

BRIEF REPORT OF INTERIM CONSOLIDATED FINANCIAL RESULTS
(Half year ended September 30, 2003)

November 13, 2003

Registered
Company Name: **MINEBEA CO., LTD.**
Code No: 6479
(URL <http://www.minebea.co.jp>)

Common Stock Listings: Tokyo, Osaka and Nagoya
Headquarters: Nagano-ken

Representative : Tsugio Yamamoto Representative Member of the Board , President and Chief Executive Officer
Contact: Takashi Yamaguchi Managing Executive Officer in charge of Finance and Accounting

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Board of Directors' Meeting on the Consolidated Financial
Results held on: November 13, 2003
Adoption of U.S. Accounting Standards: None

1. Business performance (April 1,2003 through September 30,2003)

(1) Consolidated Results of Operations (Amounts less than one million yen have been omitted.)

	Net sales (millions of yen)	% Change	Operating income (millions of yen)	% Change	Ordinary income (millions of yen)	% Change
FY2004 Interim	133,741	(2.6)	9,467	(7.0)	7,558	(1.4)
FY2003 Interim	137,249	0.3	10,176	(18.6)	7,667	(14.4)
FY2003 Annual	272,202		19,352		13,420	

	Net income (millions of yen)	% Change	Net income per share (yen)	Fully diluted net income per share (yen)
FY2004 Interim	2,726	7.2	6.83	6.59
FY2003 Interim	2,543	(42.0)	6.37	6.06
FY2003 Annual	(2,434)		(6.10)	—

(Notes) 1. Income or loss on investments for FY2004 interim on the equity method totaled 4 million yen, 2 million yen in FY2003 interim and 10 million yen in FY2003.

2. Weighted average number of shares outstanding during the respective years (consolidation) :
399,094,811 shares at September 30,2003 399,150,108 shares at September 30,2002
399,131,972 shares at March 31,2003

3. Changes in accounting method: None

4. The percentages of net sales, operating income, ordinary income and net income show variances against previous interim period.

(2) Consolidated Financial Position

	Total assets (millions of yen)	Shareholders' equity (millions of yen)	Shareholders' equity ratio (%)	Shareholder's equity per share (yen)
FY2004 Interim	317,365	96,078	30.3	240.74
FY2003 Interim	328,106	105,721	32.2	264.87
FY2003 Annual	320,069	98,212	30.7	246.08

(Notes) Number of shares outstanding at end of term (consolidation) :

399,089,250 shares at September 30,2003 399,142,282 shares at September 30,2002
399,100,842 shares at March 31,2003

(3) Consolidated Cash Flows

	Cash flows from operating activities (millions of yen)	Cash flows from investing activities (millions of yen)	Cash flows from financial activities (millions of yen)	Year end balance of cash and cash equivalents (millions of yen)
FY2004 Interim	5,787	(7,576)	(224)	11,850
FY2003 Interim	14,583	(7,846)	(8,713)	11,634
FY2003 Annual	32,279	(16,233)	(15,471)	14,177

(4) Scope of consolidation and application of equity method

Number of consolidated companies..... 47 companies

Number of non-consolidated companies..... None

Number of affiliated companies for equity method.... 2 companies

(5) Accounting changes of scope of consolidation and application of equity method

(a) Changes in consolidated subsidiaries

Anew: None Exclusion: 5 companies

(b) Changes of the companies subject to equity method

Anew: None Exclusion: None

2. Prospect for the current fiscal year (April 1,2003 through March 31, 2004)

	Net sales (millions of yen)	Ordinary income (millions of yen)	Net income (millions of yen)
Annual	275,000	17,000	8,500

(Reference) Projected net income per share(Annual) : 21.30 yen

(Note) The above-mentioned forecasts are based on the information available as of the date when this information is disclosed, as well as on the assumptions as of the disclosing date of this information related with unpredictable parameters that are probable to affect our future business performances in the end.

In other words, our actual performances are likely to differ greatly from these estimates depending on various factors that will take shape from now on. As for the assumptions used for these forecasts and other related items, please refer to page six of the documents attached hereunder.

(Reference)

1. Condition of group of enterprises

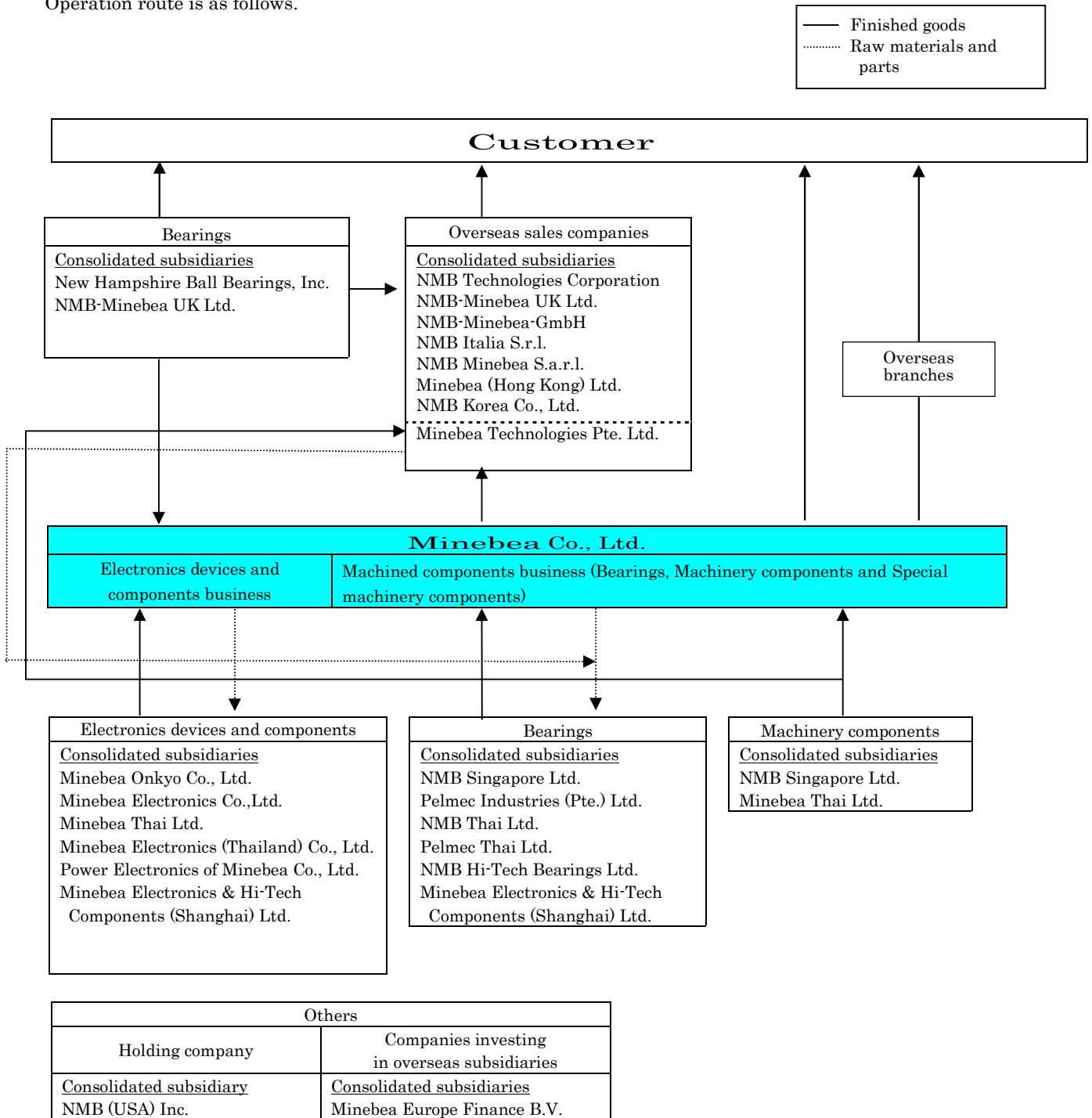
Minebea group consists of Minebea Co., Ltd. (the company) and 49 related companies (47 consolidated subsidiaries and 2 affiliates companies). Minebea group produces and sells bearings, machinery components, special machinery components, electronic devices.

