



**Business Results for
Fiscal Year ended March 31, 2003**

Minebea Co., Ltd.

**Tsugio Yamamoto
President and
Representative Director
May 16, 2003**

Business Results for Fiscal Year ended March 31, 2003

(Millions of yen)	Year ended Mar. 2002	Year ended Mar. 2003	Change yoy
Net Sales	279,344	272,202	-2.6%
Operating Income	21,972	19,352	-11.9%
Ordinary Income	15,995	13,420	-16.1%
Income before Income Taxes	12,948	495	-96.2%
Net Income	5,298	-2,434	—

The Fourth quarter

Net Sales and Operating Income by Segment

(Millions of yen)	Year ended Mar.2002	---- Year ended Mar. 2003 ----				Change	
	4Q	1Q	2Q	3Q	4Q	yoy	qoq
[Net Sales]							
Machined components business	31,472	31,668	28,641	28,723	29,085	-7.6%	+1.3%
Bearing-related products	25,759	26,420	23,638	23,845	24,035	-6.7%	+0.8%
Other machinery components	5,715	5,249	5,002	4,879	5,050	-11.6%	+3.5%
Electronic devices and components business	42,446	40,699	36,241	40,000	37,144	-12.5%	-7.1%
Rotary components	21,088	20,793	18,140	20,521	19,734	-6.4%	-3.8%
Other electronic devices	21,356	19,908	18,097	19,480	17,412	-18.5%	-10.6%
Consumer business and Others	7	—	—	—	—	—	—
Total Net Sales	73,926	72,367	64,882	68,723	66,230	-10.4%	-3.6%
[Operating Income]							
Machined components business	4,893	5,098	4,065	4,771	4,585	-6.3%	-3.9%
Electronic devices and components business	-384	933	80	748	-929	—	—
Consumer business and others	3	—	—	—	—	—	—
Total Operating Income	4,512	6,031	4,145	5,519	3,657	-18.9%	-33.7%

The Fourth Quarter Results

(Comparison with the Third Quarter)

Net Sales

Bearing-related products:

Ball bearings: +2%
external sales increased
Rod-end & spherical bearings: +9%
Pivot assemblies: -7%



Rotary components:

Spindle motors: +3%
FDB motor sales increased
Fan motors: -11%
Adjustment in PC related and game applications market
Stepping motors: -6%

Other Electronic devices:

PC keyboards: -15%
Adjustment in PC related market
Electronic devices: -19%
FDD production ended
Power electronics: -6%

Operating Income

 Increased: Ball bearings
 Decreased: PC keyboards, Fan motors, Spindle motors, Electronic devices, Power electronics

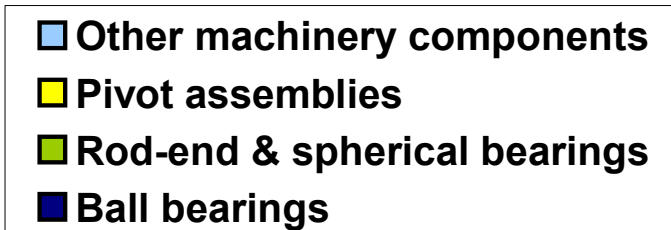
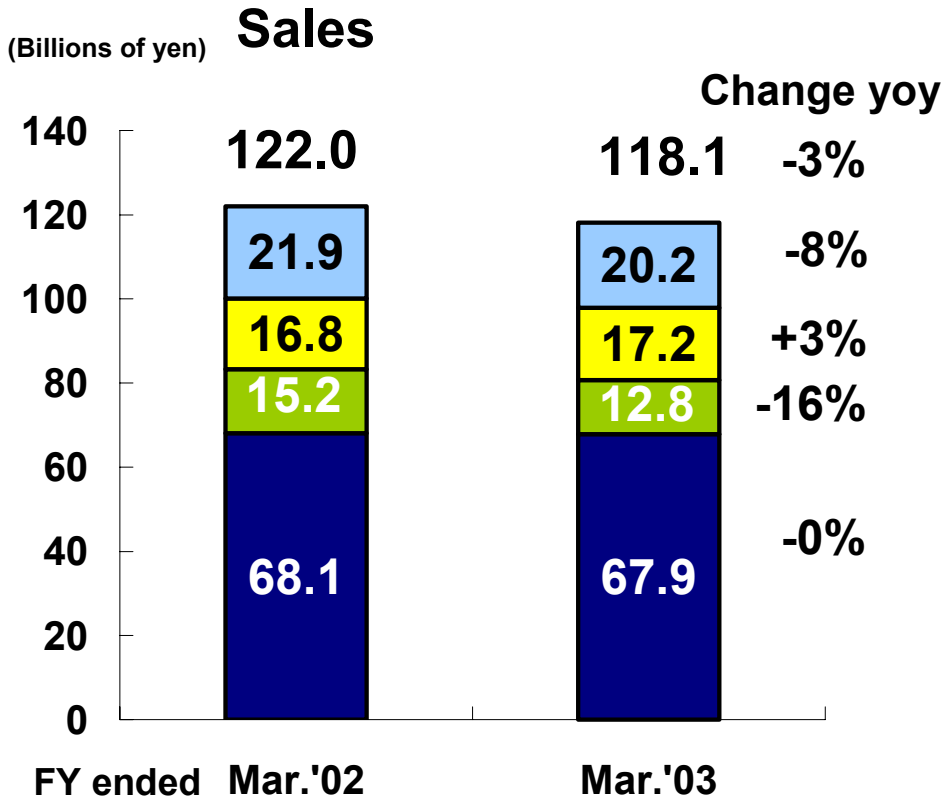
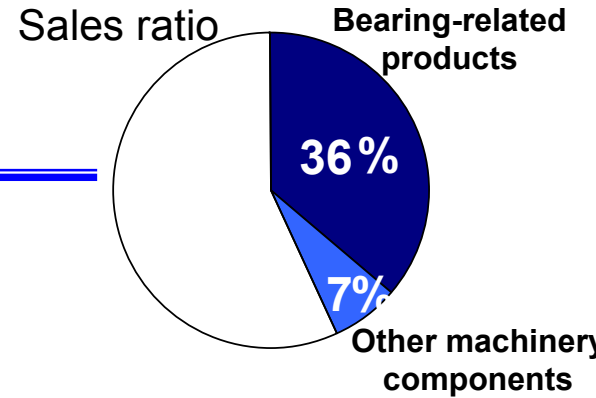
Full Year Net Sales and Operating Income by Segment

