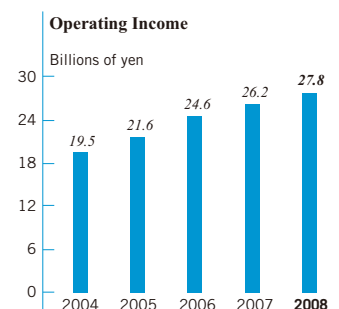
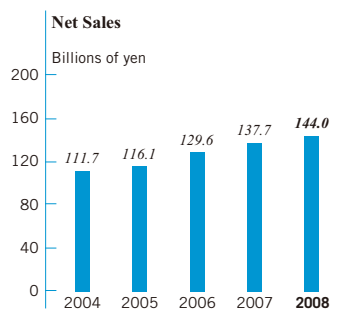
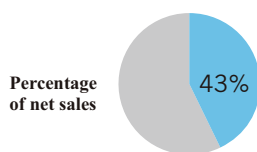


## Segment Results

### Performance by Business Segment

#### Machined Components



#### Principal Products

- **Bearings and Bearing-Related Products**
  - Miniature ball bearings
  - Small-sized ball bearings
  - Integrated-shaft ball bearings
  - Rod-end bearings
  - Spherical bearings
  - Roller bearings
  - Bushings
  - Pivot assemblies
  - Tape guides
- **Other Machined Components**
  - Aerospace/automotive fasteners
  - Special machined components
  - Magnetic clutches and brakes

Net sales in the Machined Components segment rose 4.6%, or ¥6,372 million, to ¥144,034 million. Operating income increased 5.9%, or ¥1,555 million, to ¥27,750 million. The segment's operating margin, calculated using sales to external customers, edged up 0.3 percentage point from fiscal 2007, to 19.3%. Despite the impact of unfavorable foreign exchange rates and rising raw materials prices, sales of mainstay products increased, reflecting persistently strong demand worldwide. Operating income also increased, reflecting ongoing efforts to lower cost of sales.

#### Principal Products and Applications and Minebea's Global Market Share

Principal Products	Principal Applications	Global Market Share*
Bearings and bearing-related products		
Miniature and small-sized ball bearings	Small motors, household electrical appliances, information and telecommunications equipment, automobiles, industrial machinery	60%
Rod-end and spherical bearings	Aircraft	50%
Pivot assemblies	HDDs	65%
Other machined components		
Special machined components, fasteners	Aircraft, automobiles, industrial machinery	—

\*Global market shares are in terms of units shipped, except the market share for rod-end and spherical bearings, which is in terms of sales value. Market shares are Minebea estimates based on information collected by the Company and by market research firms.

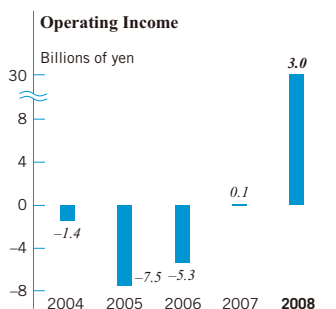
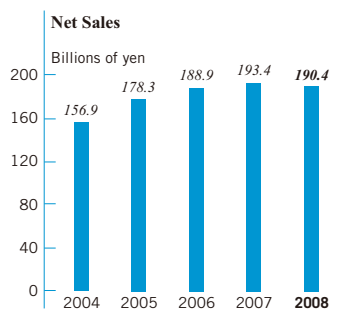
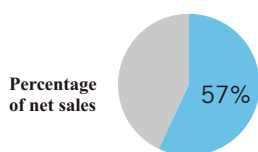
#### Ongoing Efforts

Sales of principal segment products miniature and small-sized ball bearings increased, primarily to manufacturers of automobiles and motors, as did operating income. We expanded production capacity for miniature ball bearings in response to market growth, a consequence of brisk demand for miniature ball bearings for use in pivot assemblies, fan motors and other components for PCs and digital home electronics products. We also continued to lower manufacturing costs through efforts to improve yield and rationalize operations. In line with the theme of returning to the basics of manufacturing, we are striving to reinforce this business. We have also created a department dedicated to basic technology development.

