



Business Results

Fiscal Year Ended March 31, 2007

May 8, 2007
Minebea Co., Ltd.

- 1. Financial Results**
- 2. Policy and Strategy**

Financial Results

Hiroharu Katogi
Director, Managing Executive Officer

May 8, 2007



Summary of Consolidated Business Results

(Millions of yen)	Year ended Mar. '06	Year ended Mar. '07	Change yoy	Forecast announced in October 2006	
	Full year	Full year		Full year	vs. forecast
Net sales	318,446	331,022	+3.9%	324,000	102.2%
Operating income	19,269	26,265	+36.3%	28,000	93.8%
Machined components business	24,556	26,195	+6.7%	27,000	97.0%
Electronic devices and components business	-5,287	69	- ⇨ +	1,000	6.9%
Ordinary income	14,595	21,843	+49.7%	22,000	99.3%
Income before income taxes	9,620	19,523	x2.029	21,000	93.0%
Net income	4,257	12,862	x3.021	13,500	95.3%
Net income per share(yen)	10.67	32.23	x3.021	33.83	95.3%

Net sales exceeded the previous record high set in FY 3/98.
Operating income increased 36%.
Machined components business grew steadily.
Electronic devices & components business improved significantly.

Foreign Exchange Rate Fluctuations
 FY ended Mar. '06 → FY ended Mar. '07
 US\$ ¥113.09 → ¥116.91
 Thai Baht ¥2.79 → ¥3.18

Quarterly Summary of Consolidated Business Results for 4Q

Appreciation of the Thai Baht and negative results in some businesses slowed down overall improvement

(Millions of yen)	Year ended Mar. '06	Year ended Mar. '07		Change	Change
	4Q	3Q	4Q	yoy	qoq
Net sales	81,759	83,332	83,692	+2.4%	+0.4%
Operating income	6,002	6,609	6,289	+4.8%	-4.8%
Machined components business	6,472	6,769	6,109	-5.6%	-9.8%
Electronic devices and components business	-470	-159	178	- ⇨ +	- ⇨ +
Ordinary income	4,579	5,495	5,401	+18.0%	-1.7%
Income before income taxes	721	5,075	3,334	x4.624	-34.3%
Net income	-564	4,209	1,185	- ⇨ +	-71.8%

Foreign Exchange Rates Fluctuations

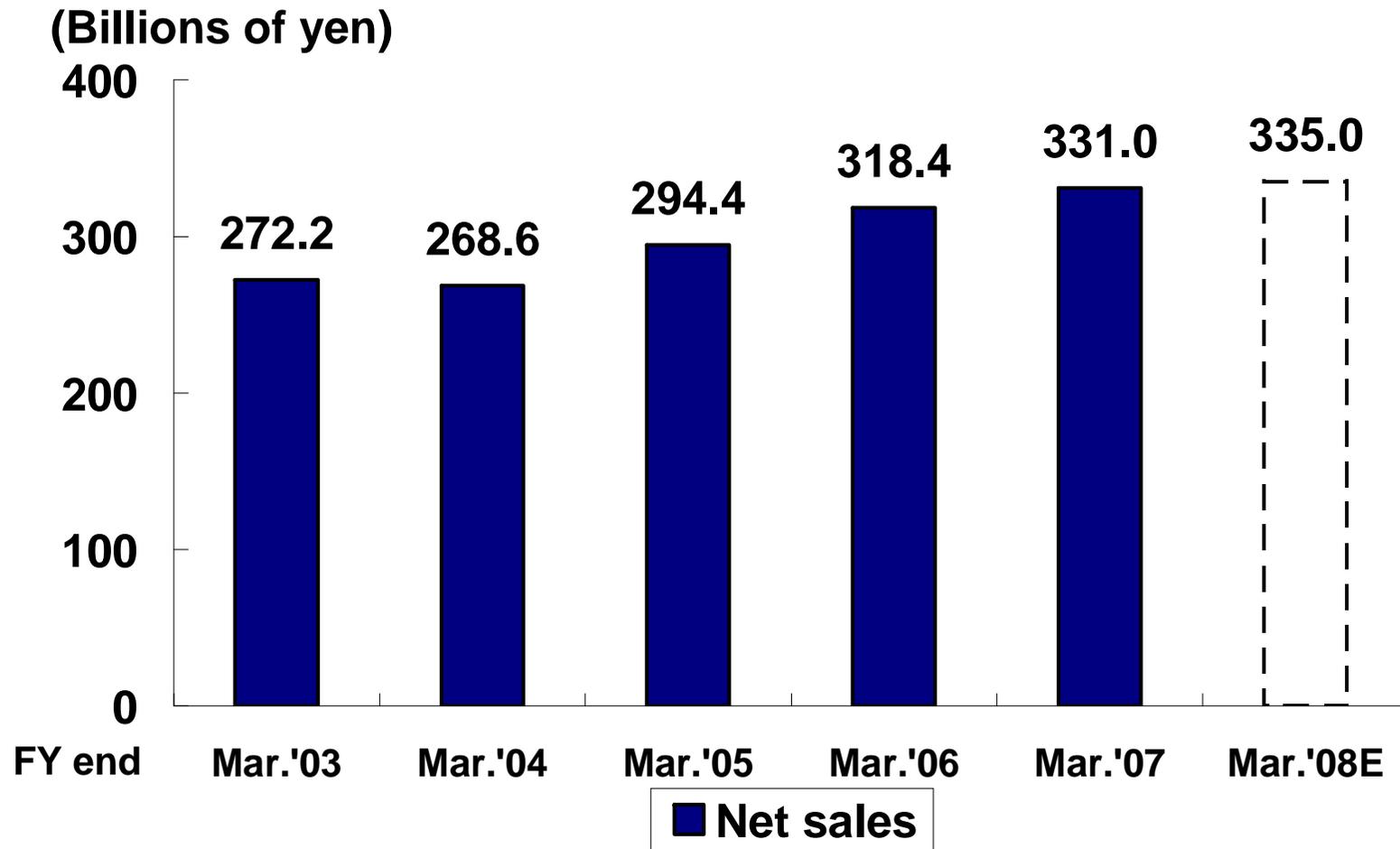
3Q of FY ended Mar. '07 → 4Q of FY ended Mar. '07