(Millions of yen)	Year ended Mar.'02	Year ended Mar.'03	Change yoy
[Net Sales]			
Machined components business	122,025	118,117	-3.2%
Bearing-related products	100,113	97,938	-2.2%
Other machinery components	21,911	20,180	-7.9%

Electronic devices and components business	156,303	154,084	-1.4%
Rotary components	76,440	79,188	+3.6%
Other electronic devices	79,862	74,897	-6.2%

Consumer business and others	1,016	-	-
Total Net Sales	279,344	272,202	-2.6%
[Operating Income]			
Machined components business	22,135	18,519	-16.3%
Electronic devices and components business	△ 162	832	-
Consumer business and others	△ 0	-	-
Total Operating Income	21,972	19,352	-11.9%

Machined Components Business



Bearing-related products

- Promoted sales expansion of miniature & small sized ball bearings
- Demand from aerospace industry stagnated
- Pivot assembly market share expanded

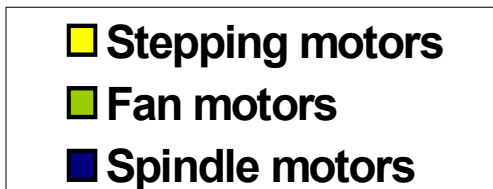
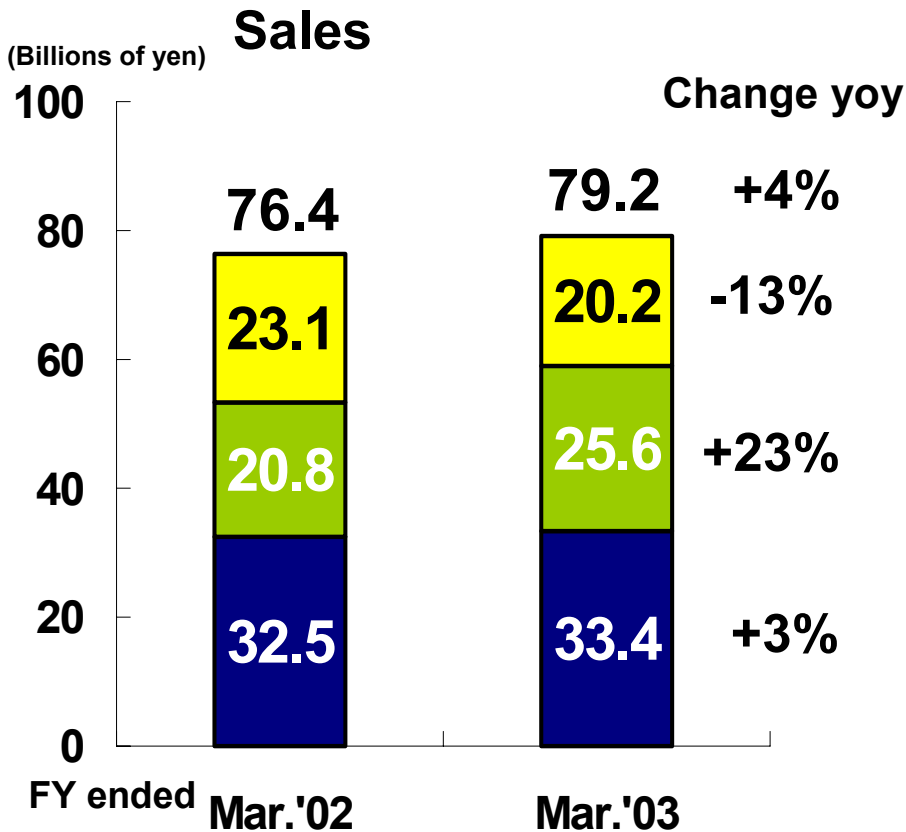
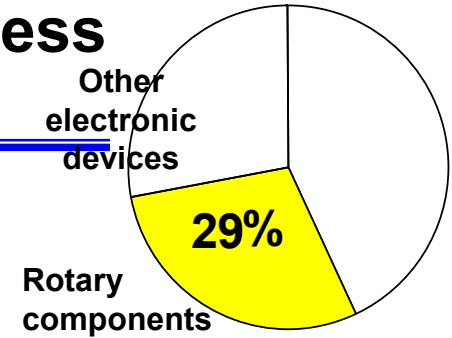
Other machinery components

- Negative effect of ¥1.3 billion in sales due to termination of automobile wheel business in fiscal year ended Mar. '02.

