand operating income. We will also promote technological advances and aggressively bring new products to market.

We look forward to your continuous support and guidance.



Performance by Business Segment (on a Consolidated Basis)

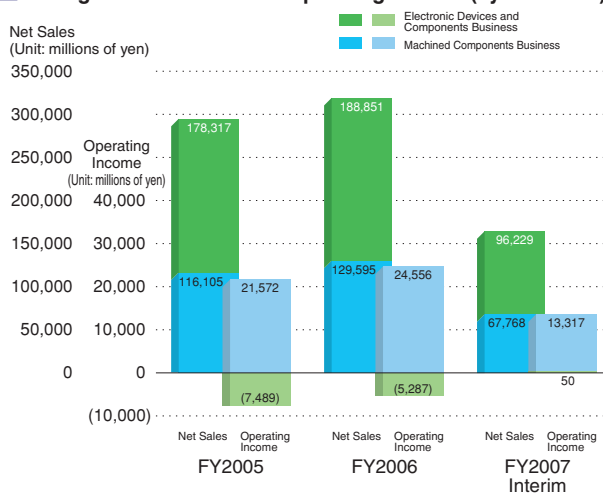
Machined Components Business

■ Net sales of the machined components business increased by 8.9% and operating income increased by 19.8%.

Net sales of the machined components business were ¥67,768 million, an increase of ¥5,564 million (up 8.9%) compared to the first half of the last fiscal year. Our products in this segment include ball bearings, which are our mainstay product; mechanical components such as rod-end bearings which are primarily for use in aircraft and pivot assemblies for use in hard disk drives (HDDs); screws for use in automobiles and aircraft; and defense-related devices and equipment. Compared to the same period last year, sales of ball bearings increased largely to the automobile and the information & telecommunications industries due to steady economic conditions worldwide. Sales of rod-end bearings also increased mainly in the North America and Europe to the aerospace industry. Sales of pivot assemblies to HDD manufacturers increased due to good demands for HDDs.

Operating income of the machined components business was ¥13,317 million, an increase of ¥2,205 million (up 19.8%) compared to the first half of the last fiscal year. Although costs of various materials increased, operating income increased as a result of focusing on increased production, implementation of continued cost reduction measures, and the pursuit of improved basic technologies, product engineering and manufacturing techniques.

■ Changes in Net Sales and Operating Income (by Business)



Electronic Devices and Components Business

■ The electronic devices and components business segment turned profitable.

Net sales of the electronic devices and components business were ¥96,229 million, an increase of ¥2,694 million (up 2.9%) compared to the first half of the last fiscal year. Our core products in this segment include HDD spindle motors; information motors (fan motors, stepping motors, vibration motors and DC brush motors); PC keyboards; speakers; LED backlights; inverter and measuring instruments. As a result of strong LCD TV sales, sales of inverters grew considerably. Sales of LED backlights were up due to an increase in the number of the mobile hand sets which utilize our products. Sales of HDD spindle motors also increased due to steady demands for HDDs. At the same time, sales of PC keyboards decreased due to price competition. Sales of information motors also decreased as a result of renewed focusing on margin rather than on share of the market.

Operating income of the electronic devices and components business segment turned profitable to ¥50 million, a significant improvement of ¥3,937 million from the first half of the last fiscal year. Electronic devices, mainly LED backlights, and measuring instruments earned profits steadily. HDD spindle motors and information motors turned profitable due to business restructuring measures taken since last year. A loss of PC keyboards also became much smaller. Regarding this PC keyboards business, we will execute the business restructuring plan which was announced in April and since then in preparation in order to target profitability on a monthly basis towards the end of the fiscal year.

Performance by Geographical Segment (on a Consolidated Basis)

Japan

Net sales rose ¥2,584 million (6.6%) year on year, to ¥41,825 million. Operating income increased ¥5,531 million year on year, to ¥4,777 million.