US\$ ¥117.36 → ¥119.76 Thai Baht ¥3.18 → ¥3.49

Yearly

Net Sales

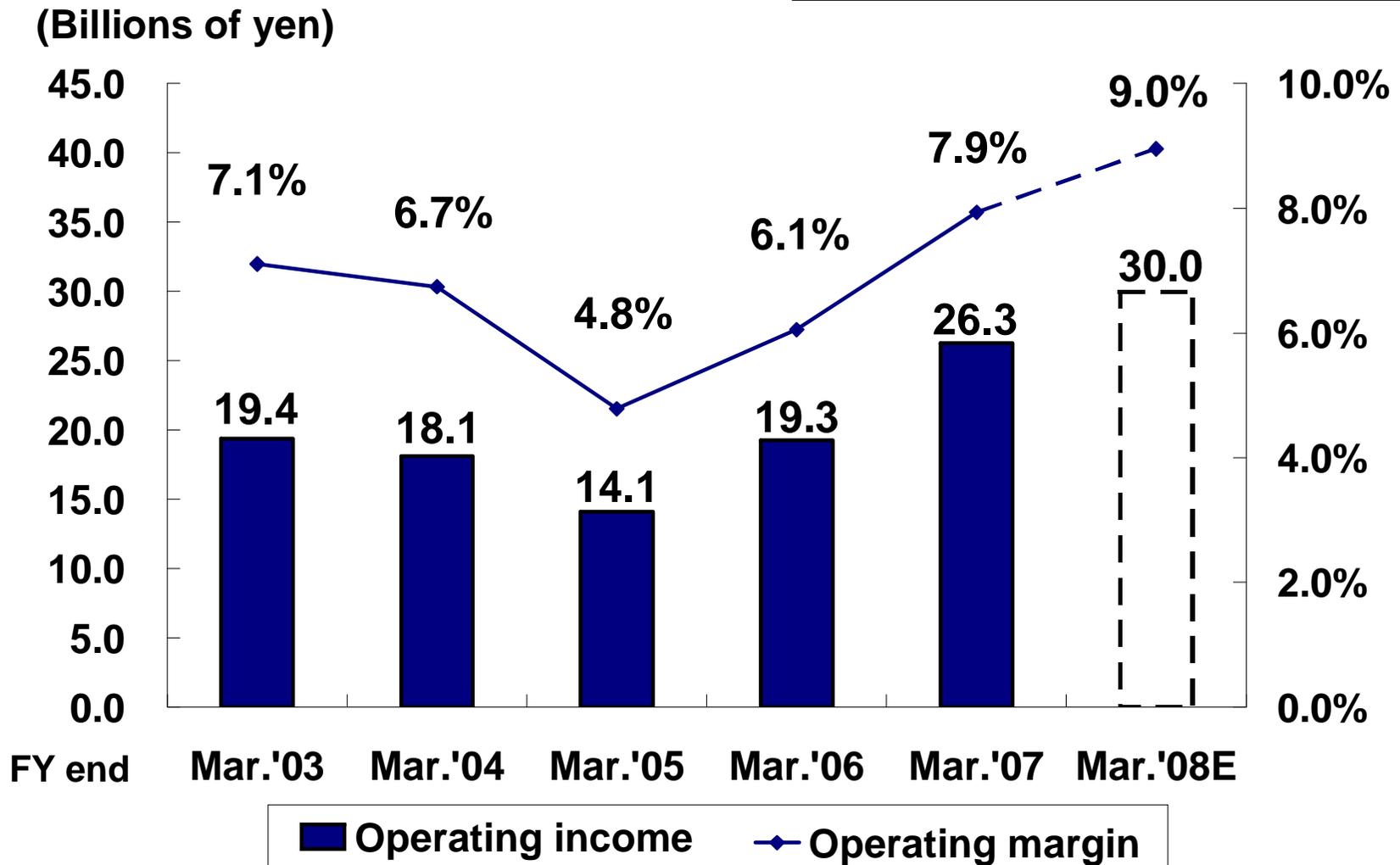
Net sales exceeded the previous record high set in FY 3/98.



