



# Financial Review

**Minebea Co., Ltd.**

**Tsugio Yamamoto**  
**President and**  
**Representative Director**  
**May 18, 2001**

# **Consolidated Results for the Fiscal Year ended March 31, 2001**

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(Millions of Yen)

	<u>Forecasts announced</u> <u>on Feb. 22</u>	<u>Actual</u>
Net Sales	287,000	287,045
Operating Income	34,000	32,977
Ordinary Income	25,000	24,726
Net Income	15,000	14,826

**Also in line with the First Year Target of  
Our Three-year Management Plan**

# Three Basic Management Directions to Become A High-growth, Highly Profitable Company

Three basic management directions

1. To increase production of most profitable mainstay ball bearings and bearing-related products
2. To expand small motors and other rotary components business to a scale similar to bearing operation
3. To raise the weight of high-value-added products in main product categories



**Realization**

**Minebea's Basis of Strength**

**「Ultra-precision Machining Technologies」**

**「Mass Production Technologies」**

# **Outline of Restructuring Measures Implemented During Last Year**

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- **Decided to withdraw from the wheel business and to close Kyoto Plant**
- **Reorganized subsidiaries**
- **Dissolved our exclusive sales agent agreement with Keiaisha NMB**
- **Sold Actus Corporation to a third party**

# Outlook for the Fiscal Year ending March 31, 2002 (1)

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	(Billions of Yen)
<b>Net Sales</b>	<b>300</b>
<b>Operating Income</b>	<b>33</b>
<b>Ordinary Income</b>	<b>25</b>
<b>Net Income</b>	<b>15</b>

# Outlook for the Fiscal Year ending March 31, 2002 (2)

(Billions of Yen)

## Three-year plan

	<u>Year to Mar 01</u>	<u>Year to Mar 02</u>	<u>Year to Mar 03</u>	<u>Year to Mar 02 Forecast</u>
<b>Net Sales</b>	<b>290</b>	<b>332</b>	<b>337</b>	<b>300</b>
<b>Operating Income</b>	<b>33</b>	<b>39</b>	<b>47</b>	<b>33</b>
<b>Ordinary Income</b>	<b>24</b>	<b>32</b>	<b>42</b>	<b>25</b>
<b>Net Income</b>	<b>15</b>	<b>20</b>	<b>27</b>	<b>15</b>

# **Outlook for the Fiscal Year ending March 31, 2002 (3)**

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- ◆ **Uncertainty in domestic and worldwide economic environment and the information technology industry has led us to be cautious in predicting sales and profitability of PC and related product business.**
- ◆ **Our switching power supplies business is not expected to break even until the next fiscal year (year ending March 2003) or later.**
- ◆ **We anticipate sales and operating profit of speakers and fasteners operations to fall significantly below initial expectations.**
- ◆ **Sale of Actus lowers net sales by ¥13.3 billion and operating income by ¥800 million this fiscal year**

# This Year's Restructuring Plans

- **Switching power supplies**
  - **Scaling back and integration of development and manufacturing operations in North America and development divisions in Europe**
  
- **Fasteners**
  - **Fundamental restructuring of personnel and organizational structure**
  - **Review of product line-up**
  
- **Speakers**
  - **Transfer of all of manufacturing operations from Taiwan to Malaysia**
  - **Shifting our focus to high-end models**



# Product Strategies



**MINEBEA's Basis of Strength**

**“Ultra-precision machining technologies”**

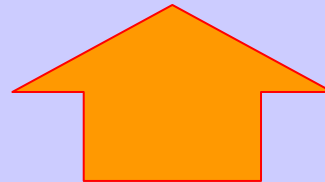
**“Mass production technologies”**



# Spindle Motor

## Mainstay models for this year

- For 2.5-inch 20GB/platter HDDs
- For 3.5-inch HDDs for servers and high-end desktop PCs
- Fluid Dynamic Bearing spindle motors for Seagate Technology
- New models for 1.8-inch HDDs



## Worldwide HDD shipments growth estimates

<u>2001</u>	<u>2002</u>	<u>2003</u>
218million(+16%) 319million(+23%)	260million(+19%)	

Source: Pixie Pinnacle Corporation

# Rotary Components for Automotive Use

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## 1. Trend in the automotive industry