Asia excluding Japan

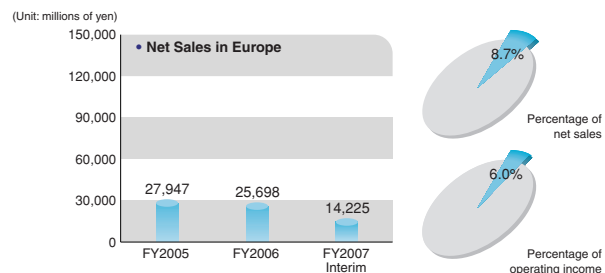
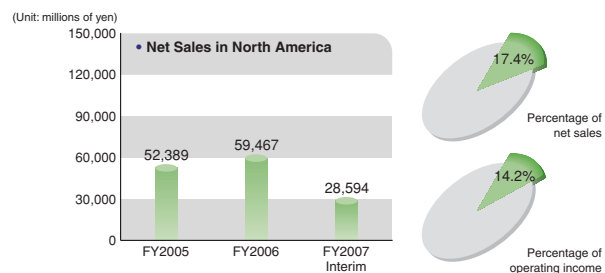
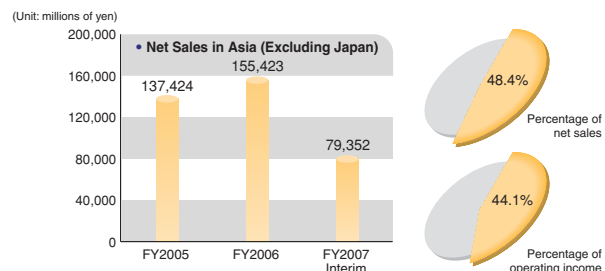
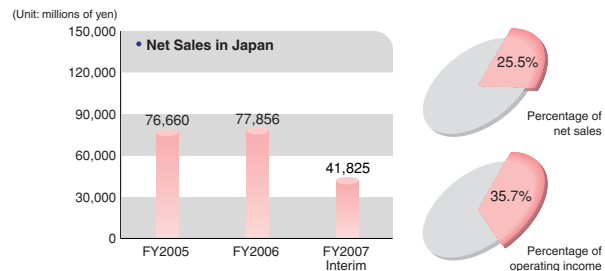
This region includes Greater China region which continues high growth, and is an important manufacturing base for many makers of Japan, Europe, America and other countries. Sales were firm mainly in the Greater China region, led by expanded demand from the information & telecommunications equipment industry and steady demand from the household electrical appliance industry. As a result, net sales and operating income increased ¥4,018 million (5.3%) and ¥166 million (2.9%) year on year, respectively, to ¥79,352 million and ¥5,895 million.

North America

In this region, sales of U.S.-made ball bearings and rod-end bearings for aerospace-related industries were strong, while those of imported products, etc. were low. As a result, net sales fell ¥209 million (-0.7%) year on year, to ¥28,594 million. However, operating income rose ¥384 million (25.3%), to ¥1,899 million.

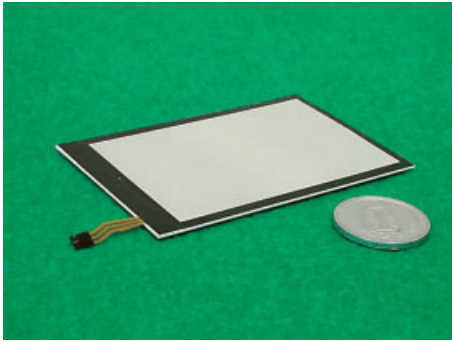
Europe

Sales of ball bearings, rod-end bearings and other products were firm as moderate economic growth was seen in this region. As a result, net sales and operating income increased ¥1,865 million (15.1%) and ¥60 million (8.2%) year on year, respectively, to ¥14,225 million and ¥794 million.



Minebea Develops Ultra-Thin LED Backlight for Mobile Products

Minebea Co., Ltd. has successfully developed a 2.8-inch ultra-thin LED backlight for mobile LCD device with a display component less than 0.5mm in thickness.



Liquid crystal displays (LCDs) are in strong demand these days for use in such products as cellular phones, car navigation systems and TV sets. Contributing to this surge in demand is the recent advances in this product. As LCDs cannot generate light on their own, backlight systems that illuminate from behind the displays are essential. And thus, the market is demanding backlights featuring high luminance, high efficiency and thinness.

We have developed and manufactured backlight systems using white LEDs for mobile products such as cellular phones, digital cameras and PDAs. In response to strong market needs, We have succeeded in developing an ultra-thin LED backlight with the light guide plate reduced to 0.285mm thick and the display component less than 0.5mm thick. This 0.5mm thickness is of equal or less than that of organic EL backlights using glass substrates.

And by combining the backlight with an ultra-thin LCD panel, ultra-thin LCD modules of less than a millimeter(1.0mm) can be achieved, thus contributing to the production of even thinner cellular phones.

This ultra-thin LED backlight utilizes our proprietary optical design technologies, and applies ultra-precision machining capabilities amassed in production of bearings and mechanical components. And it was designed in combination with newly developed high-precision thin injection molding technologies. Mass production is scheduled to start in April 2007.