In rod-end and spherical bearings, both sales and income were up, reflecting robust aircraft production worldwide. In response to soaring demand from aircraft manufacturers, we are expanding production capacity at our plants in Japan (Karuizawa), the United States and the United Kingdom, while at the same time stepping up front-end production in Thailand with the aim of establishing a low-cost structure and further enhancing capacity. In addition to our existing rod-end and spherical bearings, we are striving to enter the markets for ball bearing parts for engine peripherals and large mechanical parts that make use of sophisticated processing technologies. In April 2008, we merged the Rod-End Bearing Business Unit and the Fastener Business Unit with the aim of entering the market for fasteners for commercial aircraft.

The market for pivot assemblies continues to grow, spurred by expanding demand for use in HDDs for PCs and home electronics products. With double-digit growth in the market for HDDs expected to continue, our ongoing objective is to maintain our commanding market share. To this end, we are taking steps to lower manufacturing costs by increasing production capacity, shifting parts production in-house, increasing yields and standardizing designs.

## Electronic Devices and Components



### Principal Products

#### ● Rotary Components

- HDD spindle motors
- Fan motors
- Hybrid-type stepping motors
- PM-type stepping motors
- Brush DC motors
- Vibration motors
- VR resolvers

#### ● Other Electronic Devices and Components

- PC keyboards
- Speakers
- Electronic devices
  - Color wheels
  - Lighting devices for LCDs
- Backlight inverters
- Measuring components
  - Strain gages
  - Load cells

Despite an increase in sales of HDD spindle motors and successful efforts to cultivate new markets for measuring components, net sales in the Electronic Devices and Components segment edged down 1.5% in fiscal 2008, or ¥2,963 million, to ¥190,397 million, owing to a decline in sales of speakers and the restructuring of our PC keyboard business. Operating income improved substantially, rising 43.7 times, or ¥2,942 million, to ¥3,012 million. The segment's operating margin, calculated using sales to external customers, improved 1.6 percentage points, to 1.6%, up from 0.0% in the previous period. This primarily reflected a sharp improvement in profitability for PC keyboards, the result of a major restructuring of the business, the cultivation of new markets for measuring components, and an improvement in profitability for information motors, which countered the impact of unfavorable foreign exchange rates and rising raw materials prices.

### Principal Products and Applications and Minebea's Global Market Share

Principal Products	Principal Applications	Global Market Share*
<b>Rotary components</b>		
HDD spindle motors	HDDs	13%
Information motors (fan motors, stepping motors, brush DC motors, vibration motors)	PCs and servers, information and telecommunications equipment, household electrical appliances, cellular phones, automobiles, industrial machinery	2%–18%, depending on product
<b>Other electronic devices and components</b>		
PC keyboards	PCs	6%
Lighting devices for LCDs	Cellular phones, digital cameras, portable digital information terminals	8%
Speakers	Audio equipment, PCs, automobiles	—
Measuring components	Industrial machinery, automobiles, game consoles	—

\*Global market shares are in terms of units shipped. Market shares are Minebea estimates based on information collected by the Company and by market research firms.

### Ongoing efforts

In the HDD spindle motor business despite efforts to lower the cost of sales, a deterioration of the business environment—reflecting the appreciation of the Thai baht and rising raw materials prices—and falling yields exacerbated the operating loss. Looking ahead, we will continue to work to maintain sales prices, as well as to step up production and sales of high-growth, high-margin 2.5-inch spindle motors.

During the period under review, we completed a reorganization of our information motors business, achieving a sharp increase in operating income. Specific steps included integrating and closing manufacturing facilities, reconsidering our use of outside suppliers and lowering costs by improving production efficiency. We are also striving to review orders and accelerate the introduction of new products to enhance our product mix.

We restructured the PC keyboards business, withdrawing from the production of persistently unprofitable products and focusing our efforts on high-value-added products, including keyboards for notebook PCs and wireless keyboards. We also reduced fixed costs by reorganizing our manufacturing, sales and technological groups, reducing employee numbers and eliminating certain facilities. These moves resulted in a decline in sales, but operating income rose substantially.