Electronic Devices and Component Business

– Rotary Components

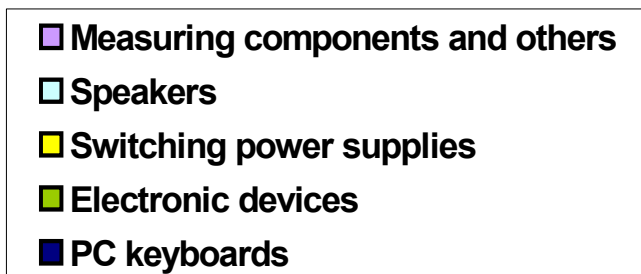
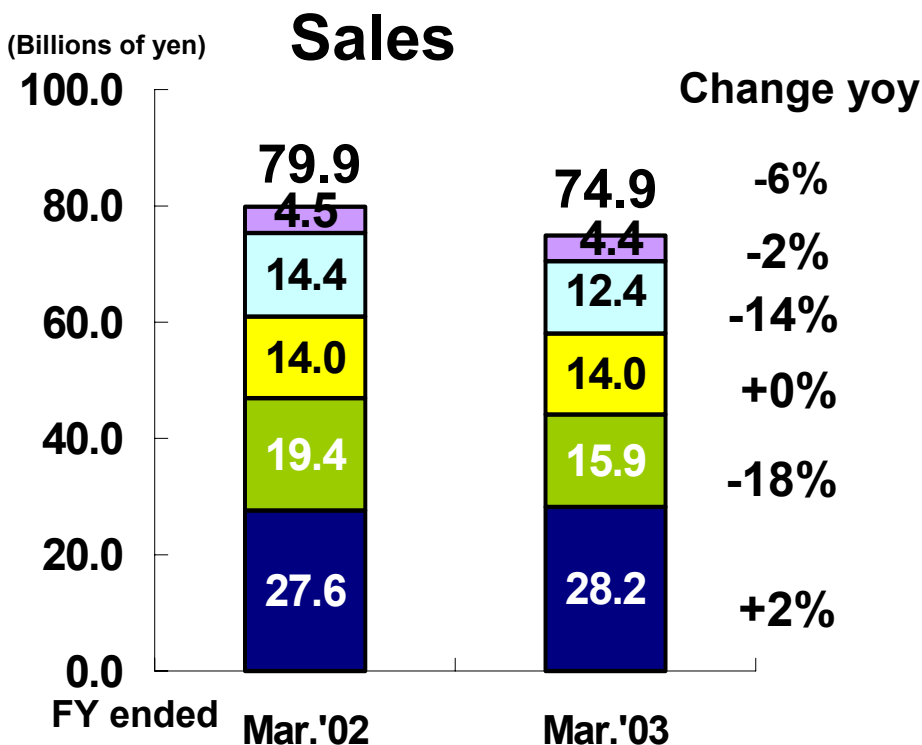
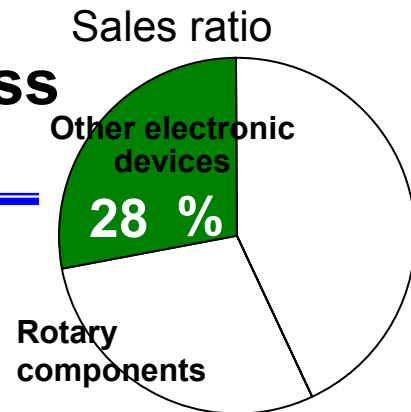
Sales ratio



- HDD spindle motor sales increased with growth in FDB motor sales
- Record fan motor sales as a result of rise in market share
- For stepping motors, sales of low price type increased

Electronic Devices and Component Business

– Other Electronic Devices



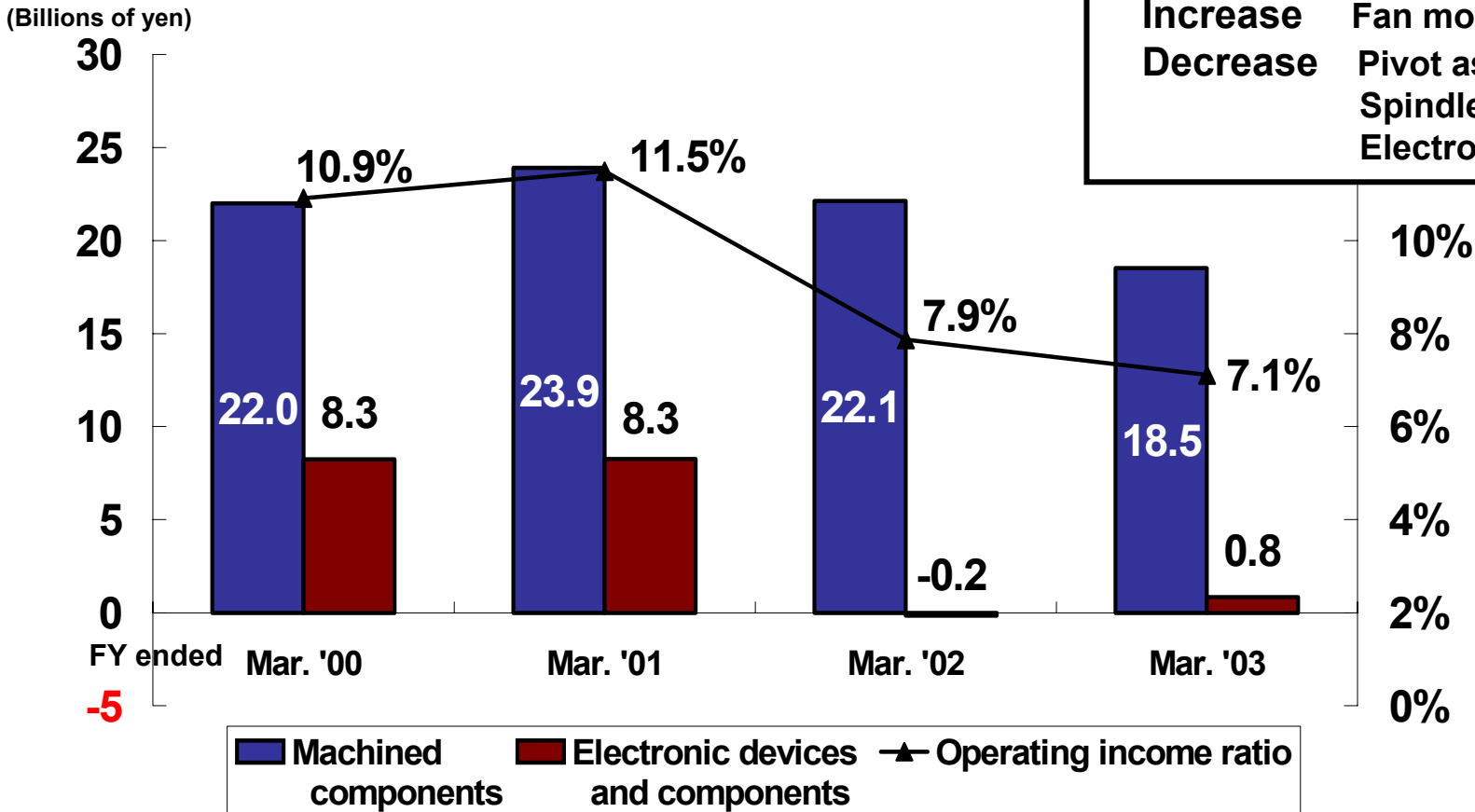
- Record PC keyboard sales as a result of rise in market share
- Within electronic devices, sales of FDD business declined by 4 billion yen with the end of the business in Nov. '02
- Sales of electronic devices excluding FDD increased by 5%. Lighting device business started full-scale production

