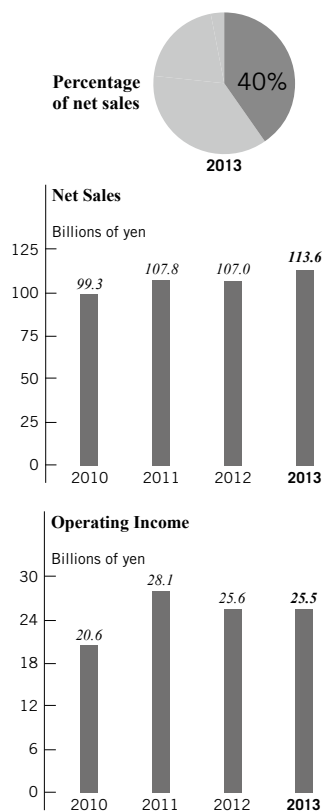


Segment Information

Machined Components



In the year under review, net sales in the machined components segment increased ¥6,535 million (6.1%) from the previous year to ¥113,573 million. Operating income decreased ¥152 million (0.6%) from the previous year to ¥25,459 million, while operating margin, calculated using sales to external customers, narrowed by 1.5 points from the previous year to 22.4%. Output and sales remained firm in the first quarter, but we adjusted output beginning in the second quarter due to the effects of the slowing global economy and a worsening HDD market. Net sales increased due to the weaker yen, but profits declined slightly due to the higher manufacturing costs that resulted from lower output.

Principal Products, Markets, and Minebea's Global Market Share

<i>Our product lines & principal products</i>	<i>Principal markets</i>	<i>Global market share*</i>
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%
Fasteners	Aircraft, automobiles	—
Pivot assemblies	Hard disk drives	70%

*Global market share is based on volume, except for the figure for rod-end and spherical bearings, which is based on sales value. Minebea estimates market share based on information that we collect ourselves and information from independent market research firms.

Business Activities and Ongoing Efforts

Beginning in the second quarter onwards, sales volume for our mainstay miniature/small-sized ball bearings declined compared to the previous year due to the effects of the slowing global economy and a worsening HDD market. Net sales increased due to the weaker yen but manufacturing costs increased as a result of production adjustments aimed at reducing inventory, and as a result profit decreased. Both our sales and profits from rod-end and spherical bearings increased from the previous year thanks to stronger demand for aircraft applications.

We are continuing our efforts to reduce costs in the ball bearings business by improving yields and streamlining production. While strengthening operations based on the idea of returning to basics in manufacturing, we are also working to strengthen our basic technology development areas. Going forward, we will use the production capacity at our newly completed (2011) plant in order to expand sales to the automobile industry and the information and telecommunications equipment industry and to capture new demand through the production of low-cost, mass-produced ball bearings for emerging countries and medium-sized ball bearings.

In the rod-end fastener business, we will pursue overall cost reductions by expanding output capacity for semifinished products by expansion of our Thai plant in 2012, making us able to better withstand exchange rate fluctuations.

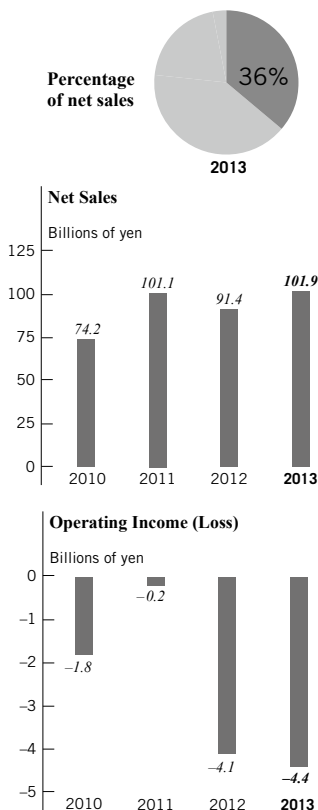
In the pivot assembly business, we have been continuously working to lower costs and increase production through measures such as increasing yields. While leveraging synergies of our significant market share in pivot assemblies and miniature ball bearings to maintain a sizeable market share in higher valued-added products such as 7mm and 5mm products, we are also seeking to expand earnings.

Major Products

Ball bearings	Rod-end bearings	Spherical bearings	Roller bearings	Bushings	Pivot assemblies
Mechanical assemblies	Aerospace fasteners	Automotive fasteners			

*Segment classification has changed from the fiscal year ended March 31, 2011, due to the revision of accounting standards.

Rotary Components



In the year under review, net sales increased ¥10,556 million (11.6%) from the previous year to ¥101,920 million. The segment reported an operating loss of ¥4,369 million, ¥250 million wider than the previous year. Operating margin improved by 0.2 points to -4.3%.

HDD spindle motors continued their steady recovery from the wide-spread flooding in Thailand. Although we adjusted output beginning in June 2012, sales volume increased thanks to our growing market share in high-end products. Earnings from information motors have been slow to recover amid a global economic slowdown, increasingly strained relations between Japan and China, and surging currencies in Thailand and China, where we have manufacturing bases.

Principal Products, Markets, and Minebea's Global Market Share

<i>Our product lines & principal products</i>	<i>Principal markets</i>	<i>Global market share*</i>
Information motors (fan motors, stepping motors, brush DC motors, vibration motors, DC brushless motors)	PCs and servers, information and telecommunications equipment, household electrical appliances, mobile phones, automobiles, industrial machinery, office automation equipment	2-70%, depending on products
HDD spindle motors	Hard disk drives	—
Precision motors	Automobiles	—
Micro-actuators	Digital still cameras, automobiles	—

*Global market share is based on volume. Minebea estimates market share based on information that we collect ourselves and information from independent market research firms.