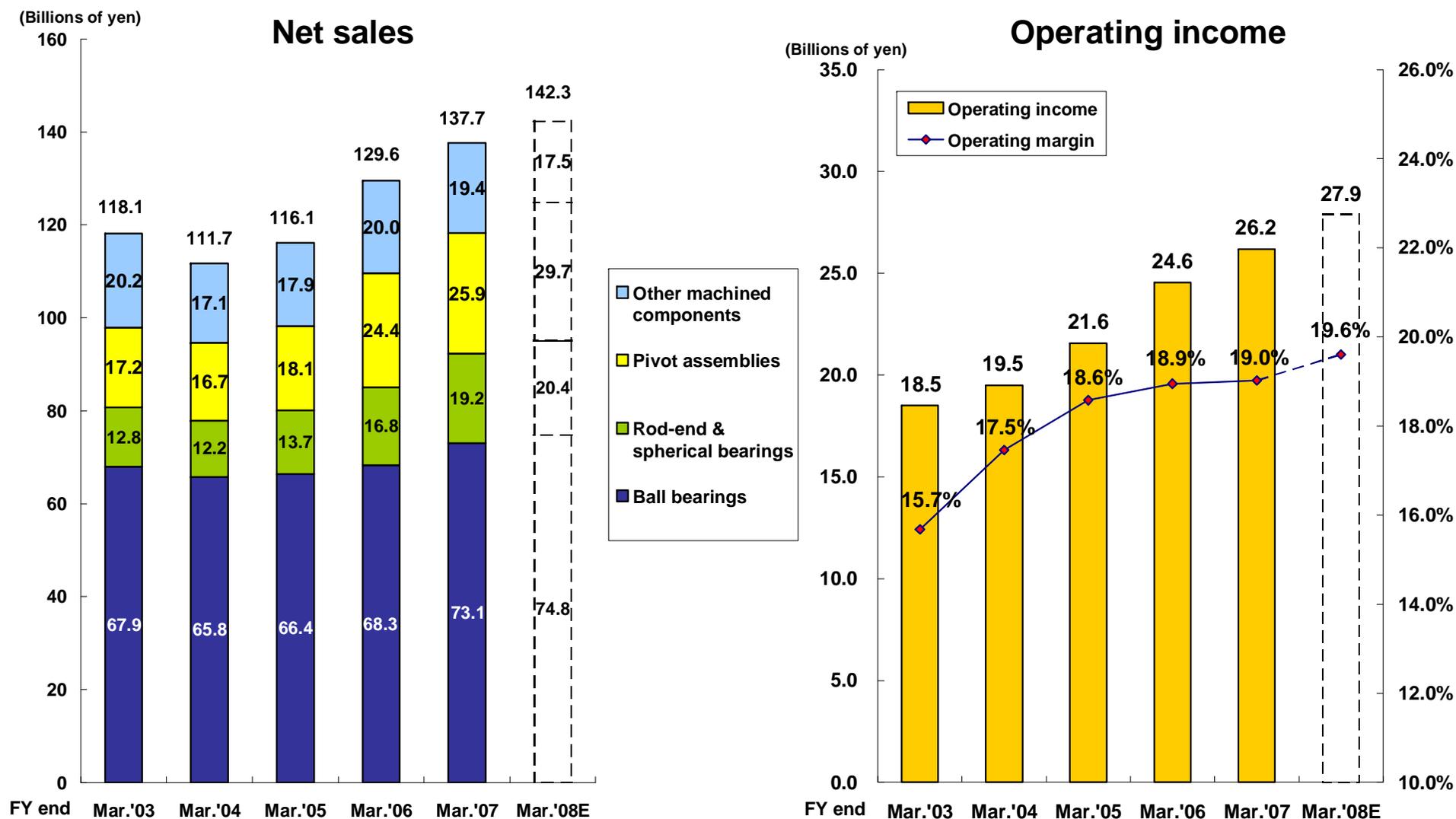
Yearly

Operating Income

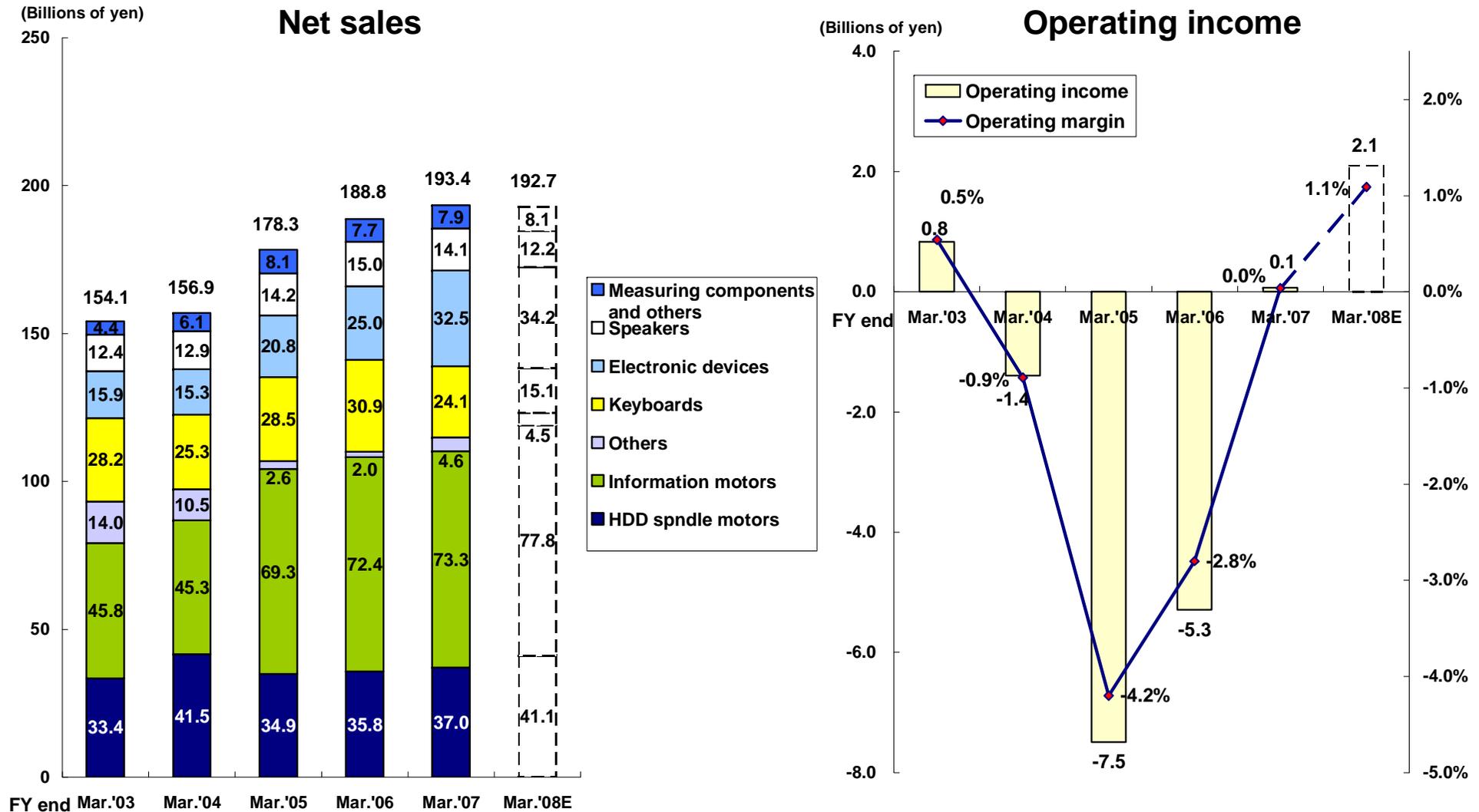
Operating margin continued its improvement.



Sales and Operating Income of Machined Components Business



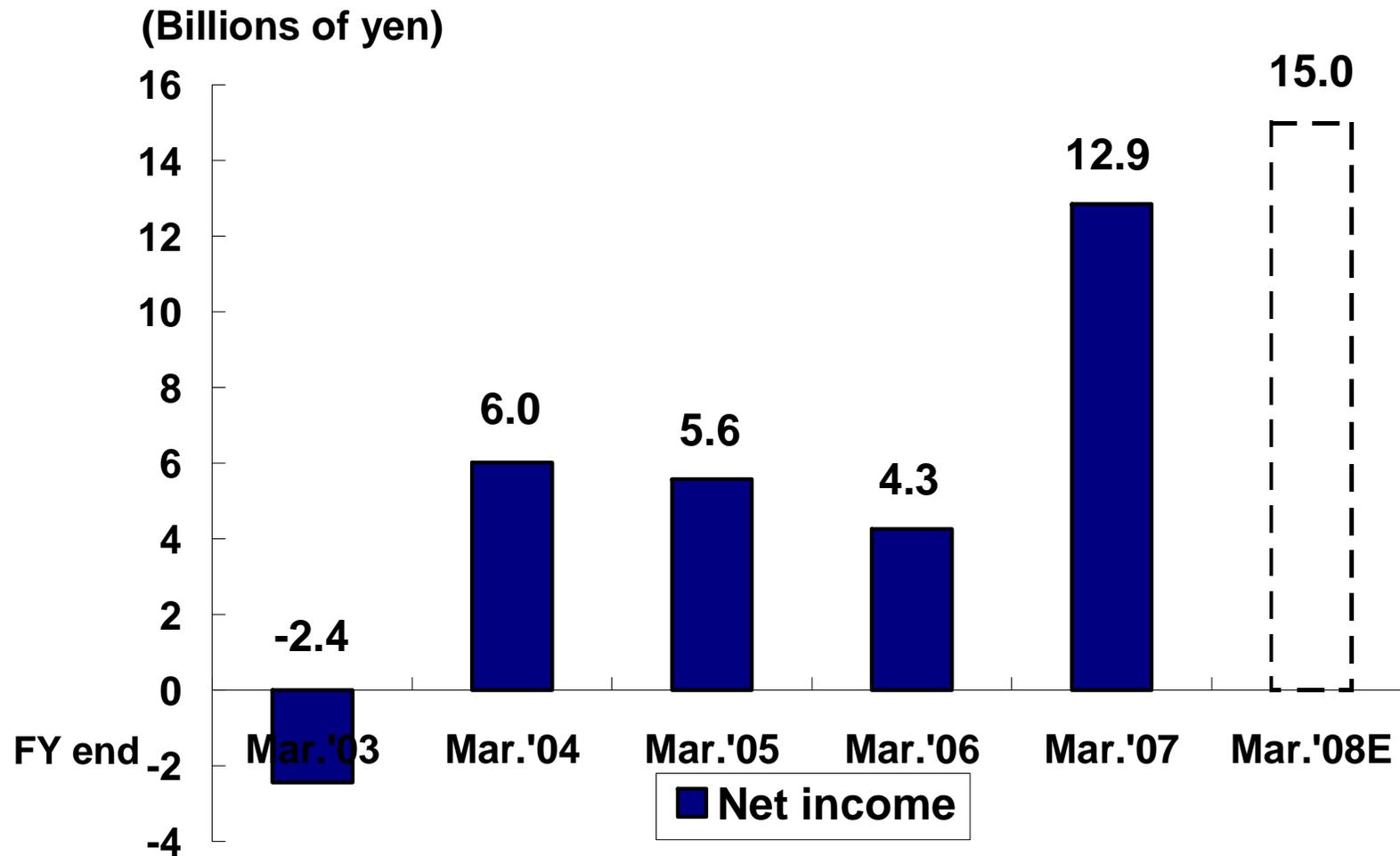
Sales and Operating Income of Electronic Devices and Components Business