- Low energy consumption
- Safety
- Comfort



Increasing demand for high-performance motors and sensors



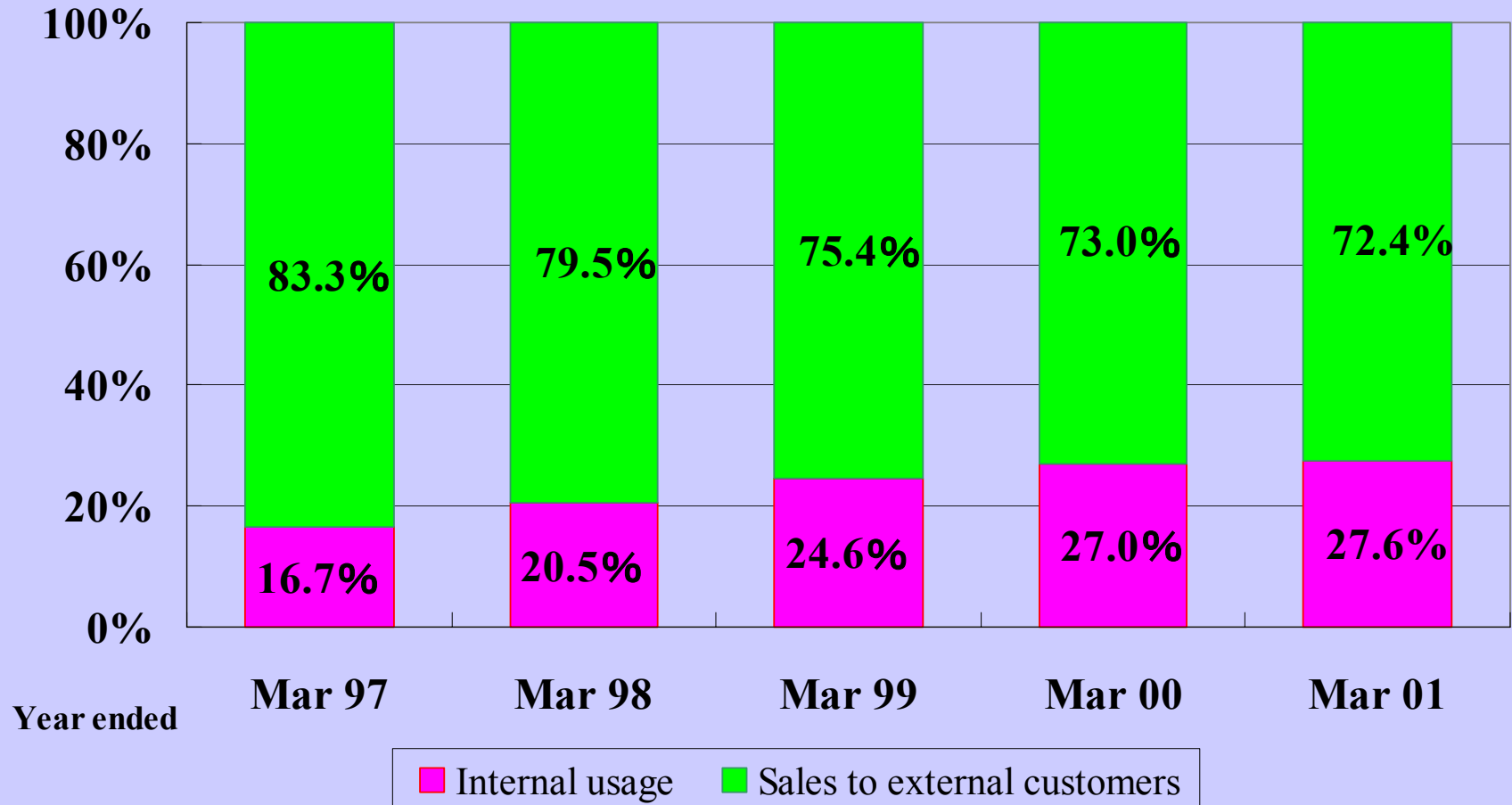
## 2. Minebea's rotary components for automotive use