The main features of the new product are as follows

1. Display component thickness of 0.492mm — less than 0.5mm — was achieved, combining a 2.8-inch large size display component, 0.285mm ultra-thin light guide plate, and 0.4mm thick ultra-thin LED, while maintaining the same structure as previous products: one diffusion film, two lens sheets, and one reflective film.
2. Parts other than the LED and light guide plate are the same makeup as on regular LED backlights, so optical characteristics such as viewing angle and luminance remain unchanged, allowing easy replacement of normal backlights.
3. The light guide plate is ultra-thin, so it can be bent with a curvature radius of about 50mm as shown in the right photograph, allowing use in flexible LCD modules when combined with LCDs using film substrates.



Consolidated Financial Statements

● Interim Consolidated Balance Sheets (unit: millions of yen)

	Fiscal year 2006 Interim (as of September 30, 2005)	Fiscal year 2007 Interim (as of September 30, 2006)	Fiscal year 2006 (as of March 31, 2006)
Assets			
Current Assets	158,547	157,825	153,564
Cash and cash equivalents	27,134	20,762	24,385
Notes and accounts receivable	67,212	73,088	66,362
Inventories	50,351	48,113	48,914
Deferred tax assets	4,522	6,908	3,402
Others	9,609	9,218	10,784
Allowance for doubtful receivables	(282)	(265)	(285)
Fixed Assets	187,799	189,657	196,216
Tangible fixed assets	158,282	165,191	165,759
Intangible fixed assets	13,637	12,583	13,177
Investments and other assets	15,879	11,882	17,279
Deferred Charges	86	60	81
Total Assets	346,433	347,543	349,862

■ Establishment of "Net Assets" section in the interim consolidated balance sheet

With an enforcement of the Company Act in May 1, 2006, Shareholders' Equity section in the balance sheet was abolished and Net Asset section was newly established. The new consolidated balance sheet presents asset items in the Asset section and liabilities items in the Liabilities section, and any other items that do not correspond to either section are presented in the Net Asset section.

	Fiscal year 2006 Interim (as of September 30, 2005)	Fiscal year 2007 Interim (as of September 30, 2006)	Fiscal year 2006 (as of March 31, 2006)
Liabilities			
Current Liabilities	149,004	138,088	150,886
Notes and accounts payable	30,383	30,756	26,683
Short-term loans payable	86,878	64,808	80,656
Current portion of long-term loans payable	1,429	9,115	8,115
Current portion of bonds	–	3,000	3,000
Current portion of bonds with warrant	4,000	–	–
Accrued income taxes	2,356	2,626	3,045
Accrued bonuses	4,762	5,288	3,518
Reserve for environmental preservation expenses	792	–	–
Allowance for business restructuring losses	–	2,898	3,286
Others	18,400	19,595	22,581
Long-term Liabilities	86,870	80,627	80,767
Bonds	38,000	36,500	36,500
Long-term loans payable	48,037	43,000	43,000
Allowance for retirement benefits	499	640	641
Allowance for retirement benefits to executive officers	37	61	49
Others	295	425	576
Total Liabilities	235,874	218,716	231,653
Minority Interest in Consolidated Subsidiaries			
Minority Interest in Consolidated Subsidiaries	1,660	–	631
Shareholders' Equity			
Common stock	68,258	–	68,258
Additional paid-in capital	94,756	–	94,756
Retained earnings	7,941	–	6,983
Difference on revaluation of other marketable securities	3,126	–	4,428
Foreign currency translation adjustments	(65,123)	–	(56,784)
Treasury stock	(61)	–	(65)
Total Shareholders' Equity	108,898	–	117,577
Total Liabilities, Minority Interest in Consolidated Subsidiaries and Shareholders' Equity	346,433	–	349,862
Net Assets			
Shareholders' equity	–	177,398	–
Common stock	–	68,258	–
Additional paid-in capital	–	94,756	–
Retained earnings	–	14,452	–
Treasury stock	–	(69)	–
Revaluation / Translation differences	–	(48,896)	–
Difference on revaluation of other marketable securities	–	3,767	–
Foreign currency translation adjustments	–	(52,663)	–
Minority interest in consolidated subsidiaries	–	324	–
Total Net Assets	–	128,827	–
Total Liabilities and Net Assets	–	347,543	–

Note: Amounts less than one million yen have been omitted.