Yearly

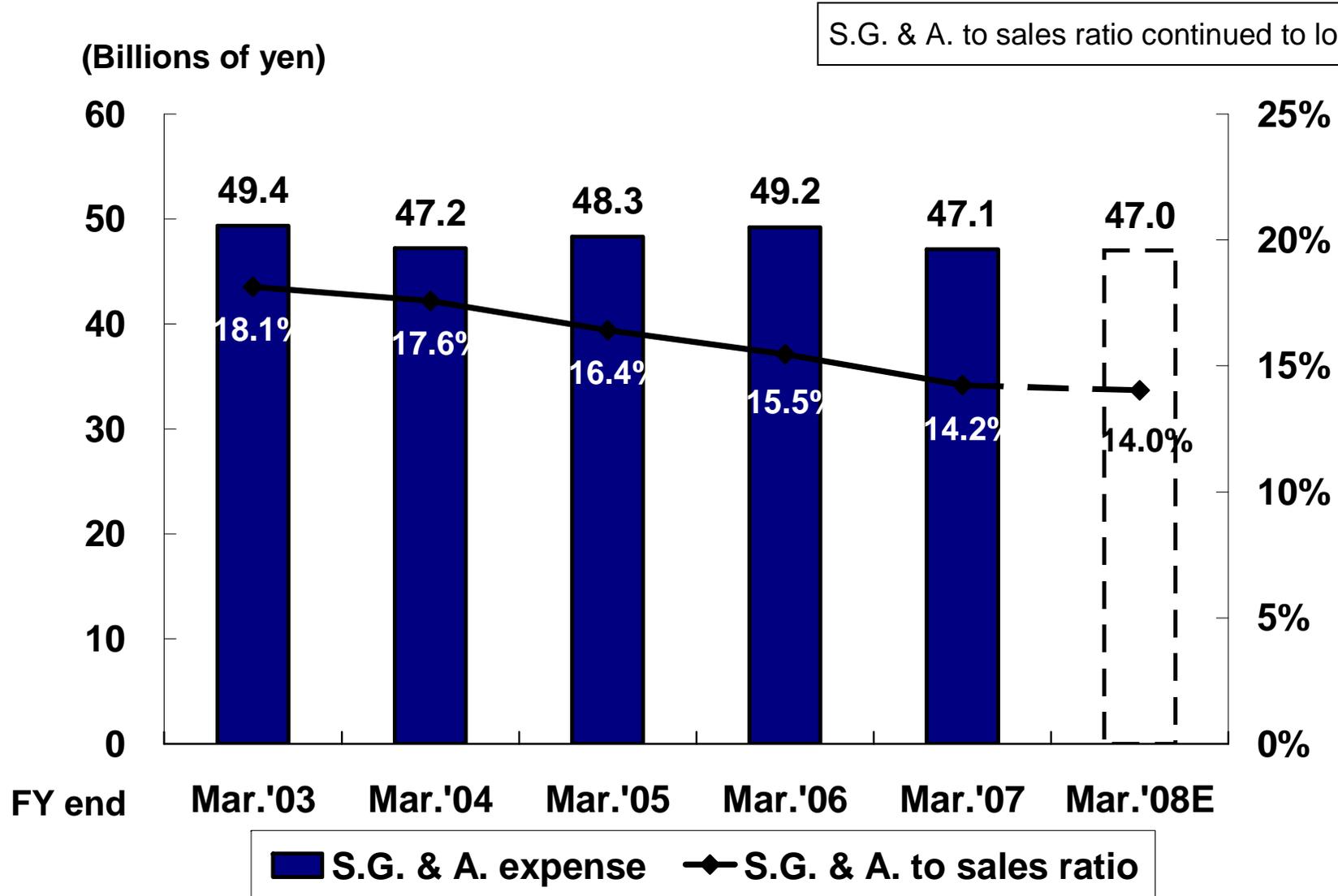
Net Income

FY 3/07 net income made a significant increase due to growth in operating income and the absence of business restructuring loss in FY3/06.