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

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

Business segments	Operations	Manufacturing companies	Sales companies
Machined components business	Bearings	Minebea Co., Ltd. New Hampshire Ball Bearings, Inc. NMB-Minebea UK Ltd. NMB Singapore Ltd. Peltec Industries (Pte.) Ltd. NMB Thai Ltd. Peltec Thai Ltd. NMB Hi-Tech Bearings Ltd. Minebea Electronics & Hi-Tech Components (Shanghai) Ltd.	Minebea Co., Ltd. NMB Technologies Corporation New Hampshire Ball Bearings, Inc. NMB-Minebea UK Ltd. NMB-Minebea-GmbH NMB Italia S.r.l. NMB Minebea S.a.r.l. Minebea Technologies Pte. Ltd. Minebea (Hong Kong) Ltd. NMB Korea Co., Ltd.
	Machinery components	Minebea Co., Ltd. NMB Singapore Ltd. Minebea Thai Ltd.	
	Special machinery components	Minebea Co., Ltd.	
Electronics devices and components business	Electronics devices and components	Minebea Co., Ltd. Minebea Onkyo Co., Ltd. Minebea Electronics Co., Ltd. Minebea Thai Ltd. Minebea Electronics (Thailand) Co., Ltd. Power Electronics of Minebea Co., Ltd. Minebea Electronics & Hi-Tech Components (Shanghai) Ltd.	

Operation route is as follows.



2. Management Policy

(1) Basic Management policy

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

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

Under this basic management policy, we have actively addressed the development of higher value-added products and the sophistication of product quality. In addition we have focused company resources on areas where we can display our strength. 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.

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

(2) Basic Policy for Profit Sharing

Our basic dividend policy is to consider the return of profits to shareholders, business development, the strengthening of corporate structure, etc. in an overall perspective. We consider it important to continue paying stable dividends. Therefore, we will use internal reserves in providing for operating funds in connection with the enhancement of corporate structure and new growth in the future.

(3) Future Management strategies and tasks

1. In accordance with the basic management policies as mentioned earlier, we've developed the following wherever we are in operation of manufacturing:

"A highly integrated production system" for
"A large-scale volume production factory" supported by
"A well-kept R & D system"

In practice, we're operating business around the world; we're in attempts to attain gains in profitability as the world's strongest maker of a comprehensive range of precision parts; thereby we're targeting to upgrade our corporate value.

And the tasks we've taken in order to realize these targets can be set forth like the following:

- (a) Strengthen and expand our business of bearings and related products furthermore.
 - (b) We will build our operations in the area of precision small motors, such as spindle motors (including spindle motors with fluid dynamic bearings) and fan motors, and other rotary components until they are similar in scale to our bearing operations.
 - (c) Raise the share of value-added items in all the categories of our products; at the same time, enlarge our product range so as to respond to a wider extent of market requirements.
2. We integrated the 1st Manufacturing Headquarters and the 2nd Manufacturing Headquarters to form the Manufacturing Headquarters, effective April 1, 2003. At the same time, we disbanded the R & D Headquarters and expansively set up the Engineering Headquarters, effective the same date.

Purposes are as follows:

- (a) We will make more effective use of our technologies, know-how, human resources and financial resources by consolidating the two headquarters into one.
 - (b) We will reinforce our parts manufacturing capability, which is the cornerstone of the competitive strengths of the Minebea Group, through consolidation of the two manufacturing headquarters.
 - (c) We will develop and launch, in a short time and in a timely manner, new products that will meet the diversifying market needs by newly establishing the Engineering Headquarters.
 - (d) We will tighten overall supervision of R & D projects, accelerate development of advanced technologies, and make effective use of existing technologies through establishment of the Engineering Headquarters.
3. With the aim of further reinforcing the precision small motor business, we entered into an agreement on August 27, 2003 with Matsushita Electric Industrial Co., Ltd. to establish a new joint venture company in order to integrate all functions of both companies' information equipment motor business in four categories – axial fan motors, stepping motors, vibration motors and direct current (DC) brush motors. The joint venture company is scheduled to be established in April 2004, with Minebea holding an expected share of 60% and Matsushita 40%.

(4) Basic ideas on Corporate Governance and Measures to be taken

We consider that a company should be managed or administered in a way that shareholder value is maximized. In order for members of the Board, who represent the interests of shareholders, to fully function, the Board of Directors decided at a meeting on April 25, 2003 to introduce an Executive Officer System and a new structure of the Board of Directors.

To reinforce the Board of Directors' function as the highest management decision making body, we will reduce the number of members of the Board of Directors to 10 from the current 25, with the aim of realizing quicker and more strategically focused management decision making. Also, two of the 10 Board members will be independent directors, enabling us to strengthen the relative role of independent directors.

Additionally, we will introduce an Executive Officer System to facilitate a clear distinction between the Board of Directors with management and supervisory functions and Executive Officers with business executing functions and to speed up business executing functions. Unlike Directors on the Board, Executive Officers can be elected or dismissed by the Board of Directors at its discretion. Through a flexible use of this system, we will further vitalize our organization and human resources.

These decisions were submitted for approval at the General Shareholders' Meeting in June 2003 and at a meeting of the Board of Directors to be held subsequently.

(5) Management Index

Our consolidated forecasts for fiscal year ending March 2004 and fiscal year ending March 2005 are as follows:

	(Amount: million of yen)	
	Fiscal year ending March 2004	Fiscal year ending March 2005
Net sales	275,000 (101%)	300,000 (107%)
Operating income	21,000 (109%)	28,000 (133%)
Ordinary income	17,000 (127%)	25,000 (147%)
Net income	8,500 (-%)	15,000 (176%)
Capital Investment	27,500 (168%)	20,200 (73%)

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

We review annually projections in our medium-term operating plan based on drastically changing economic environment.