● Intelim Consolidated Statements of Income (unit: millions of yen)

	Fiscal year 2006 Interim (Apr. 2005 thru Sept. 2005)	Fiscal year 2007 Interim (Apr. 2006 thru Sept. 2006)	Fiscal year 2006 (Apr. 2005 thru Mar. 2006)
Net sales	155,739	163,998	318,446
Cost of sales	123,155	127,595	249,934
Gross profit	32,584	36,402	68,511
Selling, general and administrative expenses	25,359	23,035	49,242
Operating income	7,224	13,367	19,269
Other income	739	1,000	1,503
Interest income	100	252	258
Dividend income	50	34	71
Equity income of affiliates	5	–	5
Others	582	713	1,167
Other expenses	2,641	3,419	6,177
Interest expenses	2,127	2,654	4,771
Foreign currency exchange loss	59	401	345
Equity loss of affiliates	–	2	–
Others	454	361	1,060
Ordinary income	5,322	10,947	14,595
Extraordinary income	497	719	1,054
Gain on sales of fixed assets	49	131	415
Gain on sales of investment securities	0	–	191
Gain on the reversal of preemptive rights	447	–	447
Reversal of loss on after-care of product	–	572	–
Reversal of allowance for doubtful receivables	–	14	–
Extraordinary loss	1,395	552	6,029
Loss on sales of fixed assets	8	85	106
Loss on disposal of fixed assets	124	372	763
Impairment loss	803	68	967
Loss on sales of investment securities	0	–	0
Loss on liquidation of affiliates	–	–	86
Loss on after-care of products	–	25	171
Business restructuring loss	–	–	3,475
Retirement benefit to directors and corporate auditors	458	–	458
Income before income taxes and minority interest	4,425	11,114	9,620
Income taxes current (including enterprise tax)	3,439	3,123	5,567
Adjustment of income taxes	(501)	821	1,574
Total income taxes	2,937	3,944	7,141
Minority interests in earnings of consolidated subsidiaries	(934)	(299)	(1,778)
Net income	2,421	7,468	4,257

Note: Amounts less than one million yen have been omitted.

● Interim Statement of Changes in Consolidated Shareholders' Equity (unit: millions of yen)

For the current interim term (April 1, 2006 through September 30, 2006)

	Shareholders' equity					Revaluation / Translation differences			Minority interest in consolidated subsidiaries	Total net assets
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total sharehold- ers' equity	Difference on revaluation of other marketable securities	Foreign currency translation adjustments	Total revalua- tion / translation differences		
Balances at March 31, 2006	68,258	94,756	6,983	(65)	169,933	4,428	(56,784)	(52,355)	631	118,209
Changes										
Net income			7,468		7,468					7,468
Purchase of own shares				(4)	(4)					(4)
Sales of own shares		0		0	0					0
Changes (net) in non- shareholders' equity items						(661)	4,121	3,459	(306)	3,153
Total changes	—	0	7,468	(4)	7,464	(661)	4,121	3,459	(306)	10,617
Balances at Sept. 30, 2006	68,258	94,756	14,452	(69)	177,398	3,767	(52,663)	(48,896)	324	128,827

Note: Amounts less than one million yen have been omitted.

■ Establishment of the Interim Statement of Changes in Consolidated Shareholders' Equity

With an enforcement of the Company Act in May 1, 2006, "Consolidated Statement of Retained Surplus" was abolished and "Statement of Changes in Consolidated Shareholders' Equity" was newly established. Objective for preparing this statement is mainly to disclose causes of changes for the items of Shareholders' equity and its amount, the section attributable to shareholders, among changes in the Net Asset section of the consolidated balance sheet for a given accounting period.

● Interim Consolidated Statements of Cash Flows (unit: millions of yen)

	Fiscal year 2006 Interim (Apr. 2005 thru Sept. 2005)	Fiscal year 2007 Interim (Apr. 2006 thru Sept. 2006)	Fiscal year 2006 (Apr. 2005 thru Mar. 2006)
Cash Flows from Operating Activities	12,931	21,885	28,237
Cash Flows from Investing Activities	(9,526)	(7,630)	(19,120)
Cash Flows from Financing Activities	1,572	(17,931)	(7,380)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	397	53	889
Net Increase (decrease) in Cash and Cash Equivalents	5,375	(3,623)	2,626
Cash and Cash Equivalents at Beginning of Period	21,759	24,385	21,759
Cash and Cash Equivalents at End of Period	27,134	20,762	24,385

Note: Amounts less than one million yen have been omitted.