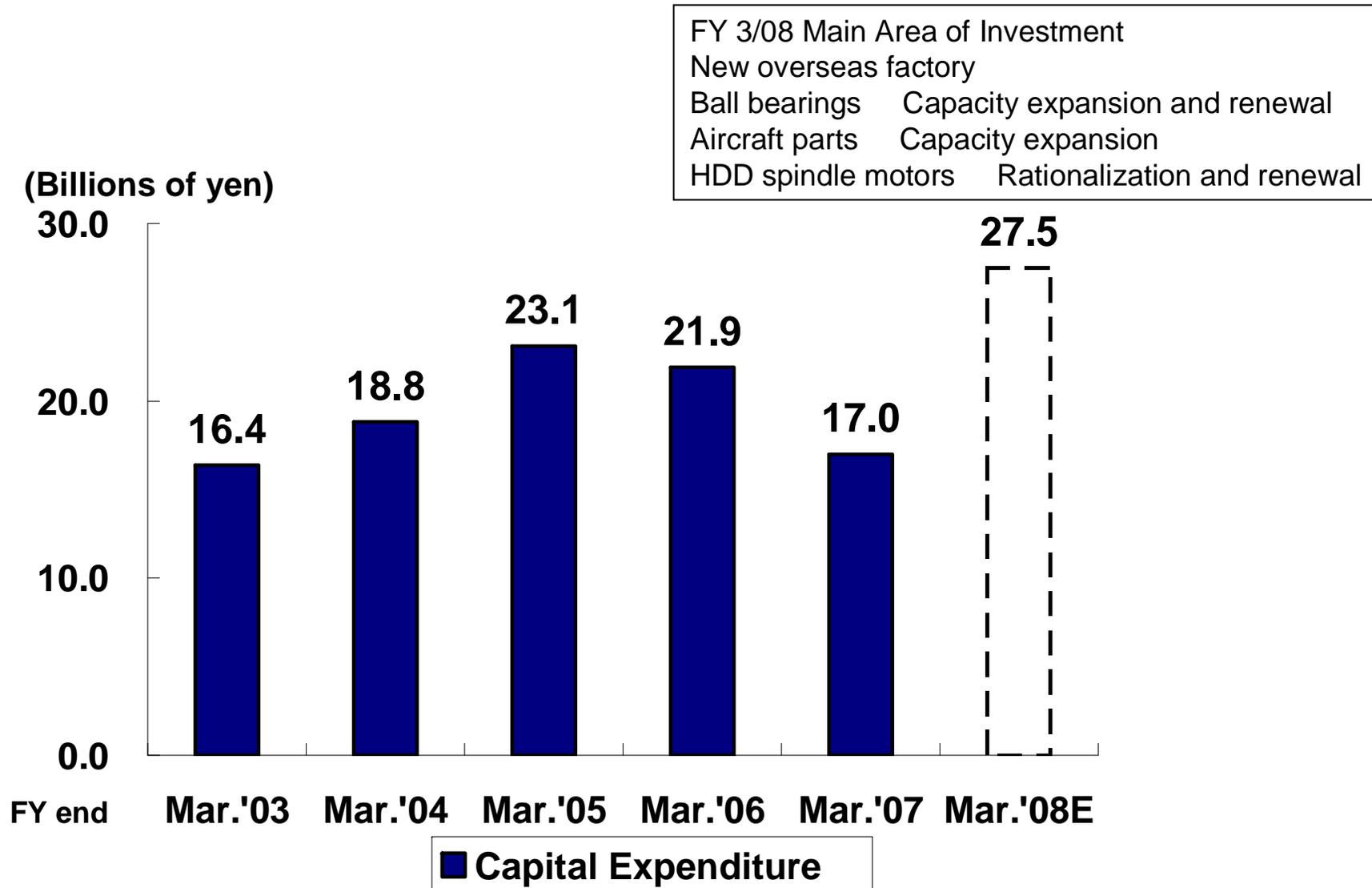
Yearly

S.G. & A. Expense



Yearly

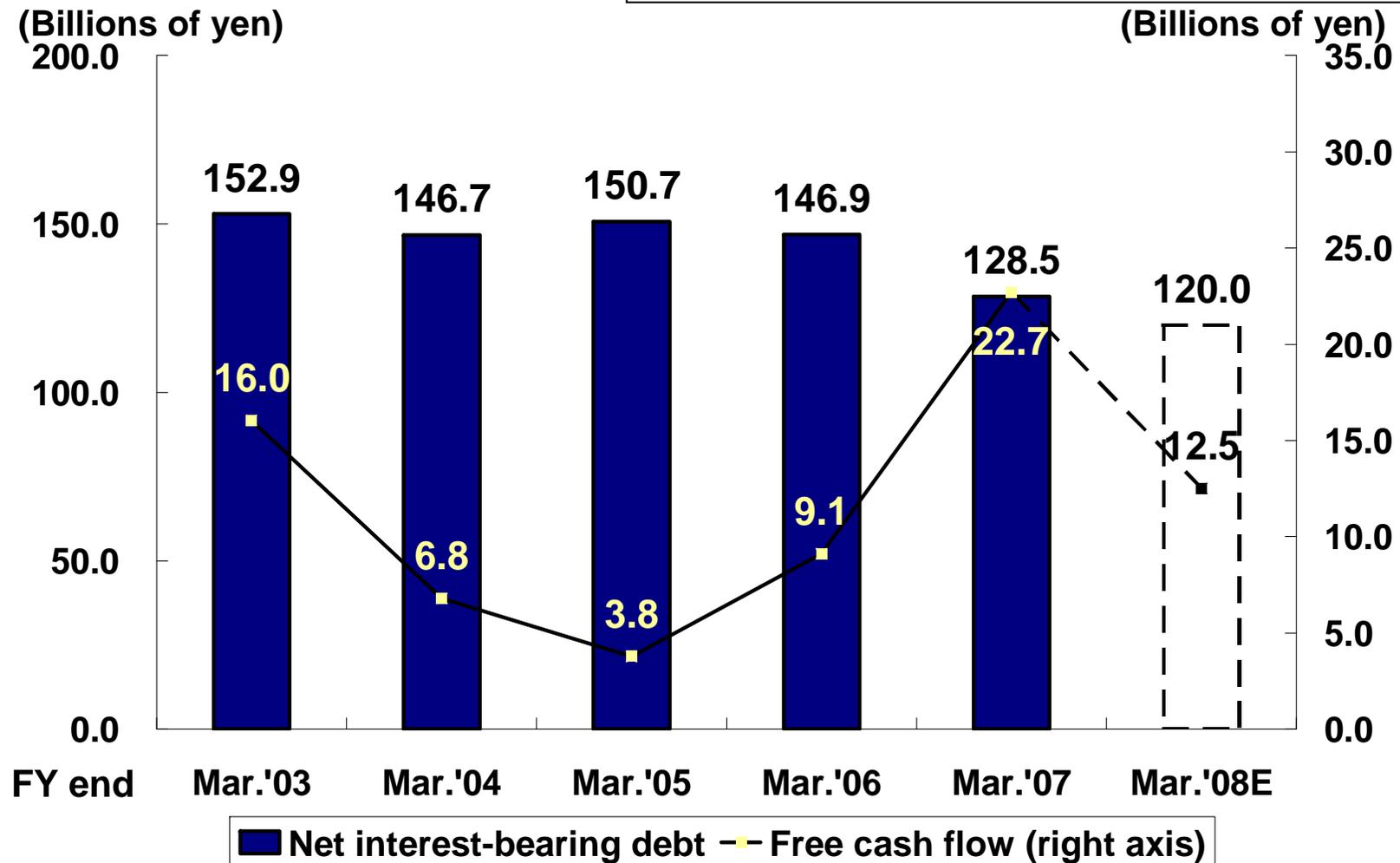
Capital Expenditure



Yearly

Net Interest-Bearing Debts

Net interest-bearing debts were significantly reduced.