- (1) Steady progress in business with European automakers
- (2) Business with major domestic manufactures in sight
- (3) Several new products are in development, including motors for ABS and motors for electric brakes



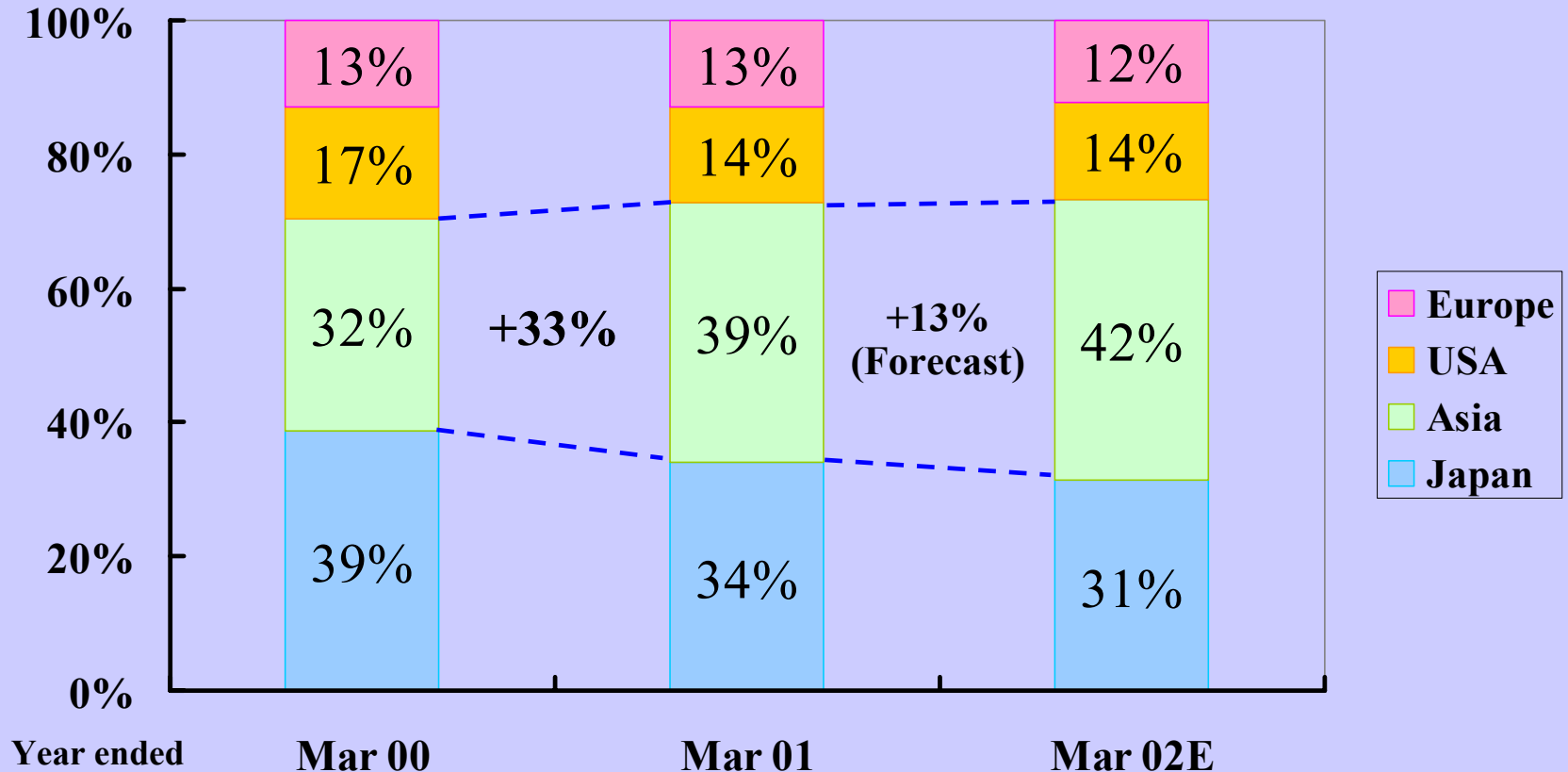
# Bearings (1)