Non-Consolidated Financial Statements

● Interim Non-Consolidated Balance Sheets (unit: millions of yen)

	Fiscal year 2006 Interim (as of September 30, 2005)	Fiscal year 2007 Interim (as of September 30, 2006)	Fiscal year 2006 (as of March 31, 2006)
Assets			
Current Assets	127,003	124,589	125,077
Cash and cash equivalents	17,194	10,624	9,773
Notes receivable	3,708	4,389	4,306
Accounts receivable	46,109	56,251	48,841
Inventories	9,545	9,301	9,132
Short-term loans receivable from affiliates	43,961	41,254	46,426
Deferred tax assets	2,219	4,394	1,895
Others	4,296	4,228	4,735
Allowance for doubtful receivables	(31)	(5,854)	(35)
Fixed Assets	233,467	233,584	232,446
Tangible fixed assets	25,044	25,186	26,051
Intangible fixed assets	3,454	3,118	3,225
Investments and other assets	204,968	205,279	203,169
Investments in securities	8,702	9,727	10,812
Investments securities in affiliates	164,289	161,861	161,861
Investments in partnerships with affiliates	32,406	32,406	32,406
Long-term loans receivable from affiliates	575	541	553
Deferred tax assets	4,646	388	3,173
Others	940	794	904
Allowance for doubtful receivables	(6,591)	(440)	(6,542)
Deferred Charges	35	23	36
Total Assets	360,506	358,196	357,560

■ Establishment of "Net Assets" section in the interim non-consolidated balance sheet

With an enforcement of the Company Act in May 1, 2006, Shareholders' Equity section in the balance sheet was abolished and Net Asset section was newly established. The new balance sheet presents asset items in the Asset section and liabilities items in the Liabilities section, and any other items that do not correspond to either section are presented in the Net Asset section.

	Fiscal year 2006 Interim (as of September 30, 2005)	Fiscal year 2007 Interim (as of September 30, 2006)	Fiscal year 2006 (as of March 31, 2006)
Liabilities			
Current Liabilities	92,727	99,880	98,237
Notes payable	4,662	3,947	3,400
Accounts payable	27,128	36,248	32,265
Short-term loans payable	48,600	38,100	43,600
Current portion of long-term loans payable	1,000	7,000	6,000
Current portion of bonds	—	3,000	3,000
Current portion of bonds with warrant	4,000	—	—
Accrued income taxes	356	578	868
Accrued bonuses	1,941	2,074	1,953
Allowance for business restructuring losses	—	4,946	3,546
Others	5,038	3,984	3,602
Long-term Liabilities	84,315	79,561	79,654
Bonds	38,000	36,500	36,500
Long-term loans payable	46,000	43,000	43,000
Allowance for retirement benefits	277	—	104
Allowance for retirement benefits to executive officers	37	61	49
Total Liabilities	177,042	179,441	177,891
Shareholders' Equity			
Common stock	68,258	—	68,258
Additional paid-in capital	94,756	—	94,756
Capital reserve	94,756	—	94,756
Retained earnings	17,379	—	12,287
Earned surplus	2,085	—	2,085
Voluntary reserve	11,500	—	11,500
Unappropriated retained earnings (Undisposed retained deficit)	3,794	—	(1,297)
Difference on revaluation of other marketable securities	3,126	—	4,428
Treasury stock	(58)	—	(61)
Total Shareholders' Equity	183,463	—	179,669
Total Liabilities and Shareholders' Equity	360,506	—	357,560
Net Assets			
Shareholders' equity	—	174,988	—
Common stock	—	68,258	—
Additional paid-in capital	—	94,756	—
Capital reserve	—	94,756	—
Others	—	0	—
Retained earnings	—	12,038	—
Earned surplus	—	2,085	—
Others	—	—	—
Reserve for general purpose	—	6,500	—
Retained earnings carried forward.	—	3,453	—
Treasury stock	—	(66)	—
Revaluation/Translation differences	—	3,767	—
Difference on revaluation of other marketable securities	—	3,767	—
Total Net Assets	—	178,755	—
Total Liabilities and Net Assets	—	358,196	—

Note: Amounts less than one million yen have been omitted.

● Interim Non-Consolidated Statements of Income (unit: millions of yen)