Forecast for Fiscal Year Ending March 31, 2008

(Millions of yen)	Year ended Mar.'07 Full year	Year ending Mar.'08			Change yoy
		1H	2H	Full year	
Net sales	331,022	162,500	172,500	335,000	+1.2%
Operating income	26,265	14,000	16,000	30,000	+14.2%
Machined components business	26,195	13,800	14,100	27,900	+6.5%
Electronic devices and components business	69	200	1,900	2,100	x30.435
Ordinary income	21,843	11,500	13,500	25,000	+14.5%
Income before income taxes	19,523	10,500	13,000	23,500	+20.4%
Net income	12,862	6,500	8,500	15,000	+16.6%
Net income per share(yen)	32.23	16.29	21.30	37.59	+16.6%

Foreign Exchange Rate

FY Mar.'07 result → FY Mar.'08 assumption

US\$ ¥116.91 → ¥117.00 Thai Baht ¥3.18 → ¥3.25

Policy and Strategy

Takayuki Yamagishi
Representative Director,
President and Chief Executive Officer

May 8, 2007



Highlights of FY3/07

◆ 3 Businesses in Focus

- Information motors    Reviewed business structure  Turned profitable on a full year basis
- Keyboards    Structural reforms accomplished  Turned profitable on a monthly basis in March
- HDD spindle motors  Reduced costs  Improved, but slight losses (Thai Baht appreciation)

◆ Expansion of Growth Businesses

- Net sales exceeded the previous record high set in FY 3/98
- Led by ball bearings, aircraft parts, measuring instruments and lighting devices

◆ Strengthening Research & Development

- New product Development    New market entrance    Business expansion
- More resources on basic technological development

◆ Reduction of Net Interest-bearing Debts

- ¥18.4 billion reduced (-13%)

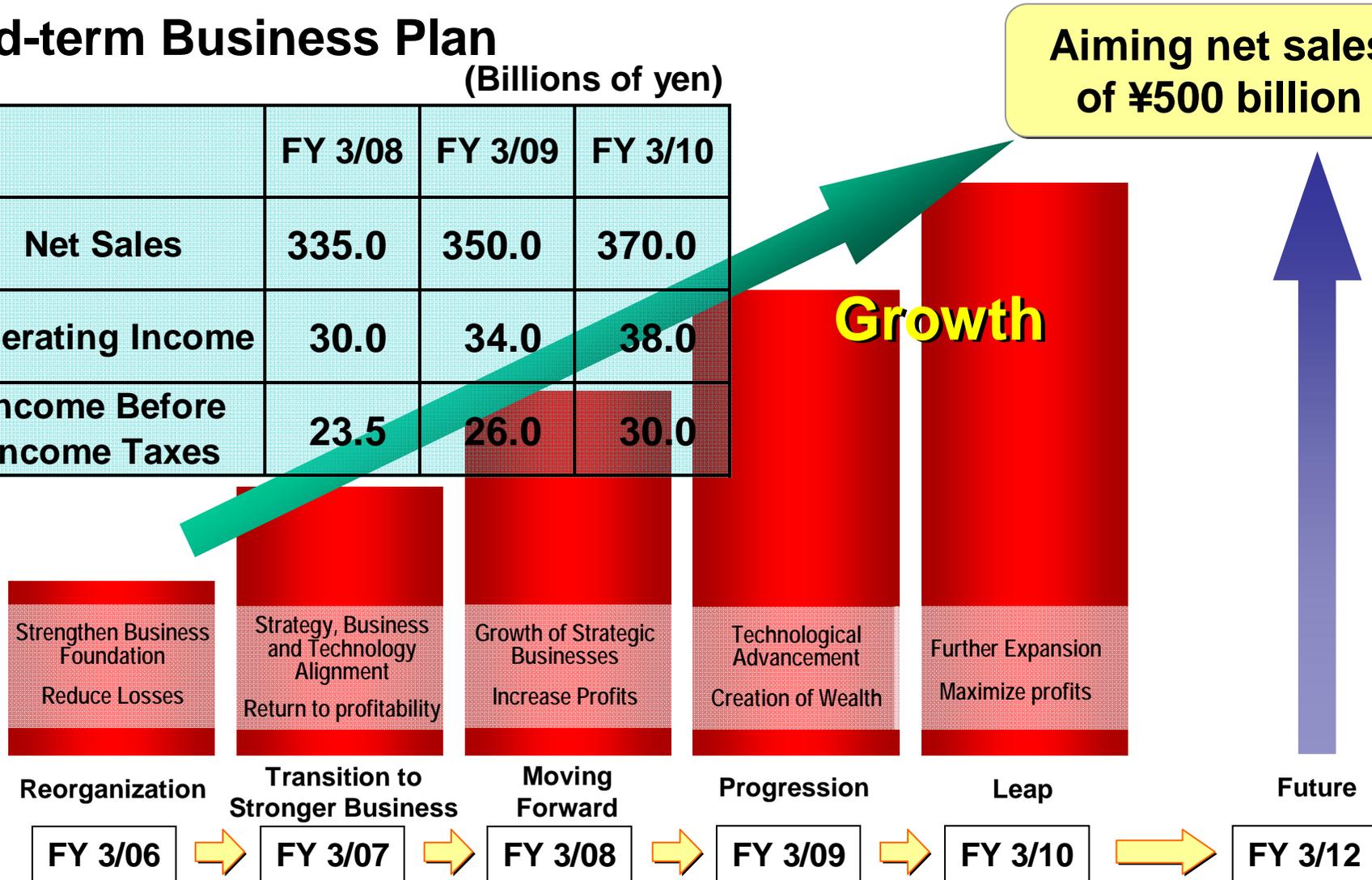
A Strategic Growth Company

Mid-term Business Plan

(Billions of yen)

	FY 3/08	FY 3/09	FY 3/10
Net Sales	335.0	350.0	370.0
Operating Income	30.0	34.0	38.0
Income Before Income Taxes	23.5	26.0	30.0