Operating Income Trend

Improvement in profit of Electronic devices and component business is vital

Fiscal year ended Mar.'03
Comparison with
the previous fiscal year

Increase Fan motors
Decrease Pivot assemblies
Spindle motors
Electronic devices



Fiscal Year ended March 31, 2003

Sales by User Industry & by Region

Sales by user industry

	Automobile	Aerospace	Home electronics	Office automation	PC and PC related equipment	Motors	Others	Total
% of Sales	7.3%	9.6%	10.1%	10.1%	44.5%	5.5%	13.1%	100.0%
Change yoy	-4.1%	-8.6%	-0.2%	-13.1%	+1.1%	+14.7%	-7.5%	-2.6%

Sales by region

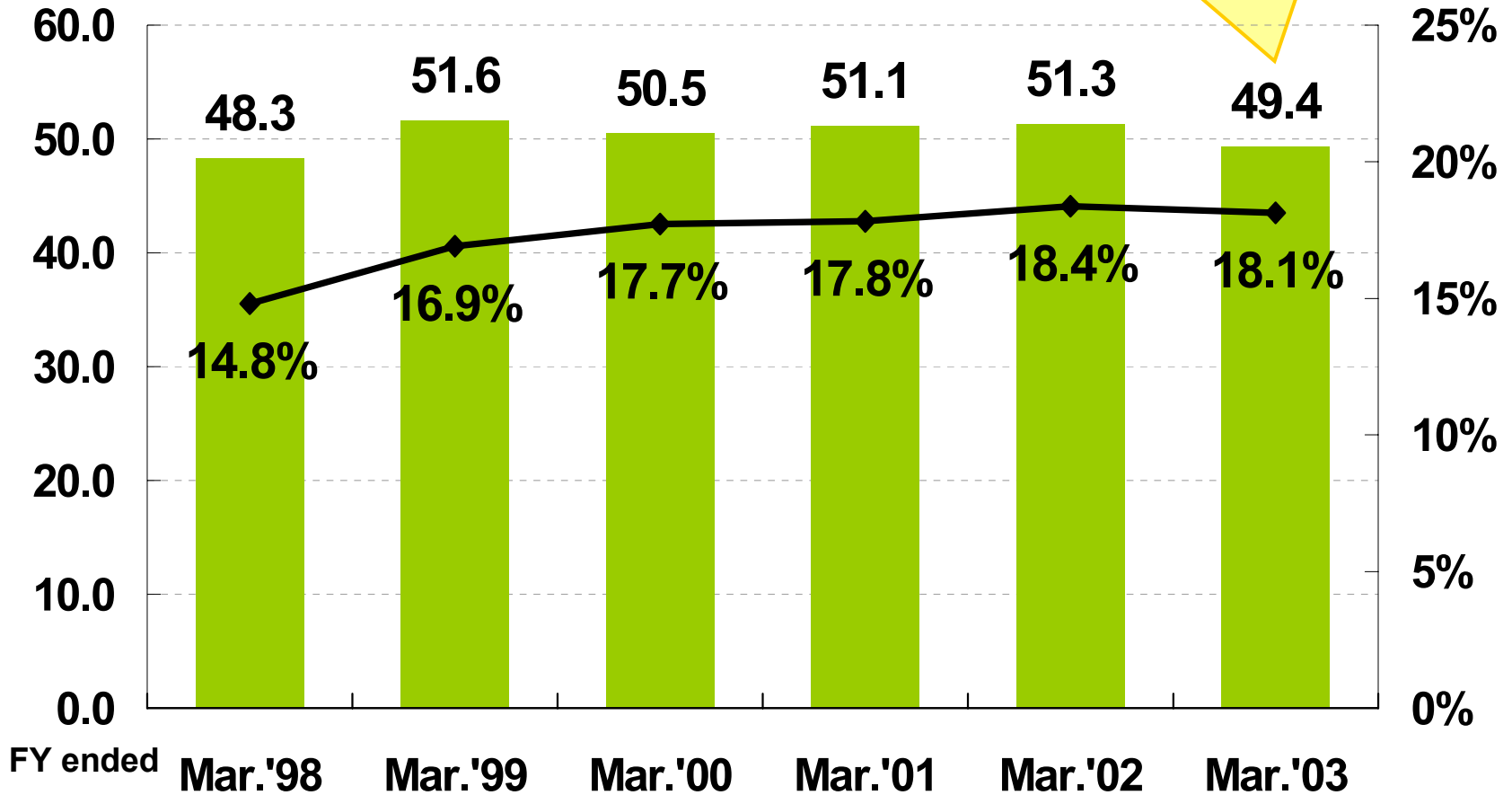
	Japan	Asia (ex-Japan)	North and South America	Europe	Total
% of Sales	27.1%	39.3%	21.0%	12.6%	100.0%
Change yoy	-11.1%	+10.5%	-6.0%	-11.6%	-2.6%