	Fiscal year 2006 Interim (Apr. 2005 thru Sept. 2005)	Fiscal year 2007 Interim (Apr. 2006 thru Sept. 2006)	Fiscal year 2006 (Apr. 2005 thru Mar. 2006)
Net sales	94,193	114,170	206,831
Cost of sales	82,489	100,604	182,910
Gross profit	11,704	13,565	23,920
Selling, general and administrative expenses	11,368	9,190	20,844
Operating income	336	4,375	3,075
Other income	5,323	1,647	9,176
Interest income	354	311	638
Dividends income	4,556	1,007	7,759
Rent income of fixed assets	120	83	212
Others	291	244	566
Other expenses	1,023	1,076	2,016
Interest and discount charge	429	–	771
Interest expenses	–	392	–
Interest on bonds	386	370	740
Foreign currency exchange loss	70	187	166
Others	137	126	338
Ordinary income	4,635	4,946	10,236
Extraordinary income	596	489	1,157
Gain on sales of fixed assets	103	195	477
Gain on sales of investment securities	–	–	191
Gain on the reversal of preemptive rights	447	–	447
Reversal of allowance for doubtful receivables	45	293	41
Extraordinary loss	2,267	1,571	11,479
Loss on sales of fixed assets	0	13	12
Loss on disposal of fixed assets	19	73	136
Impairment loss	1,478	68	1,642
Allowance for doubtful receivables	345	–	316
Loss on revaluation of investments securities in affiliates	–	–	5,230
Loss on liquidation of affiliates	–	–	49
Loss on after-care of products	–	13	29
Business restructuring loss	–	1,402	3,637
Retirement benefits to directors and corporate auditors	423	–	423
Income before income taxes (loss)	2,964	3,864	(85)
Income taxes current (including enterprise tax)	1,356	610	1,815
Adjustment of income taxes	(106)	709	1,478
Total income taxes	1,250	1,319	3,293
Net income (loss)	1,713	2,544	(3,378)
Retained earnings brought forward from the previous period	2,081	–	2,081
Loss on disposal of treasury stock	0	–	0
Unappropriated retained earnings at end of interim period (Undisposed retained deficit at end of year)	3,794	–	(1,297)

Note: Amounts less than one million yen have been omitted.

■ Corporate Data

Trade Name	Minebea Co., Ltd.
Established	July 16, 1951
Capital	¥ 68,258 million
Number of Employees	2,493
Registered Headquarters	4106-73, Oaza Miyota, Miyota-Machi, Kitasaku-Gun, Nagano 389-0293, Japan Tel: 81-267-32-2200
Head Office and Plants	Tokyo Head Office, Karuizawa Plant, Hamamatsu Plant, Fujisawa Plant, Omori Plant