3. Operating Performance and Financial Position

(1) Operating Performance

1. Overview of the half year

During the half year of the current consolidated fiscal year, the Japanese economy in general took a somewhat favorable turn. Though temporarily affected by the Iraq war and the SARS epidemic, demand picked up overseas and exports increased. While consumer spending remained flat, capital investment began to increase and stock prices picked up. The U.S. economy, though worsened in the first quarter owing to destabilizing factors including the Iraq war, showed signs of recovery such as a pickup in stock prices in the middle of the interim period in anticipation of improved corporate performance and improvement in consumer spending triggered by the tax reduction package.

The European economy grew more stagnant with exports and production slowed down owing to the strong Euro. The Asian economies remained strong in China and Thailand despite negative effect of the SARS epidemic, while in Korea and Singapore business showed signs of slowdown.

In the interim period of the previous fiscal year, demand from the information & telecommunications equipment industry – the major customer base of our mainstay products – showed a remarkable recovery as inventory adjustments finished throughout the industry. Though sluggish in the second quarter of the current fiscal year, demand recovered steadily in the interim period of the current fiscal year as the global economy picked up gradually. However, price competition grew even more intense, keeping us in a difficult situation.

In this business climate, we redoubled our efforts not only to expand sales, but also to reduce costs by further improving efficiency of our sales and manufacturing activities, to improve product quality, and to develop high value-added products. As a result, net sales were 133,741 million yen, operating income 9,467 million yen, and ordinary income 7,558 million yen, down 3,507 million yen (-2.6%), 708 million yen (-7.0%), and 108 million yen (-1.4%), respectively, compared with the same period last year. Interim net income amounted to 2,726 million yen, up 183 million yen (7.2%) compared with the same period last year, despite posting, as extraordinary losses, retirement benefits to directors and corporate auditors in the amount of 431 million yen as a result of changes to the structure of the Board of Directors (reduction in the number of directors) and special severance payments for early retired employees totaling 307 million yen and posting the income tax adjustment of 1,376 million yen in accordance with tax effect accounting.

(a) Performance by business segment is as follows:

Machined components business

Our products in this business segment include ball bearings, which are our mainstay product; mechanical components such as rod-end bearings primarily for use in aircraft and pivot assemblies for use in hard disk drives (HDDs); screws for automobiles and aircraft; and defense-related devices and equipment. Ball bearing sales in general were firm. Sales to the information & telecommunications equipment industry and the automobile industry decreased compared with the same period last year, while those to the household electrical appliance makers were brisk.

Demand for rod-end bearings continued to decline from the aerospace industry – our major market segment – ever since the 9-11 terrorist attacks in the U.S. Sales of pivot assemblies were brisk as demand from the PC-related

industry began to recover.

Amid further appreciation of the yen and intensified price competition, net sales decreased 4,644 million yen (-7.7%) from the same period last year to 55,665 million yen, while operating income rose 15 million yen (0.2%) to 9,178 million yen compared with the same period last year, which is the fruit of our cost reduction measures.

Electronic devices and components business

Our core products in this business segment include precision small motors such as HDD spindle motors, fan motors, and stepping motors; PC keyboards; speakers; switching power supplies; lighting devices; and measuring instruments.

Demand from the information & telecommunications equipment industry – the primary customer base – recovered, while competition for securing orders grew even more intense. In this business climate, sales of HDD spindle motors and lighting devices steadily increased and those of fan motors remained strong. However, termination of floppy disk drive (FDD) business in the third quarter of the previous fiscal year and weak sales of stepping motors and PC keyboards offset these positive factors. As a result, net sales stood at 78,076 million yen and operating income at 289 million yen, up 1,136 million yen (1.5%) and down 724 million yen (-71.5%), respectively, compared with the same period last year.

(b) The Performance by Geographical Segment is as follows:

Japan

Though economic conditions took a favorable turn, owing to the effect of the termination of our FDD business and the production shift by many of our customers to their overseas subsidiaries to cope with growing deflationary pressure, net sales declined 5,506 million yen (-14.4%) from the same period last year to 32,826 million yen. Operating income, however, increased 680 million yen (59.1%) to 1,831 million yen over the same period last year.

Asia

This region offers important manufacturing bases for Japanese, European, and American manufacturers of personal computers and household electrical appliances. Sales were firm owing mainly to recovery of demand from the information & telecommunications equipment industry in Japan, Europe, and the U.S. and to production shift to this region by Japanese, American and European customers.

At the same time, price competition is getting more intense as production expands in this part of the world.

As a consequence, net sales increased 9,881 million yen (19.0%) over the same period last year to 61,872 million yen, whereas operating income declined 605 million yen (-8.4%) from the same period last year to 6,579 million yen.

North and South America

Sales of electronic devices and components such as PC keyboards, speakers, and fan motors were weak in this region. In addition, amid a swift escalation of production shift by our customers to Asia, demand from the aerospace industry for aircraft bearings such as rod-end bearings continued to decline since the 9-11 terrorist attacks in the U.S. This held business in this region in a difficult situation.

As a result, net sales and operating income declined 6,226 million yen (-20.6%) and 387 million yen (-46.1%) from the same period last year to 24,001 million yen and 452 million yen, respectively.

Europe

Despite an increasingly decelerating trend in the European economy, sales of ball bearings, rod-end bearings and other products were firm. On the other hand, sales of electronic devices and components such as PC keyboards were slow. As a result, net sales were 15,041 million yen and operating income 603 million yen, down 1,656 million yen (-9.9%) and 398 million yen (-39.8%), respectively, compared with the same period last year.

2. Outlook for the current fiscal year

For the full consolidated fiscal year, we expect it will take the Japanese economy some more time to make a full-fledged recovery, owing to continuation of severe employment and income situations and lower consumption spending, although increased exports prompted by a pickup in demand overseas and a rise in stock prices reflect an upturn in the business climate.

Overseas economy, in the meantime, shows a temporary recovery trend owing to the completion of inventory adjustment in the IT-related industry; however, business outlook will continue to be uncertain for a while because of negative factors such as the concern about possible decline in stock prices that rose after the end of the Iraq war, the concern about recurrence of terrorism, the troubled Middle East situation, and unstable oil prices.

(a) The Outlook by business Segment for the current fiscal year is as follows:

Machined components business

Ever since the 9-11 terrorist attacks in the U.S., demand from the aerospace industry – one of our major customer bases for rod-end bearings – continues to be weak and is expected to remain so during the current fiscal year. As for ball bearings and pivot assemblies, we will continue sales expansion efforts. Demand from the information & telecommunications equipment industry – the major customer for these products – is on a recovery trend. We expect demand from the household electrical appliance and automobile manufacturers will remain brisk. Competition for securing orders is expected to continue. We will continue our effort to further reduce manufacturing costs, to enhance product quality, and to expand sales of ball bearings and the related mainstay

products, so that we will be able to improve our business performance.

Electronic devices business.

With the completion of inventory adjustments by the information & telecommunications equipment industry, which is the core market for this business segment, demand is on a recovery trend. Amid the increasingly intense price competition, we will strive to further expand sales of fan motors, lighting devices, and HDD spindle motors, all of which enjoyed strong business; and to take cost-reduction measures for core products. We will also direct our effort toward developing high value-added products and low-end products and placing them on the market, thereby contributing to enhance our business performance.