Sales in China increased by 40%

S.G. & A. Expenses

Reduction of expenses continued

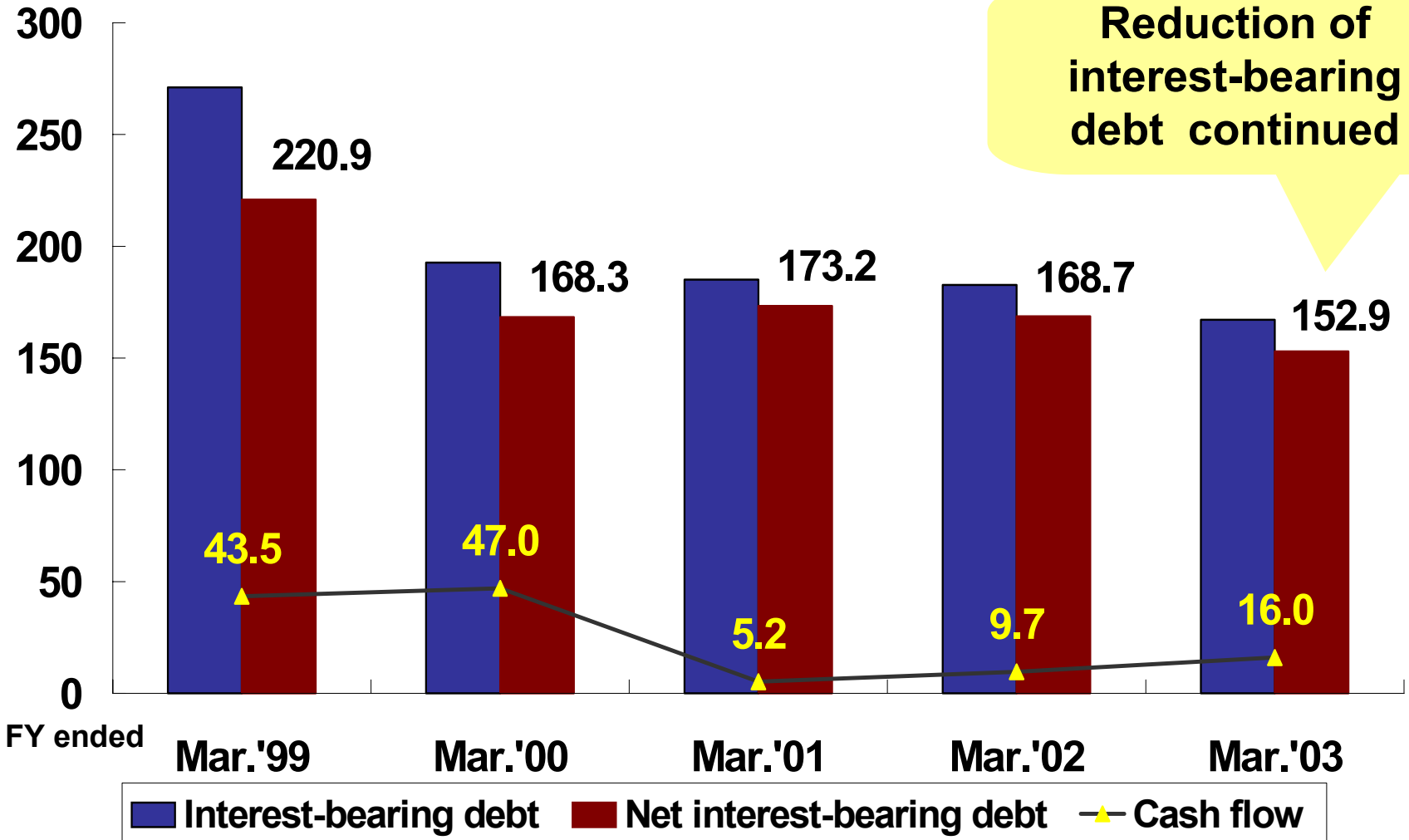
(Billions of yen)



■ S.G.&A. Expenses
 ◆ S.G.&A. to sales ratio

Interest-Bearing Debt

(Billions of yen)



Reduction of interest-bearing debt continued

Profitability Improvement Measures for the Current Fiscal Year

- 1. Restore profitability of HDD spindle motor business**
 - Achieve breakeven during the first half of the current fiscal year
- 2. Improve profitability of pivot assemblies**
 - Improve production efficiency by reviewing production method
- 3. Improve profitability of other electronic device products**
 - Improve production efficiency and promote timely introduction of new products to the market under the new-organization
 - FDD business ended during last fiscal year
 - Build up lighting device business to a full scale business
- 4. Further expand fan motor business**
 - Rollout new fan motor products jointly developed with Matsushita Motor Company
- 5. Terminate switching power supplies and related businesses**
 - End the business by December 2003