## Internal usage ratio of Ball bearings



# Bearings (2)

## Ball Bearings Sales by Region



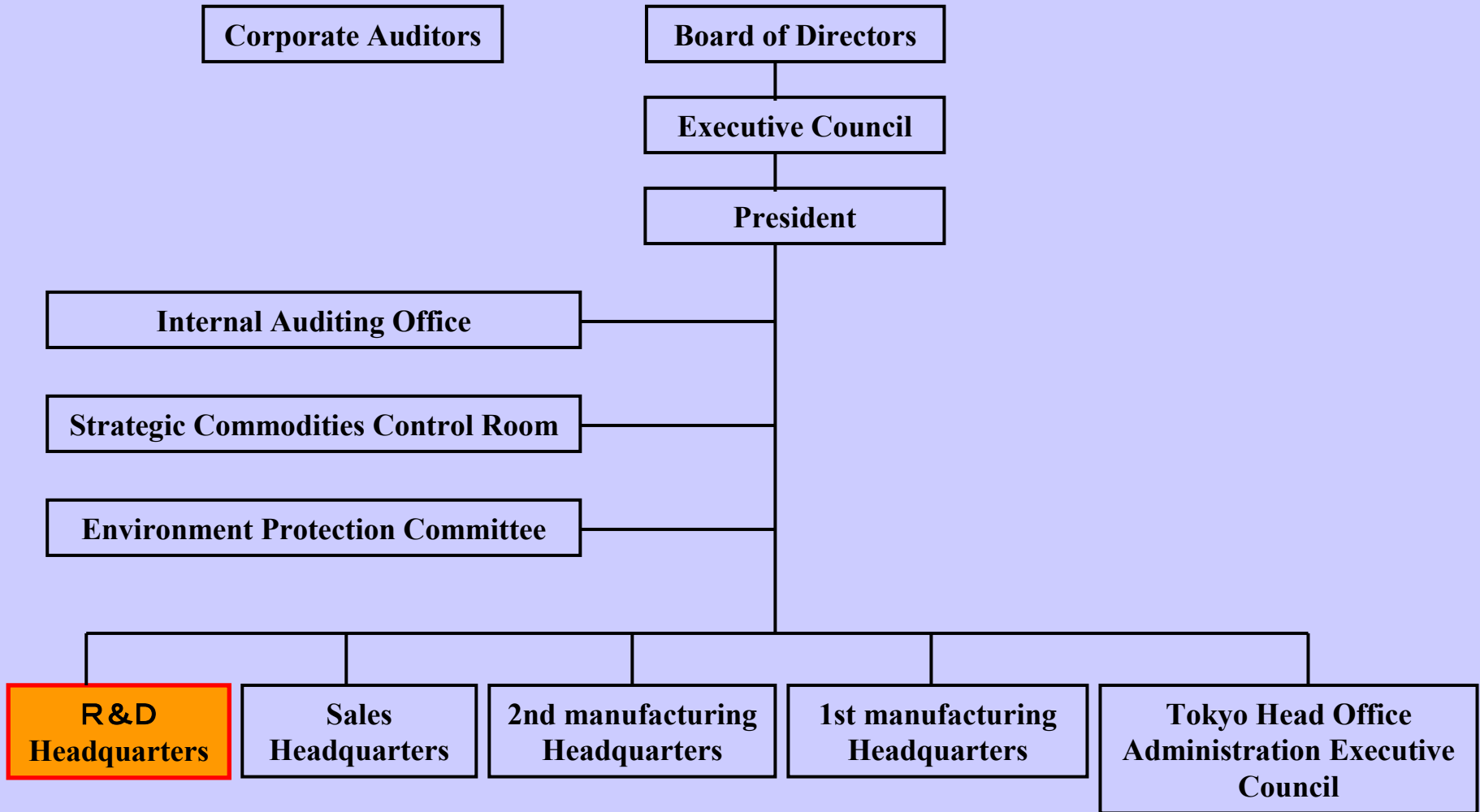
Total Sales Quantity +9.5%



Total Sales Quantity +4.4% (forecast)