(b) The outlook by Geographical Segment for the current fiscal year is as follows:

Japan

We expect that, against the backdrop of increasingly fierce price competition, many of our customers will promote production shift from their plants in Japan to those in other Asian countries. This will put us in a tougher sales situation. To cope with this, we will promote the efficiency of management from manufacturing to sales and, at the same time, will intensify the links between sales, manufacturing, and engineering groups in various parts of Japan. By so doing, we will focus our effort on enhancing business performance.

Asia

This region offers the largest market for our products. Taking full advantage of having our key manufacturing bases right in this largest market area, we aim to respond speedily to the production shift by our key customers to this region from Europe, the U.S. and Japan.

North and South America

We expect demand from the aerospace industry – one of our main customer bases - will continue to dwindle further, owing to continued declines in the number of air travelers ever since the 9-11 terrorist attacks in the U.S. and to customers' production shift to China and other parts of Asia. Business in this region, on the whole, is expected to remain stagnant.

Europe

We will continue to strive to expand sales of bearings and other core products by streamlining operations and responding quickly to market needs.

(2) Financial Position in the Interim Period of the Current Fiscal Year

The Minebea Group has pursued its principal management policy of enhancing its financial soundness and continued to take decisive steps to squeeze total assets, restrain capital investment, and reduce interest-bearing debt. The balance of cash and cash equivalents in the interim period totaled 11,850 million yen, down 2,326 million yen (-16.4%) compared with the end of the previous fiscal year.

Cash flows from various activities during the interim period and relevant factors are as follows:

Our all-out effort to improve business performance brought net cash inflow of 5,787 million yen from operating activities. Expenditure for purchase of property, plant and equipment amounted to 9,884 million yen, resulting in net cash outflow of 7,576 million yen from investing activities. Increase in short-term and long-term loans payable amounting to 1,699 million yen and other factors resulted in net cash outflow of 224 million yen from financing activities.

(3) Important Agreement in the Interim Period of the Current Fiscal Year

We ("Minebea") and Matsushita Electric Industrial Co., Ltd. ("Matsushita") entered into an agreement on August 27, 2003 to establish a new joint venture company with the aim of integrating all functions of both companies' information equipment motor business in four categories – axial fan motors, stepping motors, vibration motors and direct DC brush motors. The joint venture company is scheduled to be established in April 2004, with Minebea holding an expected share of 60% and Matsushita 40%.

4. Interim Consolidated Financial Statements and Notes
(1) Interim Consolidated Balance Sheets

	As of September 30,2003		As of September 30,2002		Increase or (decrease) (2003- 2002)		As of March 31,2003	
	Millions of yen	% Comp.	Millions of yen	% Comp.	Millions of yen	%	Millions of yen	% Comp.
ASSETS								
Current assets.....	132,800	41.8	127,497	38.9	5,303	4.2	127,447	39.8
Cash and cash equivalents.....	11,850		11,634		215		14,177	
Notes and accounts receivable....	58,577		54,109		4,467		54,085	
Inventories.....	45,351		44,503		848		43,204	
Deferred tax assets.....	8,328		6,818		1,510		8,593	
Others.....	9,128		10,963		(1,834)		7,856	
Allowance for doubtful receivables	(435)		(531)		95		(469)	
Fixed assets.....	184,554	58.2	200,586	61.1	(16,031)	(8.0)	192,608	60.2
Tangible fixed assets.....	156,409		168,702		(12,293)		162,960	
Building and structure.....	94,288		98,052		(3,763)		97,395	
Machinery and transportation equipment.....	188,375		191,125		(2,750)		191,394	
Tools, furniture and fixtures.....	46,630		47,480		(849)		47,497	
Land.....	16,508		16,786		(277)		16,710	
Construction in progress.....	1,640		888		752		438	
Accumulated depreciation.....	(191,033)		(185,629)		(5,404)		(190,476)	
Intangible fixed assets.....	12,867		14,507		(1,640)		13,749	
Consolidation adjustments.....	11,917		13,541		(1,624)		12,837	
Others.....	950		965		(15)		912	
Investments and other assets.....	15,277		17,375		(2,098)		15,898	
Investment in securities.....	5,835		6,525		(690)		3,982	
Long-term loans receivable.....	144		232		(88)		188	
Deferred tax assets.....	7,584		8,341		(757)		9,494	
Others.....	1,821		2,490		(668)		2,715	
Allowance for doubtful receivables	(108)		(215)		106		(483)	
Deferred assets.....	9	0.0	22	0.0	(12)	(55.2)	13	0.0
Total assets.....	317,365	100.0	328,106	100.0	(10,740)	(3.3)	320,069	100.0

	<u>September 2003</u>	<u>September 2002</u>	<u>March 2003</u>
(Note) Treasury stock.....	78,445 shares	25,413 shares	66,853 shares

	As of September 30,2003		As of September 30,2002		Increase or (decrease) 2003-2002		As of March 31,2003	
	Millions of yen	% Comp.	Millions of yen	% Comp.	Millions of yen	%	Millions of yen	% Comp.
LIABILITIES								
Current liabilities.....	135,873	42.8	144,523	44.1	(8,650)	(6.0)	134,459	42.0
Notes and accounts payable.....	24,572		22,291		2,281		24,025	
Short-term loans payable.....	68,276		55,272		13,004		67,475	
Commercial paper.....	3,000		—		3,000		3,000	
Current portion of long-term loans payable	3,549		27,994		(24,444)		787	
Current portion of bonds.....	10,000		—		10,000		10,000	
Current portion of convertible bonds.....	—		13,823		(13,823)		—	
Accrued income taxes.....	2,407		3,507		(1,100)		2,662	
Accrued bonuses.....	4,522		4,807		(285)		3,358	
Reserve for loss on liquidation of the business of switching power supplies, inductors and transformers, etc.....	2,390		—		2,390		3,144	
Reserve for environmental preservation expense	1,129		—		1,129		1,206	
Others.....	16,024		16,827		(802)		18,799	
Long-term liabilities.....	84,450	26.6	77,752	23.7	6,697	8.6	87,128	27.2
Bonds.....	28,000		35,000		(7,000)		28,000	
Convertible bonds.....	27,080		27,080		—		27,080	
Bond with warrant.....	4,000		4,000		—		4,000	
Long-term loans payable.....	23,672		11,142		12,530		26,782	
Allowance for retirement benefits...	683		223		459		229	
Allowance for retirement benefits to executive officers.....	7		—		7		—	
Others.....	1,007		307		700		1,036	
Total liabilities.....	220,324	69.4	222,276	67.8	(1,952)	(0.9)	221,587	69.2
MINORITY INTEREST IN CONSOLIDATED SUBSIDIARIES								
	962	0.3	107	0.0	854	792.8	269	0.1
SHAREHOLDERS' EQUITY								
Common stock.....	68,258	21.5	68,258	20.8	—	—	68,258	21.3
Additional paid-in capital.....	94,756	29.9	94,756	28.9	—	—	94,756	29.6
Retained earnings.....	2,256	0.7	7,317	2.2	(5,060)	(69.2)	(454)	(0.1)
Difference on revaluation of other marketable securities.....	1,098	0.3	(1,284)	(0.4)	2,383	(185.5)	(37)	(0.0)
Foreign currency translation adjustments.....	(70,249)	(22.1)	(63,308)	(19.3)	(6,940)	11.0	(64,274)	(20.1)
Treasury stock.....	(43)	(0.0)	(18)	(0.0)	(25)	139.0	(37)	(0.0)
Total Shareholders' Equity.....	96,078	30.3	105,721	32.2	(9,643)	(9.1)	98,212	30.7
TOTAL LIABILITIES, MINORITY INTEREST IN CONSOLIDATED SUBSIDIARIES AND SHAREHOLDERS' EQUITY.....								
	317,365	100.0	328,106	100.0	(10,740)	(3.3)	320,069	100.0