■ Board of Directors

Representative Director, President and Chief

Executive Officer

Takayuki Yamagishi

Directors, Senior Managing Executive Officers

Yoshihisa Kainuma

Ryusuke Mizukami

Tosei Takenaka

Koichi Doshō

Directors, Managing Executive Officers

Hiroharu Katogi

Akihiro Hirao

Eiichi Kobayashi

Independent Directors

Chanchai Leetavorn

Takashi Matsuoka

■ Corporate Auditors

Standing Corporate Auditors

Shinichi Mori

Yoshinori Amano

Standing External Corporate Auditor

Tsukasa Oshima

External Corporate Auditors

Isao Hiraide

Hiroataka Fujiwara

■ Executive Officers

Managing Executive Officers

Yukio Shimizu

Susumu Fujisawa

Akio Okamiya

Hiroyuki Yajima

Sakae Yashiro

Masayoshi Yamanaka

Shunji Mase

Hiroataka Fujita

Executive Officers

Sadahiko Oki

Motoyuki Niijima

Kunio Shimba

Junichi Mochizuki

Morihiro Iijima

Mamoru Kamigaki

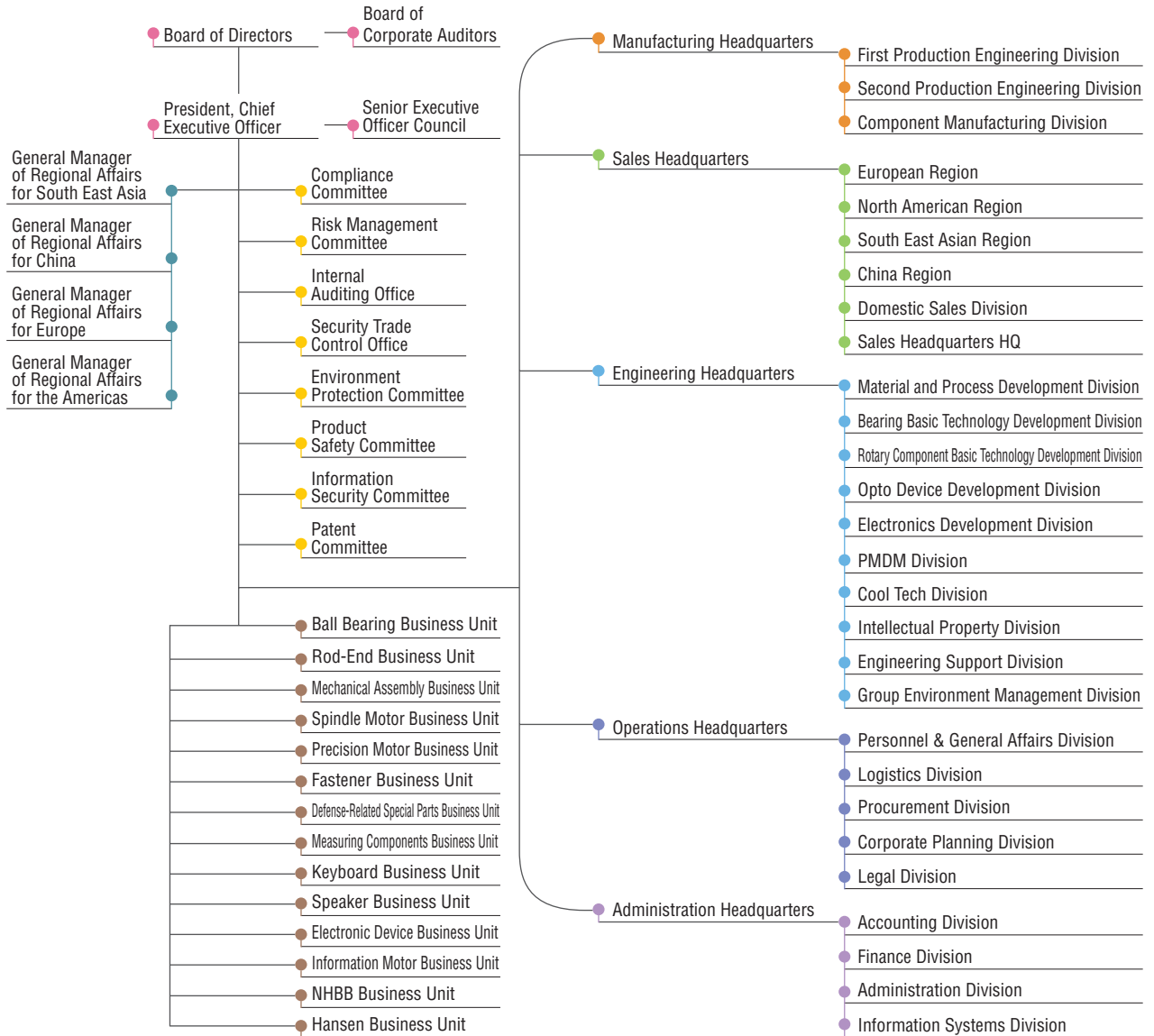
Takashi Aiba

Daishiro Konomi

Tatsuo Matsuda

Gary Yomantas

Organization Chart



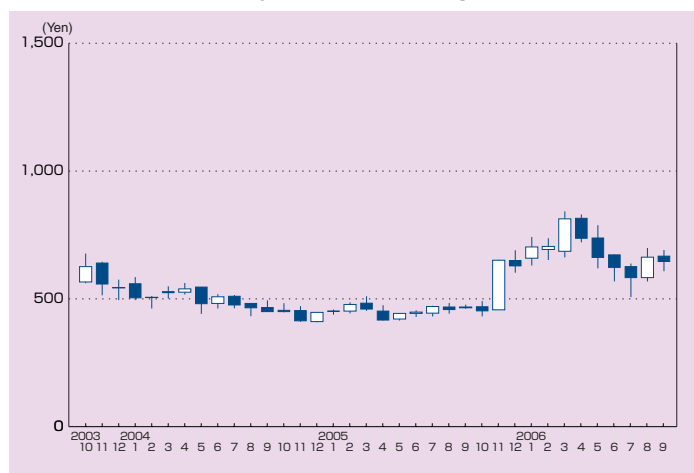
Share Information (as of September 30, 2006)

Total Number of Shares Authorized	1,000,000,000	shares
Number of Shares Issued	399,167,695	shares
Number of Shareholders	25,009	

Major Shareholders (Top 10)