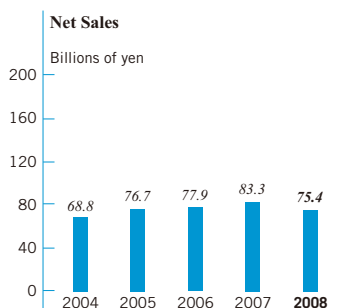
In electronic devices, both sales and income declined despite increased sales of backlight inverters, owing to falling sales prices for LED backlights and our withdrawal from the FDD head and MOD businesses. Going forward, we will continue striving to expand our business in the area of medium-size LED backlights for automobiles and other applications.

In our speaker business, intensifying competition pushed operating income down. In measuring components, our entry into the market for speakers for game consoles prompted an increase in operating income.

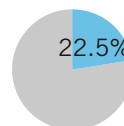
## Performance by Geographic Segment

### Japan

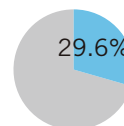
Net sales in Japan declined 9.5%, or ¥7,887 million, to ¥75,378 million. Operating income edged down 6.9%, or ¥674 million, to ¥9,096 million, reflecting an increase in SGA expenses.



Percentage of net sales

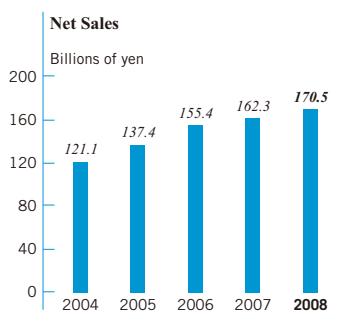


Percentage of operating income

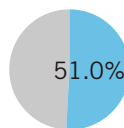


### Asia (Excluding Japan)

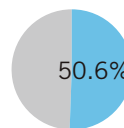
Asia includes the high-growth Greater China region, an important manufacturing base for many companies in Japan, Europe, the Americas and elsewhere. In the period under review, sales in Asia (excluding Japan) were firm, supported by expanded demand from the information and telecommunications industry and steady demand from the household electrical appliances industry. As a consequence, net sales increased 5.0%, or ¥8,144 million, to ¥170,474 million, and operating income climbed 37.8%, or ¥4,274 million, to ¥15,573 million.



Percentage of net sales

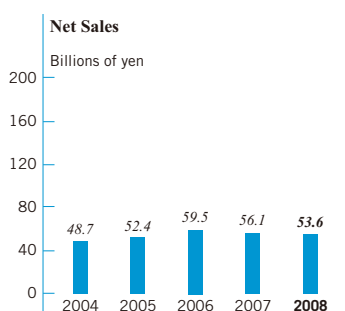


Percentage of operating income

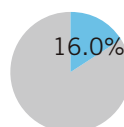


### North America

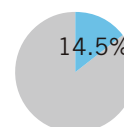
In North America, both orders and sales of U.S.-made ball bearings and rod-end bearings for the aerospace industry were strong. Owing to a decline in sales of PC keyboards, however, reflecting our move to focus on high-value-added models, net sales slipped 4.5%, or ¥2,525 million, to ¥53,585 million. Nonetheless, operating income climbed 20.0%, or ¥746 million, to ¥4,476 million.



Percentage of net sales

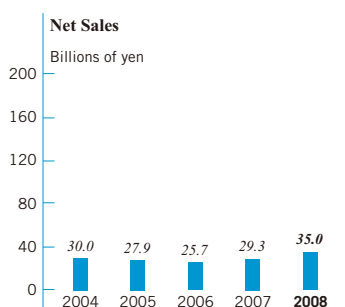


Percentage of operating income

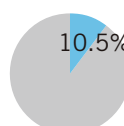


### Europe

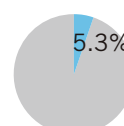
In Europe, sales of ball bearings and rod-end bearings remained firm, buoyed by moderate economic growth. As a consequence, net sales rose 19.4%, or ¥5,677 million, to ¥34,994 million, and operating income increased 10.3%, or ¥151 million, to ¥1,617 million.



Percentage of net sales



Percentage of operating income



Note: Net sales figures represent sales to external customers.