(2) Interim Consolidated Statements of Income

	Half year ended Sept. 30, 2003		Half year ended Sept. 30, 2002		Increase or (decrease) 2003-2002		Year ended March 31, 2003	
	Millions of yen	% Comp.	Millions of yen	% Comp.	Millions of yen	%	Millions of yen	% Comp.
Net sales.....	133,741	100.0	137,249	100.0	(3,507)	(2.6)	272,202	100.0
Cost of sales.....	100,385	75.1	102,511	74.7	(2,126)	(2.1)	203,500	74.8
Gross profit.....	33,356	24.9	34,737	25.3	(1,380)	(4.0)	68,702	25.2
Selling, general and administrative expenses.....	23,889	17.8	24,561	17.9	(672)	(2.7)	49,350	18.1
Operating income.....	9,467	7.1	10,176	7.4	(708)	(7.0)	19,352	7.1
Other income.....	584	0.4	713	0.5	(128)	(18.0)	1,226	0.4
Interest income.....	63		81		(18)		243	
Dividends income.....	25		47		(22)		48	
Equity income of affiliates.....	4		2		2		10	
Foreign currency exchange gain.....	—		97		(97)		—	
Others.....	491		484		7		923	
Other expenses.....	2,493	1.8	3,222	2.3	(728)	(22.6)	7,158	2.6
Interest expenses.....	1,713		2,520		(807)		4,765	
Foreign currency exchange loss.....	147		—		147		506	
Others.....	632		701		(68)		1,886	
Ordinary income.....	7,558	5.7	7,667	5.6	(108)	(1.4)	13,420	4.9
Extraordinary income.....	119	0.1	21	0.0	98	463.1	37	0.0
Revised loss on liquidation of affiliates the fiscal year.....	72		—		72		—	
Gain on sales of fixed assets.....	47		21		26		34	
Gain on sales of investments securities	—		—		—		3	
Extraordinary loss.....	1,378	1.1	871	0.6	506	58.1	12,961	4.7
Loss on sales of fixed assets.....	74		30		44		110	
Loss on disposal of fixed assets.....	251		335		(84)		602	
Loss on revaluation of investments securities	—		27		(27)		4,945	
Loss on liquidation of affiliates.....	—		164		(164)		1,843	
Loss on liquidation of the business of switching power supplies, inductors and transformers, etc.....	—		—		—		3,144	
Loss for after-care of products.....	—		—		—		482	
Environmental preservation expense.....	—		—		—		1,206	
Retirement benefit expense.....	313		313		(0)		626	
Special severance payment.....	307		—		307		—	
Retirement benefits to directors and corporate auditors.....	431		—		431		—	
Income before income taxes.....	6,299	4.7	6,817	5.0	(517)	(7.6)	495	0.2
Income taxes								
Current (including enterprise tax).....	2,247		2,322		(74)		4,276	
Adjustment of income taxes.....	1,376		1,934		(557)		(1,369)	
Total income taxes.....	3,624	2.7	4,256	3.1	(632)	(14.9)	2,906	1.0
Minority interest in earnings of consolidated subsidiaries.....	(51)	(0.0)	16	0.0	(68)	—	23	0.0
Net income.....	2,726	2.0	2,543	1.9	183	7.2	(2,434)	(0.8)

(3) Interim Consolidated Statements of Retained Surplus

	Half year ended Sept. 30,2003	Half year ended Sept. 30,2002	Increase or (decrease) 2003-2002	Year ended March 31,2003
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
CAPITAL RETAINED EARNINGS				
Additional paid-in capital at beginning of interim period (full year).....	94,756	94,756	—	94,756
Additional paid-in capital at end of interim period (full year).....	94,756	94,756	—	94,756
RETAINED EARNINGS				
Retained earnings at beginning of interim period (full year).....	(454)	4,774	(5,228)	4,774
Retained earnings at beginning of interim period (full year).....	(454)	4,774	(5,228)	4,774
Increase of retained earnings.....	2,726	2,543	183	(2,434)
Net income.....	2,726	2,543	183	(2,434)
Decrease of retained earnings.....	16	—	16	2,793
Decrease of retained earnings for decrease of consolidated subsidiaries	16	—	16	—
Cash dividends.....	—	—	—	2,793
Retained earnings at end of interim period (full year).....	2,256	7,317	(5,060)	(454)

(4) Consolidated Statements of Cash Flows

(Amount: millions of yen)