Aiming net sales of ¥500 billion



Innovation

◆ New Product Development

Bearings / Motors



Smaller products

DC Brush Motors



New products for new markets

Lighting Devices



For notebook PCs

◆ New Market Entrance

Measuring Instruments



Medical and healthcare products

Motion Control



Resolvers for automobiles

Fan / Blowers



Cooling systems for telecommunications equipments

◆ Production Technology

Aircraft Parts



Superior machining technology
Superior lubricating technology

Ball Bearings

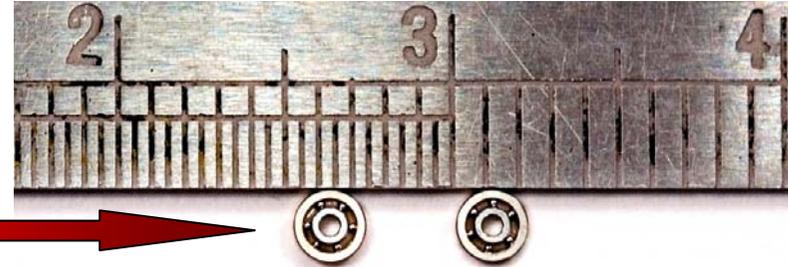


Next-generation factory
New machining technology

Ball Bearings

◆ Market growth

- ◆ Above-average market growth of miniature ball bearings
- ◆ New product for new market



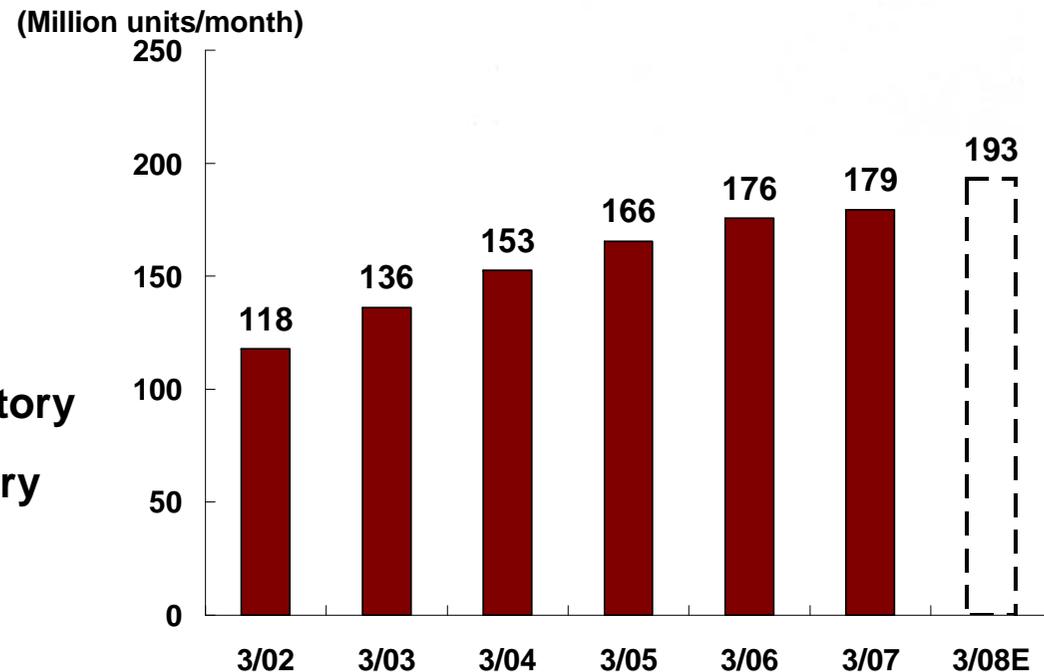
◆ Capacity and cost competitiveness

- ◆ Increase Production Capacity to 200 million units / mo

◆ Innovation in production system

- ◆ Construction of next-generation factory
- ◆ Development of production machinery for miniature ball bearings

Miniature and small-sized ball bearing shipments (monthly average)



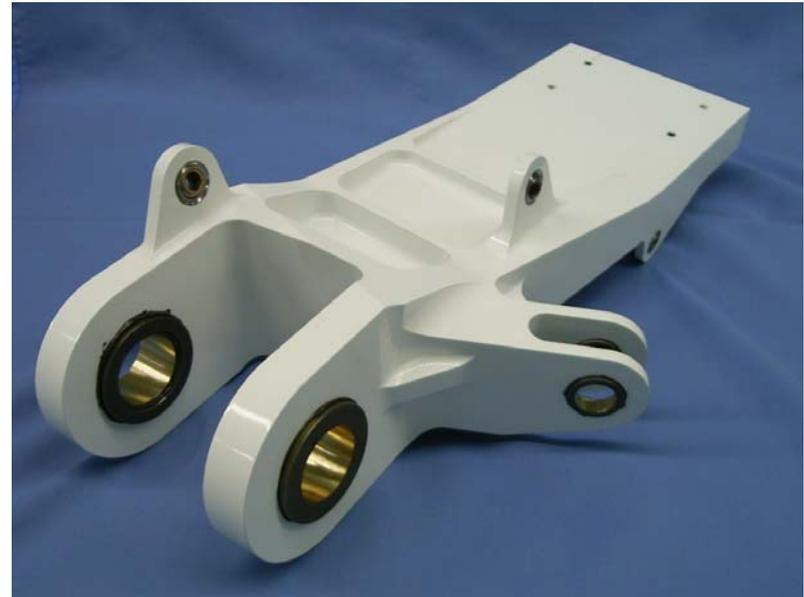
Aircraft Parts

◆ Market growth

- ◆ Mid-size to small aircrafts : passenger demands growth and emerging market growth
- ◆ Large to mid-size aircrafts : freight demands grow faster than passengers

◆ Minebea's aircraft parts business

- ◆ Strengthen engineering capability for aircraft engine-related parts
- ◆ Production technology
Increasing number of products by utilizing sophisticated machining technology
- ◆ Production capacity
Increase by expanding Thai production capacity



Motors

◆ Reorganization of business

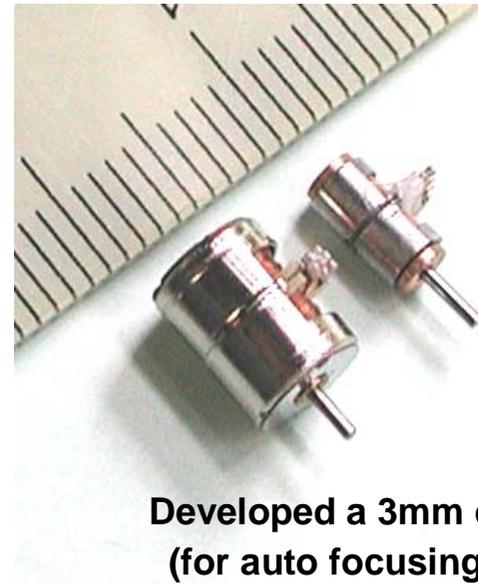
- ◆ Completed the first stage, moving to the next
- ◆ Information motors moved to expansion

