



Business Results

Third Quarter of Fiscal Year Ending March 31, 2008

February 1, 2008

Minebea Co., Ltd.

Summary of Consolidated Business Results

(Millions of yen)	Year ended Mar. '07 1Q - 3Q	Year ending Mar. '08 1Q - 3Q	Change yoy
Net sales	247,330	253,389	+2.4%
Operating income	19,976	23,476	+17.5%
Machined components business	20,086	20,851	+3.8%
Electronic devices and components business	(109)	2,625	- ⇨ +
Ordinary income	16,442	20,692	+25.8%
Income before income taxes	16,189	19,199	+18.6%
Net income	11,677	12,528	+7.3%
Net income per share (yen)	29.26	31.40	+7.3%

FX Fluctuations 1Q - 3Q of FY Mar. '07 → 1Q - 3Q of FY Mar. '08

US\$ = ¥115.96 → ¥117.57

Euro = ¥147.33 → ¥162.52

Thai Baht = ¥3.08 → ¥3.73(¥3.42*)

RMB = ¥14.56 → ¥15.51

(*) is on-shore rate reported by the Bank of Thailand

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Consolidated cumulative results for the third quarter of the fiscal year ending March 31, 2008 included net sales of 253,389 million yen, operating income of 23,476 million yen and net income of 12,528 million yen. Compared to the same period last fiscal year, net sales were up 2.4%, operating income was up 17.5% and net income was up 7.3%. These results were due to steady sales and profit increases in the machined components business segment, especially for ball bearings, rod-end bearings and pivot assemblies, and a significant profit increase in the electronic devices and components business segment, especially for information motors and keyboards.

Summary of Consolidated Business Results for 3Q

- Profit increased due to continued steady demand for our products
- Sales were slightly affected by Yen appreciation and Christmas holidays

(Millions of yen)	Year ended Mar. '07	Year ending Mar. '08		Change	Change
	3Q	2Q	3Q	yoy	qoq
Net sales	83,332	86,481	85,142	+2.2%	-1.5%
Operating income	6,609	8,006	8,355	+26.4%	+4.4%
----- Machined components business	6,769	7,105	7,147	+5.6%	+0.6%
----- Electronic devices and components business	△159	901	1,208	- ⇨ +	+34.1%
Ordinary income	5,495	6,984	7,456	+35.7%	+6.8%
Income before income taxes	5,075	6,720	7,003	+38.0%	+4.2%
Net income	4,209	4,341	5,054	+20.1%	+16.4%
Net income per share (yen)	10.54	10.88	12.67	+20.1%	+16.4%

FX Fluctuations 2Q → 3Q

US\$ = ¥119.42 → ¥113.45 Euro = ¥162.43 → ¥163.92
 Thai Baht = ¥3.84(¥3.49*) → ¥3.64(¥3.33*) RMB = ¥15.80 → ¥15.17
 (*) is on-shore rate reported by the Bank of Thailand

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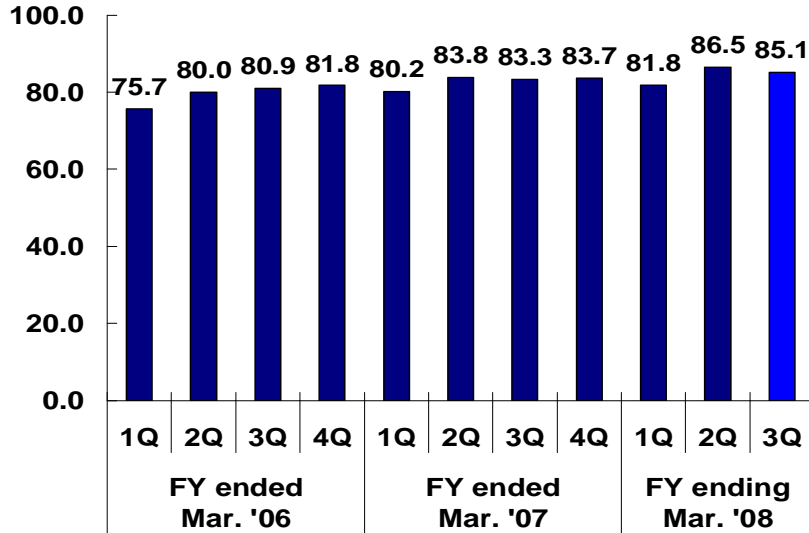
Regarding quarterly results, third quarter net sales totaled 85,142 million yen, operating income was 8,355 million yen and net income was 5,054 million yen. Strong demand for our main products continued, pushing quarterly profits up. However, the higher Japanese yen and Christmas holidays had negative impacts on our quarterly net sales which were down 1.5% compared to the previous quarter.