	Half year ended Sep 30,2003	Half year ended Sep 30,2002	Increase or (decrease) 2003-2002	Year ended March 31,2003
1.Cash Flows from Operating Activities:				
Income before income taxes.....	6,299	6,817	(517)	495
Depreciation	11,053	11,450	(397)	22,826
Amortization of consolidation adjustments	517	596	(78)	1,189
Equity income of affiliates	(4)	(2)	(2)	(10)
Interest income and dividends received	(88)	(129)	41	(292)
Interest expenses	1,713	2,520	(807)	4,765
Loss on sales of fixed assets	27	9	17	76
Loss on disposal of fixed assets	251	335	(84)	602
Loss on liquidation of affiliates	—	164	(164)	1,843
Increase (decrease) in reserve for losses on after-care of products	(182)	—	(182)	482
Gain on sales of investments securities.....	—	—	—	(3)
Loss on revaluation of investments securities.....	—	27	(27)	4,945
Increase in notes and accounts receivable	(6,732)	(3,931)	(2,800)	(4,070)
(Increase) decrease in inventories	(4,320)	3,019	(7,339)	3,972
Increase (decrease) in notes and accounts payable	855	(3,408)	4,264	(1,585)
Increase (decrease) of allowance for doubtful receivables	(384)	68	(453)	280
Increase (decrease) in accrued bonuses	1,228	1,390	(162)	(58)
Increase (decrease) in reserve for losses on liquidation of the business of switching power supplies, inductors and transformers etc.....	(730)	—	(730)	3,144
Increase of reserve for environmental preservation expenses...	—	—	—	1,206
Increase in retirement allowance.....	570	14	556	22
Increase of allowance for retirement benefits to executive officers.....	7	—	7	—
Payment of bonus to directors and corporate auditors.....	—	(66)	66	(66)
Others	(122)	733	(856)	1,787
Sub-total	9,959	19,610	(9,650)	41,553
Receipt of interest and dividends	86	102	(14)	266
Payment of interest	(1,619)	(2,674)	1,055	(5,086)
Payment of income taxes	(2,639)	(2,454)	(185)	(4,453)
Net cash provided by operating activities	5,787	14,583	(8,795)	32,279
2.Cash Flows from Investing Activities:				
Expenditure for purchase of property, plant and equipment.....	(9,884)	(8,019)	(1,864)	(16,382)
Proceeds from sales of property, plant and equipment	998	153	844	662
Purchase of investment in securities.....	(0)	(60)	60	(379)
Proceeds from sales of investment in securities.....	14	—	14	7
Proceeds from sales of subsidiaries with a change of the scope of consolidation.....	385	—	385	—
Long term loans receivables	(13)	(136)	123	(154)
Recovery of long term loans receivables	57	172	(114)	232
Others.....	865	44	821	(221)
Net cash used in investing activities	(7,576)	(7,846)	270	(16,233)
3.Cash Flows from Financing Activities:				
Increase (decrease) in short-term loans payable.. ..	1,747	(4,569)	6,317	7,954
Increase in the amount in commercial paper.....	—	—	—	3,000
Long term loans payable	1,287	—	1,287	17,000
Repayment of long term loans payable	(1,335)	(1,338)	3	(29,794)
Earnings from issuance of bonds	—	—	—	3,000
Loss on redemption of convertible bonds.....	—	—	—	(13,823)
Purchase of treasury stock	(5)	(11)	6	(31)
Dividends paid	(2,793)	(2,794)	0	(2,794)
Dividends paid to minority shareholders	(27)	—	(27)	—
Paid-in capital from minority shareholders.....	901	—	901	163
Others.....	—	—	—	(145)
Net cash used in financing activities	(224)	(8,713)	8,489	(15,471)
4.Effect of Exchange Rate Changes on Cash and Cash Equivalents	(312)	(340)	27	(349)
5.Net Increase (Decrease) in Cash and Cash Equivalents	(2,326)	(2,317)	(8)	224
6.Cash and Cash Equivalents at Beginning of Year	14,177	13,952	224	13,952
7.Cash and Cash Equivalents at End of Interim Period (Full Year)	11,850	11,634	215	14,177

(5) Basis of presenting interim consolidated financial statements

1. Scope of consolidation and application of equity method

Number of consolidated companies.....47 companies

Included are NMB Singapore Ltd., NMB (USA) Inc., NMB Thai Ltd., Minebea Electronics (Thailand) Co., Ltd.

Number of affiliated companies..... 2 companies

of which, equity method is applied to 2 companies including Shonan Seiki Co., Ltd., Kanto Seiko Co., Ltd..

2. Scope of consolidation and application of equity method

(a) Changes in consolidated subsidiaries

Anew: None

Exclusion: Liquidation (4 companies) NMB Fans Ltd.

PSI (NMB) Inc.

Actus Singapore (Pte.) Ltd.

Actus Australia (Pty.) Ltd.

Sales of Stock (1 company) IMC Magnetica Corp.

(b) Changes of the companies subject to equity method

Anew: None

Exclusion: None

3. Closing date of consolidated subsidiaries

Consolidated subsidiaries whose interim closing dates are different from that of the Company adjusted their interim financial statements to the Company's closing date.

4. Significant accounting policies

(a) Valuation basis and method of significant assets

1. Inventories

The Company and consolidated domestic subsidiaries state primarily at the moving average cost.

Consolidated overseas subsidiaries state at the lower of first-in, first-out cost or market, or at the lower of average cost or market.

2. 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 interim term. Also, the Company accounted for all valuation differences based on the direct capitalization 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.

(b) Method of significant Depreciation

1. Tangible fixed assets

The Company and consolidated domestic subsidiaries adopt the declining balance method. Useful lives and residual values are computed on the basis of the same method that is stipulated in the Corporation tax law. The depreciation method of depreciable assets whose acquisition values are not less than 100,000 yen and less than 200,000 yen has changed to a method by which those assets are equally depreciated in lump sum for three years.

Consolidated overseas subsidiaries mainly adopt the straight-line method.

2. Intangible fixed assets

The Company and consolidated domestic subsidiaries mainly adopt the straight-line method. Useful lives and residual values are computed on the basis of the same method that is stipulated in the Corporation tax law. However, depreciation of software (for internal use) is computed on the straight-line method based on our expected useful period (5 years).

Consolidated overseas subsidiaries mainly adopt the straight-line method.

(c) Valuation basis of significant allowances

1. Allowance for retirement benefits

Regarding the Company and its consolidated Japanese subsidiaries, the Company stated an amount estimated to accrue at the end of the current term to provide for employee retirement benefits, based on estimated retirement benefit debts and pension assets at the end of the term.

Regarding the difference of 3,134 million yen arising at the time of changing accounting standards, the Company charged prorated amounts to expenses over five years and stated this extraordinary loss as retirement benefit expense.

Over the five to fifteen 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 an amount estimated to accrue at the end of the current interim term to provide for employee retirement benefits.

2. Allowance for doubtful receivables

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

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

3. 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.

4. Reserve for loss on liquidation of the business of switching power supplies, inductors and transformers

With regard to losses estimated to arise, in the next consolidated fiscal year, from withdrawal from the business of switching power supplies, inductors and transformers, etc, a reasonably estimated amount has been posted in the current consolidated fiscal year.

5. Reserve for environmental preservation expenses

With regard to losses estimated to arise, in the next consolidated fiscal year, as environmental preservation expenses, a reasonably estimated amount has been posted in the current consolidated fiscal year.

6. 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 interim period of the current fiscal year is shown.

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

The company and consolidated domestic subsidiaries translate them into yen at the exchange rate on the balance sheets date (excluding the current financial receivables and payables that have already been translated at the contract exchange rate).

Financial items of assets and liabilities of consolidated overseas subsidiaries are translated into yen at the rates of exchange prevailing at the date of the interim period balance sheet, while income and expenses are translated into yen at the average rate of exchange during the fiscal period. The resulting exchange losses and gains are included in Minority Interests and foreign currency translation adjustments in Shareholders' Equity.

(e) Accounting method of significant lease transactions

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

(f) Accounting method of significant hedge transactions

The foreign currency-denominated monetary assets and liabilities that were hedged by forward exchange contracts are allocated to the periods. Under the guidance of the Company's financial department, forward exchange contracts have been made to hedge the risks of fluctuations in foreign exchange rates relating to export and import transactions and others.