◆ Fan motors

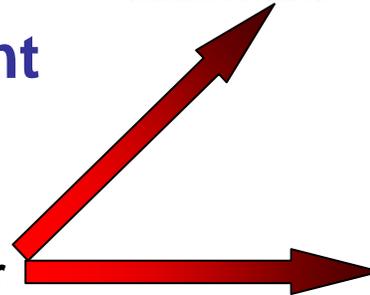
- ◆ Core of business expansion
- ◆ Completed major layout change at factory in Shanghai, ready to expand

◆ New product development

- ◆ Strengthening motor product development capability
- ◆ New products for the next fiscal year



Developed a 3mm diameter PM stepping motor (for auto focusing of mobile phone cameras)



High torque DC brush motors



Lighting Devices

◆ Small LED backlight (1-3 inches)

- ◆ Ultra-thin LED backlights for mobile LCD device ⇒ Contributions in the 2H
- ◆ Low cost LED backlights ⇒ For this FY

◆ Mid-size LED backlights (6-9 inches)

◆ For car navigation system

Introduced in the market

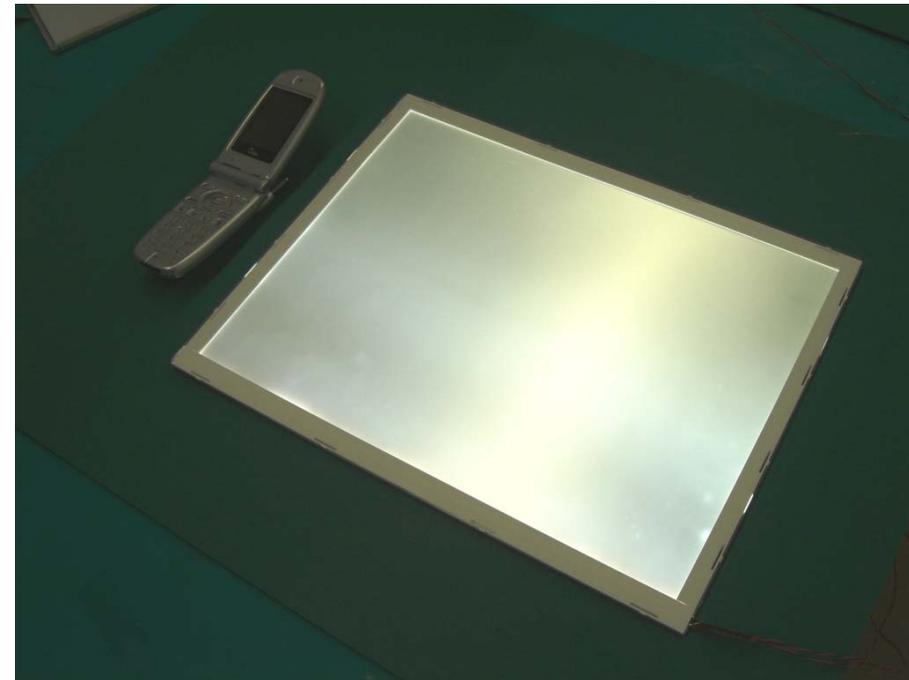
⇒ Contributions for this FY

◆ New product for notebook PCs

Developed and shipped samples

⇒ New business opportunity

A 15-inch LED backlight
for notebook PC



New Market Entrance

◆ New applications for existing products

- ◆ Started new initiatives in various areas

Medical and healthcare market

- (example) ↓
- ◆ Measuring instruments
 - ◆ Stepping motors
- Medical Fluid pump



Steering wheel torque sensor



- ◆ Resolver

Automotive parts market

Financial Strategy : Dividend Increase and Reduction of Interest Bearing Debts

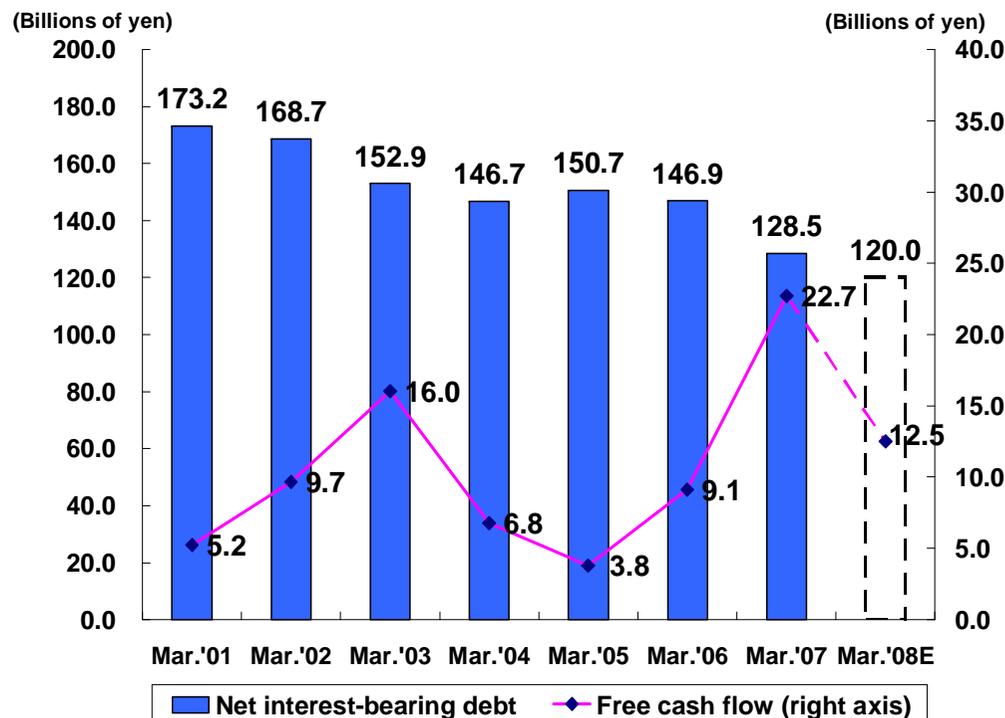
◆ Dividend

- FY3/07 Year-end ¥10/share (an increase of ¥3/share)
- FY3/08 Forecast is also Year-end ¥10/share
- Dividend Policy: Dividends based on earnings level, while considering the overall business environment, trying to efficiently utilize shareholders' equity and making a better cash return to investors

◆ Net Interest Bearing Debts

- FY3/08 Target = Reduction of ¥8.5 billion

Mid-term target = ¥100 billion of net interest-bearing debts



Net Interest-bearing debts = Interest-bearing debts + Cash and cash equivalents

Free Cash Flow = CF from operating activities + CF from Investing activities

Business Results

Fiscal Year ended March 31, 2007

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.

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