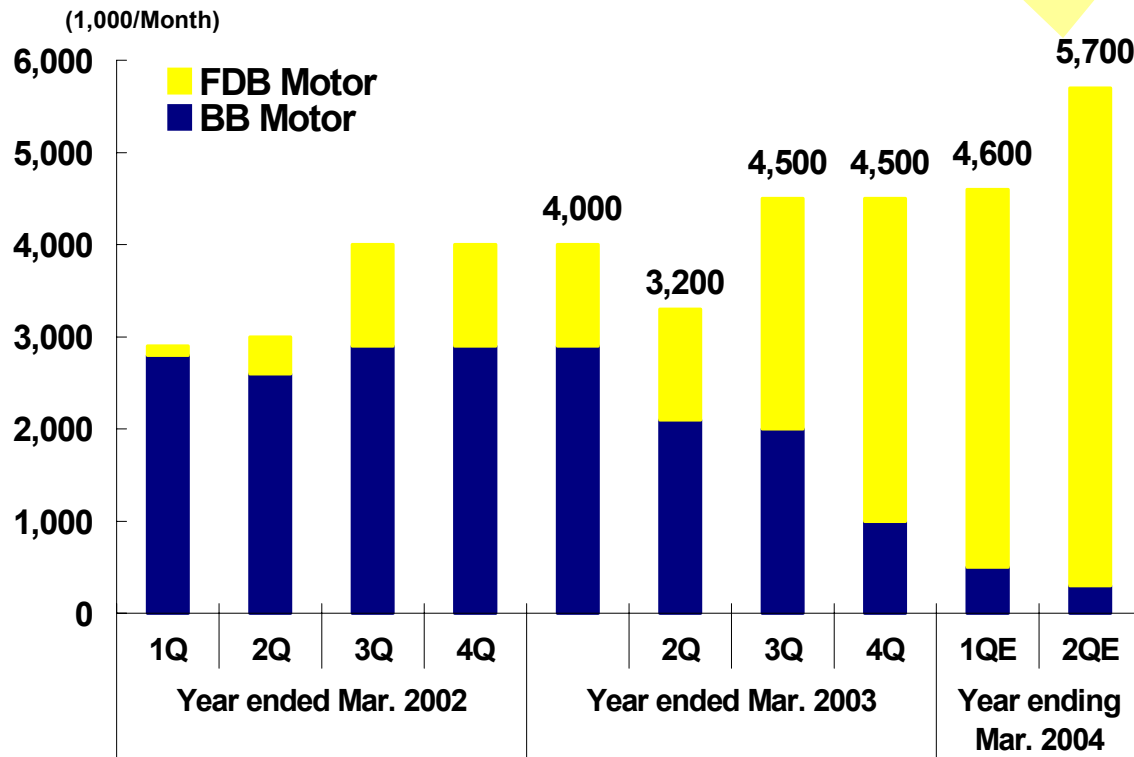
HDD Spindle Motor Business

This year's target

- Achieve profitability
- Expand high-end business
- Promote 2.5inch FDB motor business

Market share in the fourth quarter of Fiscal Year ended Mar.2003 : 23%

Target share in Fiscal Year ending Mar. 2004 : 30%



Joint Development of Fan Motors

By combining two companies' technologies, developed products with upgraded performance and boosted price competitiveness

Minebea + Matsushita Motor Company

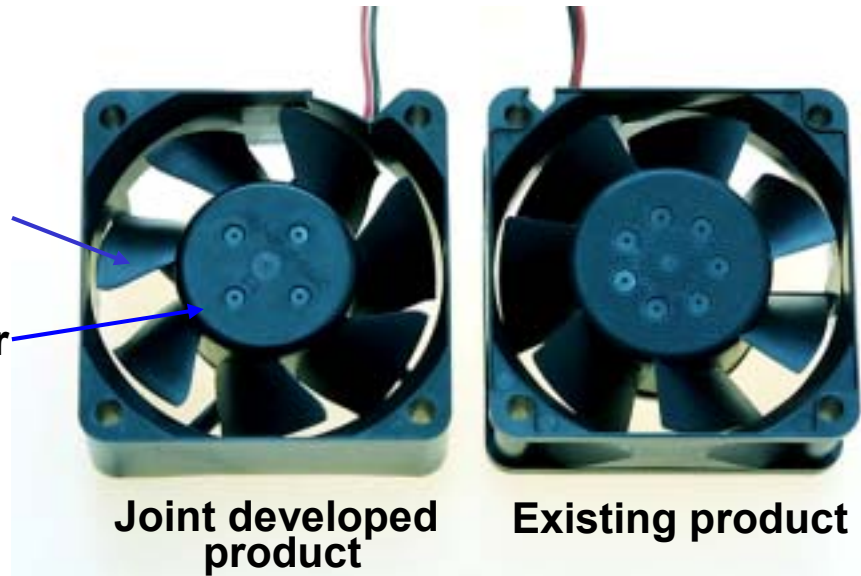
⇒ **Design and production for the world's No.1 performance and price competitiveness**