(g) Accounting method of consumption tax and other

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

5. Range of cash in cash flow statements

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

(6) NOTES

(a) Segment Information

(1) By business segments

(Half year ended September 30, 2003)

(Amount: millions of yen)

	FY2004 (Interim)				
	Machined components business	Electronic devices and components business	Sub-total	Elimination	Total
1. Total sales and operating income					
Total sales					
(1) Sales to customers	55,665	78,076	133,741	—	133,741
(2) Sales to other segment	1,111	4	1,116	(1,116)	—
Total	56,777	78,080	134,858	(1,116)	133,741
Operating expense	47,598	77,791	125,390	(1,116)	124,274
Operating income	9,178	289	9,467	—	9,467
2. Assets, depreciation and capital expenditure					
Assets	187,802	206,686	394,488	(77,123)	317,365
Depreciation	5,479	5,573	11,053	—	11,053
Capital expenditure	2,068	7,987	10,056	—	10,056

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

2. Main products

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

(b) Electronic devices and components business.....Small motors, PC keyboards, Speakers, Transformers, Switching power supplies, Inductor, Hybrid ICs, Strain gauges, Load cells, etc.

(Half year ended September 30, 2002)

(Amount: millions of yen)

	FY2003 (Interim)				
	Machined components business	Electronic devices and components business	Sub-total	Elimination	Total
1. Total sales and operating income					
Total sales					
(1) Sales to customers	60,309	76,940	137,249	—	137,249
(2) Sales to other segment	5,277	—	5,277	(5,277)	—
Total	65,587	76,940	142,527	(5,277)	137,249
Operating expense	56,424	75,926	132,350	(5,277)	127,073
Operating income	9,163	1,013	10,176	—	10,176
2. Assets, depreciation and capital expenditure					
Assets	185,308	208,940	394,248	(66,142)	328,106
Depreciation	5,488	5,962	11,450	—	11,450
Capital expenditure	1,987	6,191	8,179	—	8,179

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

2. Main products

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

(b) Electronic devices and components business.....Small motors, PC keyboards, Speakers, Transformers, FDD sub assemblies, Switching power supplies, Inductor, Hybrid ICs, Strain gauges, Load cells, etc.

(Year ended March 31, 2003)

(Amount: millions of yen)

	FY2003 (Annual)				
	Machined components business	Electronic devices and components business	Sub-total	Elimination	Total
1. Total sales and operating income					
Total sales					
(1) Sales to customers	118,117	154,084	272,202	—	272,202
(2) Sales to other segment	7,637	—	7,637	(7,637)	—
Total	125,755	154,084	279,840	(7,637)	272,202
Operating expense	107,235	153,252	260,488	(7,637)	252,850
Operating income	18,519	832	19,352	—	19,352
2. Assets, depreciation and capital expenditure					
Assets	191,793	204,489	396,283	(76,213)	320,069
Depreciation	10,377	12,448	22,826	—	22,826
Capital expenditure	4,750	11,853	16,603	—	16,603

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

2. Main products

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

(b) Electronic devices and components business.....Small motors, PC keyboards, Speakers, Transformers, FDD sub assemblies, Switching power supplies, Inductor, Hybrid ICs, Strain gauges, Load cells, etc.

(2) By geographical segments
(Half year ended September 30, 2003)

(Amount: millions of yen)

	FY2004 (Interim)						
	Japan	Asia (excluding Japan)	North and South America	Europe	Sub-total	Elimination	Total
1. Total sales and operating income							
Total sales							
(1) Sales to customers	32,826	61,872	24,001	15,041	133,741	—	133,741
(2) Sales to other segment	69,383	62,862	1,524	687	134,457	(134,457)	—
Total	102,209	124,735	25,525	15,728	268,198	(134,457)	133,741
Operating expense	100,377	118,155	25,072	15,125	258,731	(134,457)	124,274
Operating income	1,831	6,579	452	603	9,467	—	9,467
2. Assets	159,410	213,281	33,751	20,860	427,303	(109,938)	317,365

(Notes) Dividing method and main countries in each territory

(a) Dividing method.....By geographical distance

(b) Main countries in each territory

Asia (excluding Japan).....Thailand, Singapore, China, Taiwan, Korea, etc.

North and South America.....United States, Mexico

Europe.....United Kingdom, Germany, France, Italy

(Half year ended September 30, 2002)

(Amount: millions of yen)

	FY2003 (Interim)						
	Japan	Asia (excluding Japan)	North and South America	Europe	Sub-total	Elimination	Total
1. Total sales and operating income							
Total sales							
(1) Sales to customers	38,332	51,991	30,227	16,697	137,249	—	137,249
(2) Sales to other segment	56,054	52,824	1,123	2,380	112,383	(112,383)	—
Total	94,386	104,816	31,351	19,078	249,632	(112,383)	137,249
Operating expense	93,235	97,632	30,511	18,076	239,456	(112,383)	127,073
Operating income	1,151	7,184	839	1,001	10,176	—	10,176
2. Assets	171,286	200,602	36,239	25,861	433,989	(105,883)	328,106

(Notes) Dividing method and main countries in each territory

(a) Dividing method.....By geographical distance

(b) Main countries in each territory

Asia (excluding Japan).....Thailand, Singapore, China, Taiwan, Korea, etc.

North and South America.....United States, Mexico

Europe.....United Kingdom, Germany, France, Italy

(Year ended March 31, 2003)

(Amount: millions of yen)

	FY2003 (Annual)						
	Japan	Asia (excluding Japan)	North and South America	Europe	Sub-total	Elimination	Total
1. Total sales and operating income							
Total sales							
(1) Sales to customers	72,754	107,789	58,997	32,660	272,202	—	272,202
(2) Sales to other segment	110,133	101,268	2,613	3,306	217,321	(217,321)	—
Total	182,888	209,057	61,610	35,966	489,523	(217,321)	272,202
Operating expense	179,755	196,639	59,752	34,024	470,171	(217,321)	252,850
Operating income	3,133	12,418	1,858	1,942	19,352	—	19,352
2. Assets	175,916	185,397	37,064	20,528	418,907	(98,837)	320,069

(Notes) Dividing method and main countries in each territory

(a) Dividing method.....By geographical distance

(b) Main countries in each territory

Asia (excluding Japan).....Thailand, Singapore, China, Taiwan, Korea, etc.

North and South America.....United States, Mexico

Europe.....United Kingdom, Germany, France, Italy

(3) Overseas Sales

(Half year ended September 30, 2003)

(Amount: millions of yen)

	FY2004 (Interim)			
	Asia (excluding Japan)	North and South America	Europe	Total
1. Overseas sales	62,027	22,791	16,095	100,914
2. Total sales				133,741
3. Overseas sales on total sales	46.4%	17.0%	12.0%	75.4%

(Notes) 1. The overseas sales are made outside of Japan by parent company and consolidated subsidiaries.

2. Dividing method and main countries in each territory

(a) Dividing method.....By geographical distance

(b) Main countries in each territory

Asia (excluding Japan).....Thailand, Singapore, China, Taiwan, Korea, etc.

North and South America.....United States, Canada, Mexico, etc.

Europe.....United Kingdom, Germany, France, Italy, Netherlands, etc.

(Half year ended September 30, 2002)

(Amount: millions of yen)

	FY2003 (Interim)			
	Asia (excluding Japan)	North and South America	Europe	Total
1. Overseas sales	51,596	29,376	17,426	98,399
2. Total sales				137,249
3. Overseas sales on total sales	37.6%	21.4%	12.7%	71.7%

(Notes) 1. The overseas sales are made outside of Japan by parent company and consolidated subsidiaries.