Quarterly

Net Sales

Increased 2.2% yoy
Decreased 1.5% qoq

(Billions of yen)

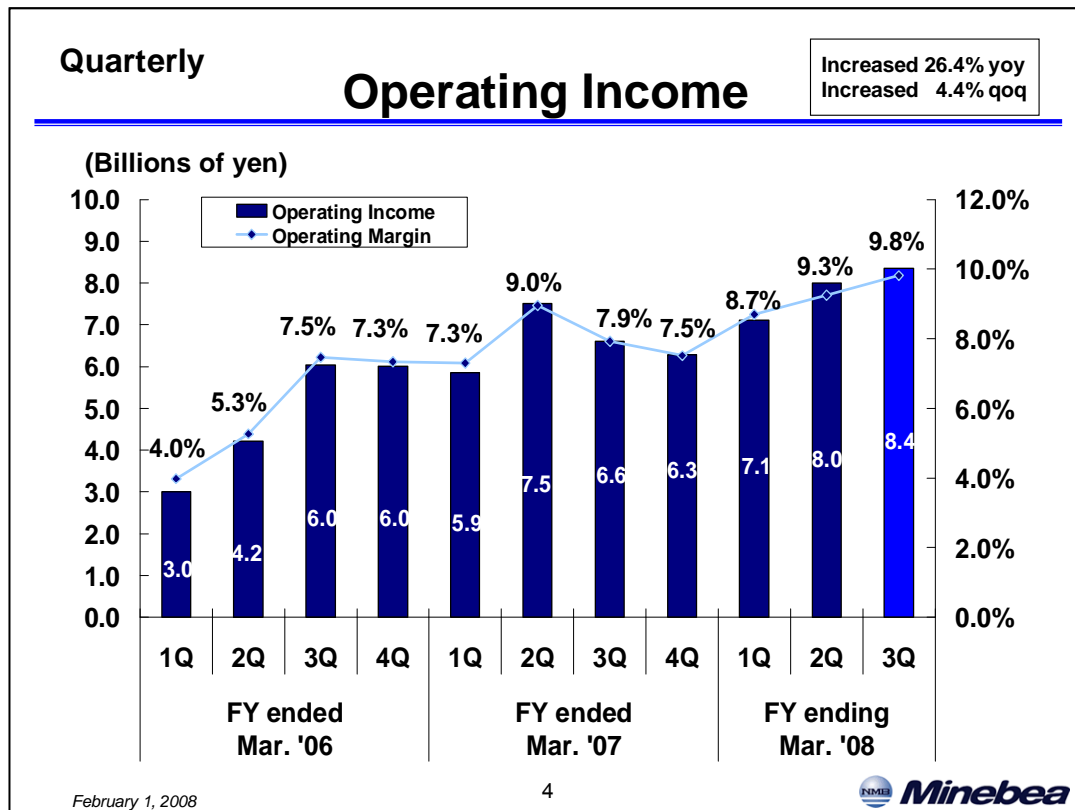


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Third quarter net sales totaled 85.1 billion yen, an increase of 2.2% from the same period last year. Compared to the previous quarter, however, sales decreased 1.5%. This decline is due to the Christmas holiday season and negative 2.9 billion yen currency impacts mainly from the higher Japanese yen.

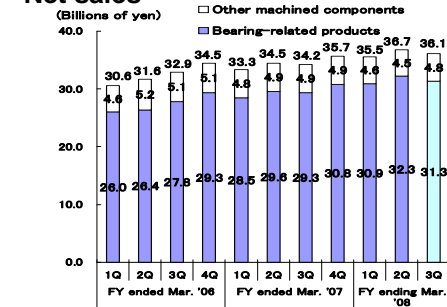


In the third quarter, operating income was 8.4 billion yen, an increase of 26.4% from the same period last year and an increase of 4.4% from the previous quarter. The operating margin for the quarter continued to improve to 9.8%. Operating income edged up in the machined components business segment and increased by 0.3 billion yen in the electronic devices and components business segment for a total increase of 0.4 billion yen. We estimate the currency impacts on our third quarter operating income were a decrease of 0.9 billion yen from the same period last year and an increase of 0.1 billion yen from the previous quarter.