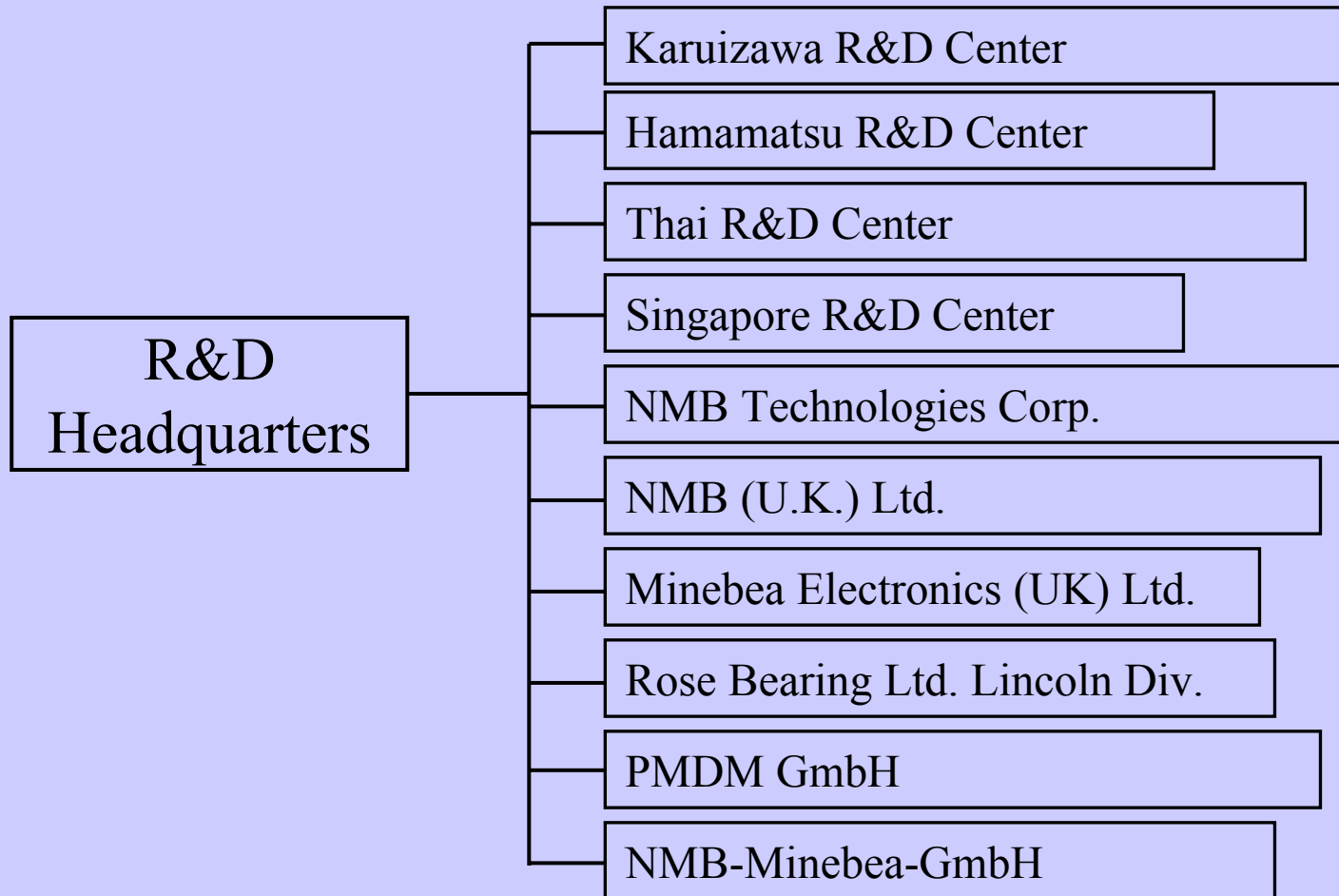


# New R&D Headquarters (1)



# New R&D Headquarters (2)

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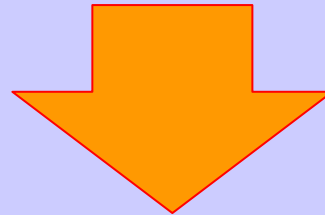




# Summary

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- **Continue to implement and execute restructuring plans**
- **Accomplish the three management directions by enhancing our “ultra-precision machining technologies” and “mass-production technologies”**



**High-growth, highly profitable company**