2. Dividing method and main countries in each territory

(a) Dividing method.....By geographical distance

(b) Main countries in each territory

Asia (excluding Japan).....Thailand, Singapore, China, Taiwan, Korea, etc.

North and South America.....United States, Canada, Mexico, etc.

Europe.....United Kingdom, Germany, France, Italy, Netherlands, etc.

(Year ended March 31, 2003)

(Amount: millions of yen)

	FY2003 (Annual)			
	Asia (excluding Japan)	North and South America	Europe	Total
1. Overseas sales	106,941	57,102	34,322	198,367
2. Total sales				272,202
3. Overseas sales on total sales	39.3%	21.0%	12.6%	72.9%

(Notes) 1. The overseas sales are made outside of Japan by parent company and consolidated subsidiaries.

2. Dividing method and main countries in each territory

(a) Dividing method.....By geographical distance

(b) Main countries in each territory

Asia (excluding Japan).....Thailand, Singapore, China, Taiwan, Korea, etc.

North and South America.....United States, Canada, Mexico, etc.

Europe.....United Kingdom, Germany, France, Italy, Netherlands, etc.

(b) Relating to lease transactions

	<u>Millions of Yen</u>								
	<u>Half year ended Sep.30,2003</u>			<u>Half year ended Sep.30,2002</u>			<u>Full year ended March 31,2003</u>		
(1) Equivalent of acquisition value of leased items, equivalent of total amount of depreciation and equivalent of interim (year-end) closing balance:	<u>Equivalent of acquisition value</u>	<u>Equivalent of total amount of depreciation</u>	<u>Equivalent of half year-end balance</u>	<u>Equivalent of acquisition value</u>	<u>Equivalent of total amount of depreciation</u>	<u>Equivalent of half year-end balance</u>	<u>Equivalent of acquisition value</u>	<u>Equivalent of total amount of depreciation</u>	<u>Equivalent of half year-end balance</u>
Machinery and transportation equipment	1,318	707	611	1,396	658	738	1,364	650	714
Tools, furniture and fixtures	<u>3,189</u>	<u>1,652</u>	<u>1,537</u>	<u>3,268</u>	<u>1,677</u>	<u>1,591</u>	<u>3,332</u>	<u>1,691</u>	<u>1,640</u>
Total	4,508	2,359	2,148	4,665	2,335	2,329	4,697	2,342	2,355

Because of a low ratio of the interim (year-end) closing balance of unexpired lease expenses to a total amount of the interim (year-end) closing balance of tangible fixed assets, equivalent of acquisition value in the period under review has been calculated based on "interest payment inclusive method."

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

within-1-year	1,049	1,069	1,107
over 1-year	<u>1,098</u>	<u>1,260</u>	<u>1,247</u>
Total	2,148	2,329	2,355

Because of a low ratio of the interim (year-end) closing balance of unexpired lease expenses to a total amount of the interim (year-end) closing balance of tangible fixed assets, equivalent of the interim (year-end) closing balance of unexpired lease expenses in the period under review has been calculated based on "Interest payment inclusive method".

(3) The amount of lease expenses and equivalent of depreciation expenses:

Amount of lease expenses	661	633	1,247
Equivalent of depreciation expenses	661	633	1,247

(4) Method of computing equivalent of depreciation expenses:

Computation is based on straight-line method with the lease term as a useful life and the residual value to be set at zero.

(c) Marketable securities

1. Marketable securities

(Amount: millions of yen)

Classification	FY2004 (Interim)			FY2003 (Interim)			FY2003 (Annual)		
	Book value	Market price	Gain or (loss)	Book value	Market price	Gain or (loss)	Book value	Market price	Gain or (loss)
Other Marketable Securities with Market Value									
Stock	2,719	4,520	1,801	7,322	5,181	(2,140)	2,723	2,660	(62)
Total	2,719	4,520	1,801	7,322	5,181	(2,140)	2,723	2,660	(62)

(Note) Owing to the impairment of shares with quoted market values that are included in other marketable securities, losses on revaluation of marketable and investment securities totaled 27 million yen in the first half of fiscal year 2003 and 4,914 million yen in fiscal year 2003.

2. Main securities without market value

(Amount: millions of yen)

Classification	FY2004 (Interim)	FY2003 (Interim)	FY2003 (Annual)
Stock	1,094	1,135	1,104
Total	1,094	1,135	1,104

(Note) Non-listed stock (Except for stock at over the counter)

(d) Contract amounts etc., current prices, and unrealized profits or losses of derivatives

Exchange contract

(Amount: millions of yen)

Classification	FY2004 (Interim)				FY2003 (Interim)				FY2003 (Annual)			
	Contract amount	Current price	Revaluation profit or (loss)	Over 1-year	Contract amount	Current price	Revaluation profit or (loss)	Over 1-year	Contract amount	Current price	Revaluation profit or (loss)	Over 1-year
Non-market transaction												
Exchange Contract Transaction												
Selling Order												
US dollar	-	-	-	-	728	-	728	-	407	-	407	-
Japanese YEN	-	-	-	-	250	-	250	-	83	-	83	-
Euro	-	-	-	-	11	-	11	-	19	-	19	-
HK dollar	-	-	-	-	-	-	-	-	2,142	-	2,142	-
Buying Order												
Japanese YEN	-	-	-	-	45	-	45	-	35	-	35	-
Total	-	-	-	-	1,036	-	1,036	-	2,687	-	2,687	-

(Notes) 1. Calculation method for current market price

Exchange Contract Transactions.....These transactions have been made based on the forward exchange rates.

2. We excluded the items that are applied hedge account from this financial year's report.

3. For derivative transactions expected to be made in October 2002 and April 2003, exchange contracts were made in Singapore at the end of respective closing date.

(7) Amounts of production, orders received, sales

1. Production

Business segments	Product amount (millions of yen)	Change Y / Y (%)
Machined components business	59,013	98.7
Electronic devices and components business	81,455	104.9
Total	140,468	102.2

(Note) Amounts are provided on the basis of their sales prices, after offsetting and eliminating transactions between the two business segments and do not include consumption taxes.

2. Orders received

Business segments	Orders received (millions of yen)	Change Y / Y (%)	Order backlog (millions of yen)	Change Y / Y (%)
Machined components business	55,886	95.6	33,446	103.1
Electronic devices and components business	79,679	104.4	23,672	103.5
Total	135,565	100.6	57,118	103.2

(Note) Amounts are provided on the basis of their sales prices, after offsetting and eliminating transactions between the two business segments and do not include consumption taxes.

3. Sales

Business segments	Sales amount (millions of yen)	Change Y / Y (%)
Machined components business	55,665	92.3
Electronic devices and components business	78,076	101.5
Total	133,741	97.4

(Note) Amounts are provided on the basis of their sales prices, after offsetting and eliminating transactions between the two business segments and do not include consumption taxes.