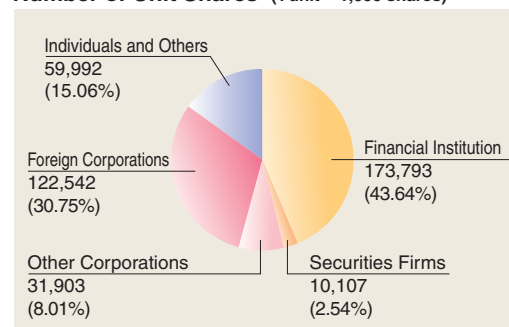
	Number of Shares (shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	33,918,000	8.50
Japan Trustee Services Bank, Ltd. (Trust account)	28,851,000	7.23
Japan Trustee Services Bank, Ltd. (Trust account 4)	18,072,000	4.53
Keiaisha Co., Ltd.	15,000,000	3.76
The Sumitomo Trust & Banking Co., Ltd.	12,349,000	3.09
Takahashi Industrial and Economic Research Foundation	12,347,330	3.09
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	10,057,839	2.52
Sumitomo Mitsui Banking Corporation	10,000,475	2.51
State Street Bank and Trust Company	9,335,625	2.34
State Street Bank and Trust Company 505019	7,722,000	1.93

Stock Price on Tokyo Stock Exchange

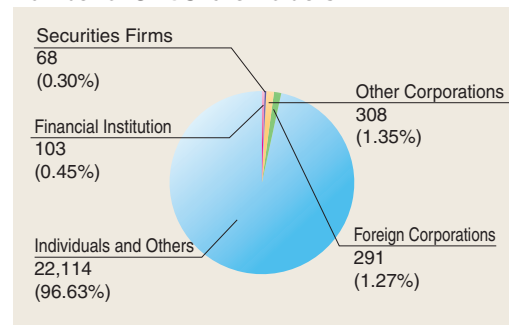


Shareholder Distribution by Unit Shares

Number of Unit Shares (1 unit = 1,000 shares)



Number of Unit Share Holders



Dividend Policy

Our basic dividend policy is that we consider it important to continue paying stable dividends, while considering the return of profits to shareholders, business development, the strengthening of corporate structure, etc. in an overall perspective.

With the adoption of a resolution at the 60th Ordinary General Meeting of Shareholders to change the Company's Articles of Incorporation, the Company has been enabled to pay interim dividends by resolution of the Board of Directors, with September 30 as an effective date from now on.

Although the Company will not make an interim dividend payment for the current business year as forecasted at the beginning of the term, we will continue to implement our basic dividend policy by considering various factors comprehensively.

What do you need to do to sell or buy your less-than-one-unit shares?

Normally, you cannot sell or buy your less-than-one-unit shares (less than 1,000 shares) on the equity market. To sell or buy such shares, you need to submit a demand for purchase or a demand for sale of the shares to turn your shares into a unit share.

For inquiries, please contact the Stock Transfer Agency Department of Sumitomo Trust & Banking Co., Ltd. In case you use stock certificate depository system, please contact the securities company that you deal with.

(Example for purchasing shares)

700 Less-than-one-unit shares that you hold + 300 Less-than-one-unit shares that you purchase = 1 unit share (1,000 shares)

**For inquiries, contact The Sumitomo Trust & Banking Co., Ltd.
Stock Transfer Agency Department ☎0120-176-417**

Information for Shareholders

Business Year	From April 1 to March 31 of next year
Ordinary General Meeting of Shareholders	June every year
Record date	Ordinary General Meeting of Shareholders March 31 every year Year-end Dividends March 31 every year When the Company makes an interim dividend payment, the record date is September 30.
Agent to Manage Shareholders Registry	5-33, Kitahama 4-chome, Chuo-ku, Osaka The Sumitomo Trust & Banking Co., Ltd.
Agent to Manage Shareholders Registry Branch	4-4, Marunouchi 1-chome, Chiyoda-ku, Tokyo The Sumitomo Trust & Banking Co., Ltd. Stock Transfer Agency Department
Delivery Address for Postal Matters	1-10, Nikko-cho, Fuchu-shi, Tokyo 183-8701 The Sumitomo Trust & Banking Co., Ltd. Stock Transfer Agency Department
Telephone Inquiries	(For Change-of-Address Form and other forms, please call) ☎ 0120-175-417 (For other inquiries, please call) ☎ 0120-176-417
Web Site	http://www.sumitomotrust.co.jp/STA/retail/service/daiko/index.html
Intermediary Office	The Sumitomo Trust & Banking Co., Ltd. Head Office and branch offices in Japan
Public Notice	The Nihon Keizai Shimbun
Common Stock Listings	Tokyo, Osaka, Nagoya and Singapore As of the end of November 2006, the Company is in the process of delisting its stock from Stock Exchange of Singapore.



Minebea Co., Ltd.

ARCO Tower, 19th Floor,
1-8-1 Shimo-Meguro, Meguro-ku, Tokyo 153-8662, Japan
Tel: 81-3-5434-8611 Fax: 81-3-5434-8601
URL: <http://www.minebea.co.jp/>