Characteristics

- ✧ High airflow
- ✧ Low noise
- ✧ Low cost

High airflow blade design

Reduced motor diameter



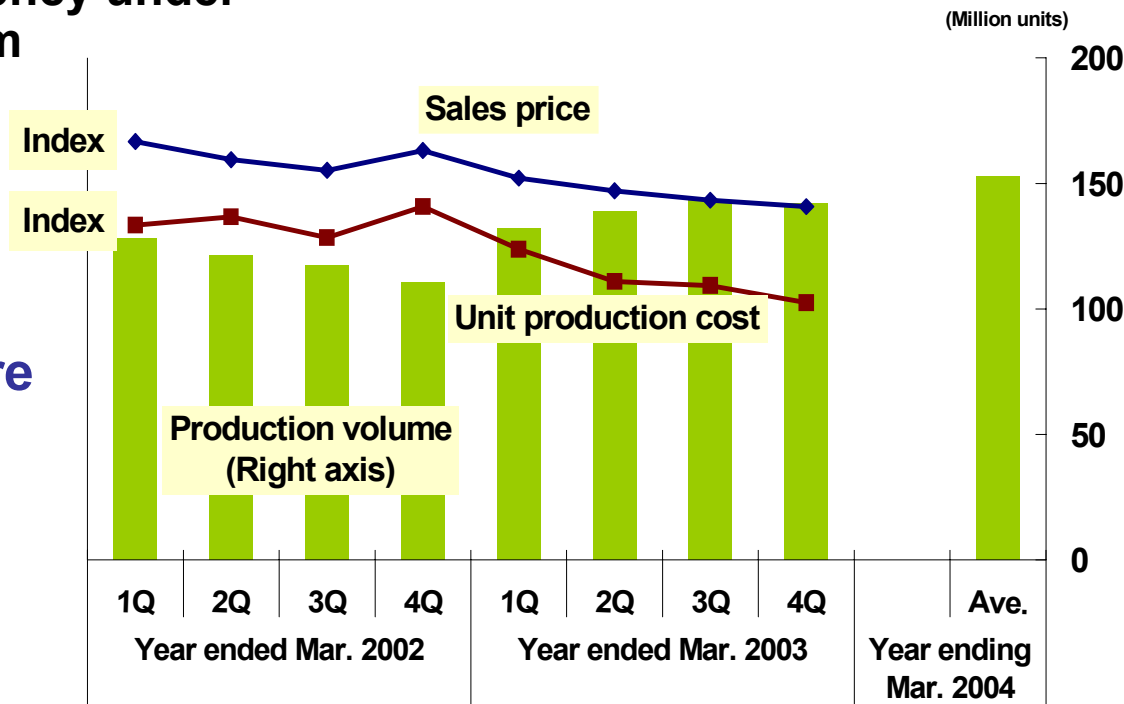
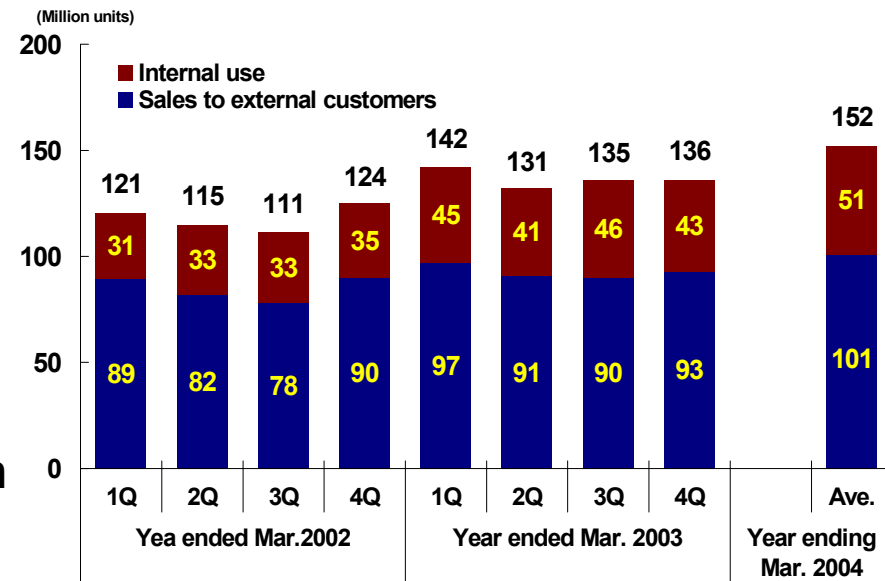
Joint developed product

Existing product

Ball Bearing Business

- Buildup 180 mill. units per month production capacity
⇒ By the end of Dec. 2003
- Attain 180 mill. units sales per month
⇒ Within next fiscal year
- Increase production efficiency under the new-production system

⇒ Establish absolute position in the market with a high market share and competitiveness



Safeguard against SARS

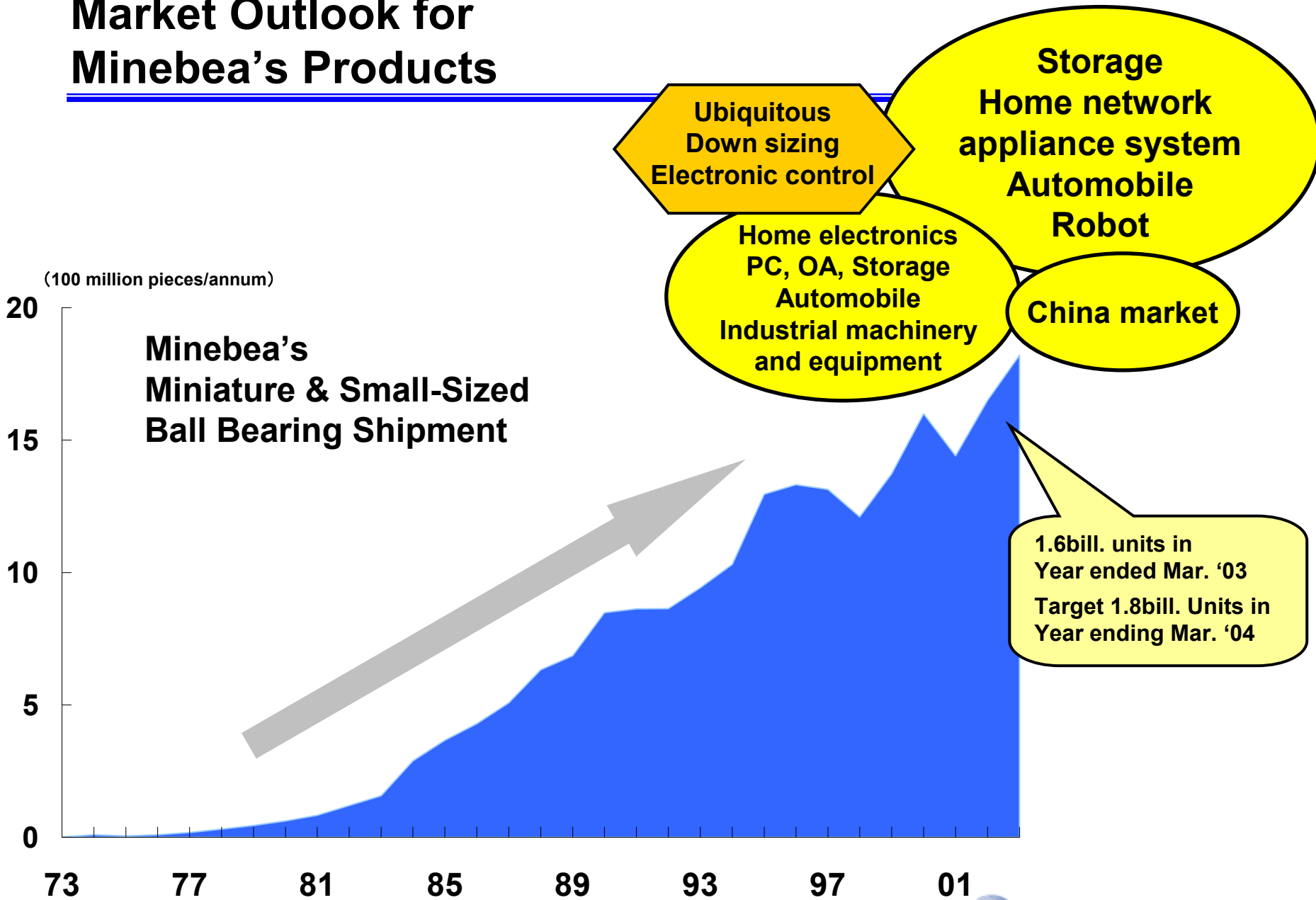
- **We presently see no effect of SARS on the manufacture and sale of our products and securing orders.**
- **WHO reported seven persons have been infected in Shanghai, where we have a manufacturing base. Seven SARS patients are presently reported in Thailand, which is our largest manufacturing base. (As of May 13, 2003)**
- **We are taking every possible precautions against SARS at all our manufacturing facilities.**
- **We have taken countermeasures against all conceivable SARS-related problems at all our sales facilities in Asia, such as securing alternative offices and replacement office workers and arranging system backups.**
- **We have set employee guidelines for precautions against SARS infection.**
- **In manufacturing facilities in Asia, we take the temperature of our employees reporting for work before they enter their facilities. In some areas, we restrict the activities of our employees.**
- **We have spread inventories across several locations. We are now accumulating inventories of some of our products.**
- **We are slowing down the pace of ongoing keyboard production shift from Thailand to Shanghai to see how our customers' procurement policies change.**
- **We are fully able to shift our bearing production across several locations in case of emergency.**