Business Activities and Ongoing Efforts

Demand for HDD spindle motors remained weak even after the HDD market production adjustments that took place beginning in June 2012. After the widespread flooding in Thailand, production capacity was fully restored in December, and we have put in place a framework enabling steady supply of product that meets demand, including orders from overseas. At the same time, our products for the server market and other high-end products are highly regarded by customers and sales in these areas are rising.

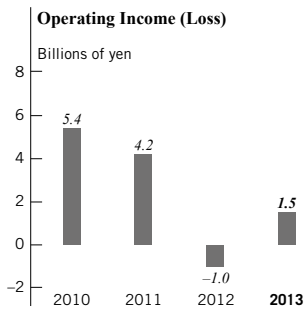
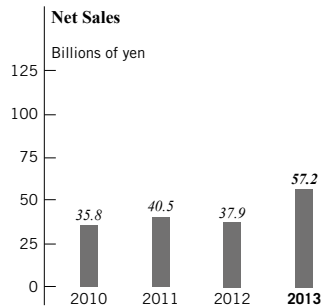
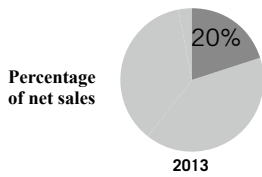
In the information motors business, the markets for smartphones and tablet PCs are rapidly expanding but this is negatively affecting demand for products like notebook PCs, hard disk drives, printers, copiers, and compact digital still cameras. As a result, we have embarked on a reorganization of our motors business. We are working to lower the breakeven point by: 1) dissolving a joint venture with Panasonic, converting the company into a wholly owned subsidiary which we then absorbed; 2) withdrawing from the vibration motors business; 3) reducing labor costs by transferring production of micro-actuators and brush DC motors to the Cambodia plant; 4) combining the micro-actuator business unit with the stepping motors business unit; and 5) reducing future fixed costs by reducing production capacity for items such as HDD spindle motors. By taking these measures we aim to stem the losses in the rotary components segment.

Major Products

Fan motors Permanent magnet (PM)-type stepping motors Hybrid-type stepping motors Brush DC motors
Vibration motors Brushless DC motors HDD spindle motors Precision motors

*Segment classification has changed from the fiscal year ended March 31, 2011, due to the revision of accounting standards.

Electronic Devices and Components



In the year under review, net sales jumped ¥19,303 million (50.9%) from the previous year to ¥57,190 million. Operating income increased ¥2,490 million from the previous year to ¥1,531 million. Operating margin improved by 5.2 points to 2.7%.

Our output and sales of LED backlights fluctuated sharply during the year, but earnings for the full year showed substantial improvement. Measuring components were affected by the fourth quarter surge in the currencies of Thailand and China (where we have manufacturing bases), but business results for the full year remained firm due to a rebound in sales to the automobile market.

Principal Products, Markets, and Minebea's Global Market Share

Our product lines & principal products	Principal markets	Global market share*
LED backlights	Mobile phones, automobiles, digital cameras, portable digital information terminals	20%
Measuring components	Industrial machinery, automobiles	—

*Global market share is based on volume. Minebea estimates market share based on information that we collect ourselves and information from independent market research firms.

Business Activities and Ongoing Efforts

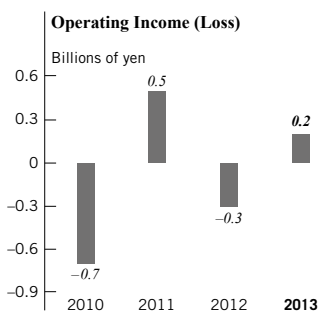
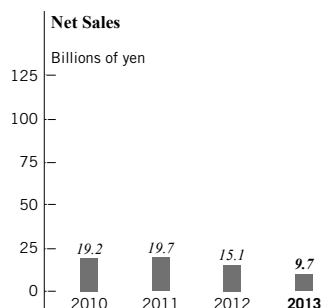
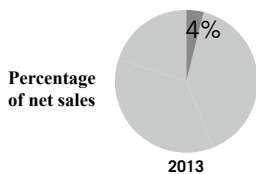
Output and sales of LED backlights rose sharply starting in the second quarter, resulting in a substantial increase in profits. However, production and sales fell back sharply in the fourth quarter due to the effects of a temporary—but sudden and significant—production adjustment on the customer side. Compared to the previous year, business results for the full year improved substantially. Sales of measuring components for the automobile industry rebounded and business results remained firm.

Because the demand for LED backlights fluctuates suddenly and substantially, in parallel with working to keep existing customers, we are also working to minimize the risk of fluctuations in demand and aggressively expand sales by introducing new products and fostering new customers, thereby greatly increasing both sales and profits. In measuring components, we are working to develop new products and grow our sales of products for the automobile market. In addition to industrial machinery, we are actively working to tap new markets, such as automobiles, for measuring components. Going forward, we will be seeking to develop other new markets such as the medical and nursing care market, and modularization and systemization with products such as motors that incorporate sensors as a key device.

Major Products

LED backlights Backlight inverters LED drivers Measuring components Hybrid components

Other



In the year under review, net sales decreased ¥5,343 million (35.5%) from the previous year to ¥9,726 million. Operating income increased ¥570 million from the previous year to ¥231 million. Operating margin improved by 4.6 points to 2.4%.

Business Activities and Ongoing Efforts

Speaker results continued to be severely affected by poor sales, but profits from special devices rose compared to the previous year. Sales fell significantly due to our withdrawal from the keyboard business, but profits improved.

Major Products

Speakers Special devices

*Segment classification has changed from the fiscal year ended March 31, 2011, due to the revision of accounting standards.