Change to Management Structure

Introduction of New Organizational Structure

- ◆ **Introduction of an Executive Officer System**
 - Realization of quick decision making and business execution
 - Vitalization of organization and human resources
- ◆ **Integration of Manufacturing Headquarters and establishment of Engineering Headquarters**
 - Fusion of market and technologies of mechanical products and electronic products
 - Promotion of more efficient use of managerial resources
 - Promotion of quicker action to the market
- ◆ **Introduction of EVA management system**
 - Improvement of investment efficiency
 - Introduction of EVA based bonus program

Market Outlook for Minebea's Products



Rebuilding Foundation for Growth

Minebea

No.1 Precision Component Manufacturer

High profitability & sustainable growth and development

Focus management resources in core technologies and business

Minebea

Vertically Integrated Manufacturing System

Ultraprecision Machining Technologies

Mass-Production Technologies

Strengthen
New-product development capability
Prompt action to the market trend

Alliance / M&A

Business Partner

Market

New-product Development Technologies

Terminate or withdrawal from unprofitable business

Withdrawal from the business of switching power supplies and related business
Termination of FDD Business
Sell-out of IMC Magnetics Corp.



Minebea

Forecast for Fiscal Year ending March 31, 2004 and 2005

(Millions of yen)	Year ended Mar.'03	Year ending Mar.'04 Forecast	Change yoy	Year ending Mar.'05 Forecast	Mid-term plan announced in May.'02		
					First term Year ended Mar.'03	Second term Year ending Mar.'04	Third term Year ending Mar.'05
Net Sales	272,202	280,000	+2.9%	300,000	288,000	316,800	348,000
Operating Income	19,352	21,000	+8.5%	28,000	24,000	33,000	37,000
Ordinary Income	13,420	17,000	+26.7%	25,000	18,500	28,000	33,500
Income before Income Taxes	495	16,000	32x	24,000	18,000	27,500	33,000
Net Income	-2,434	8,500	-	15,000	10,000	17,000	21,000

Revised Mid-term Plan

Forecast of Net Sales and Operating Income by Segment

(Millions of yen)	Year ended Mar.'03	Year ending Mar.'04 Forecast	Change yoy	Year ending Mar.'05 Forecast	--- Mid-term Plan announced in May.'02 ---		
					First term Year ended Mar.'03	Second term Year ending Mar.'04	Third term Year ending Mar.'05
[Net Sales]							
Machined components business	118,117	115,000	-2.6%	117,100	118,650	124,250	131,650
Bearing-related products	97,938	94,250	-3.8%	96,300	98,800	102,800	108,300
Other machinery components	20,180	20,750	+2.8%	20,800	19,850	21,450	23,350
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Electronic devices and components business	154,084	165,000	+7.1%	182,900	169,350	192,550	216,350
Rotary components	79,188	95,100	+20.1%	109,500	93,450	109,300	128,450
Other electronic devices	74,897	69,900	-6.7%	73,400	75,900	83,250	87,900
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Total Net Sales	272,202	280,000	+2.9%	300,000	288,000	316,800	348,000
<hr/>							
[Operating Income]							
Machined components business	18,519	19,600	+5.8%	20,500	22,000	25,250	28,000
Electronic devices and components business	832	1,400	+68.3%	7,500	2,000	7,750	9,000
<hr/>							
Total Operating Income	19,352	21,000	+8.5%	28,000	24,000	33,000	37,000

Business Results for Fiscal Year ended March 31, 2003

Minebea Co., Ltd

<http://www.minebea.co.jp/>

Any statements in the presentation which are not an historical fact are future projections made based on certain assumptions and our management's judgment drawn from currently available information.

Please note that actual performance may vary significantly from any particular projection, due to various factors.

Factors affecting our actual performance include: (i) changes in economic indicators surrounding us or demand trends; (ii) fluctuation of foreign exchange rates or interest rates; and (iii) our ability to continue R&D, manufacturing and marketing in a timely manner in the electronics business sector, where technological innovations are rapid and new products are launched continuously. However, this is not a complete list of the factors affecting actual performance.