Business Segments

Machined Components Business

Net sales



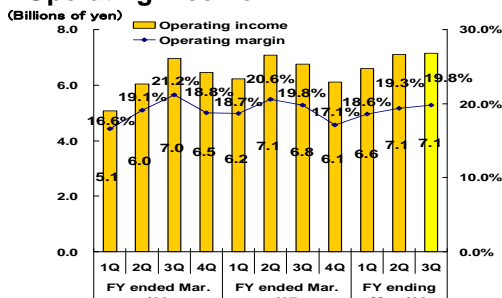
Miniature & Small Sized Ball Bearings

Net Sales increased 1.9% yoy
decreased 3.5% qoq
Steady demand continued, but 3Q sales were affected by FX fluctuations

Rod-end & Spherical Bearings

Net Sales increased 9.5% yoy
decreased 5.5% qoq
Strong demand continued in the aircraft market, but 3Q sales were affected by Xmas holidays and FX fluctuations

Operating income



Pivot Assemblies

Net Sales increased 17.7% yoy
decreased 0.2% qoq
Volume increased due to growing demand for HDD

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In the machined components business segment, third quarter sales of miniature and small sized ball bearings increased by 1.9% over the same period last year, but decreased by 3.5% from the previous quarter. Overall shipments including internal shipments of ball bearings to other company divisions increased 2 million units per month from the second quarter to a record-high average of 192 million units per month. This was due to strong demand for products such as pivot assemblies and fan motors. However, net sales declined from the previous quarter due mainly to impacts from a higher Japanese yen and a weaker US dollar. Profit increased from the previous quarter due to cost reductions. For the next quarter, we expect the shipment level will still be high.

Third quarter sales of rod-end and spherical bearings increased by 9.5% compared to the same period last year, but declined by 5.5% from the previous quarter due to the Christmas holidays and impacts from the higher Japanese yen and the weaker US dollar, even though bearings for aircraft parts remained in strong demand because of increasing global aircraft production. Profit decreased from the previous quarter due to a sales decline. For the next quarter and beyond, we will increase our production level to meet the growing demand in a timely manner.

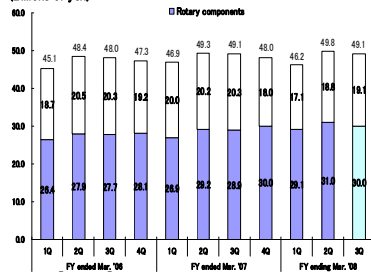
Third quarter sales of pivot assemblies for hard disk drives increased by 17.7% over the same period last year, but decreased by 0.2% from the previous quarter. During the quarter, the sales volume of pivot assemblies reached 28 million units per month, a 1 million unit increase over the second quarter. However, sales decreased slightly due mainly to impacts from the higher Japanese yen and the weaker US dollar. Profit increased from the previous quarter due to improved production efficiency. For the next quarter, we expect a slight seasonal decrease in shipments, but estimate that the level will still be high.

Overall third quarter results for the machined components business segment included net sales of 36.1 billion yen, operating income of 7.1 billion yen and an operating margin of 19.8%.

Business Segments **Electronic Devices and Components Business**

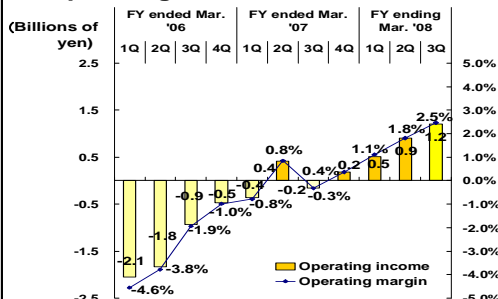
Net sales

(Billions of yen)



Operating income

(Billions of yen)



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HDD Spindle Motors

Net Sales increased 19.2% yoy
increased 0.9% qoq

Focusing on yield and cost cuts

Information Motors

Net Sales decreased 6.0% yoy
decreased 6.9% qoq

Fan motors and stepping motors weak

Keyboards

Net Sales decreased 5.3% yoy
decreased 12.7% qoq

Sales declined for post-X'mas period

Measuring Instruments

Net Sales increased 52.4% yoy
increased 24.8% qoq

New game console business grew

Electronic Devices

Net Sales decreased 7.3% yoy
increased 13.4% qoq

Inverters grew for flat-screen TVs

Speakers

Net Sales decreased 35.9% yoy
decreased 19.2% qoq

Sales declined



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In the electronic devices and components business segment, net sales of HDD spindle motors increased by 19.2% compared to the same period last year, and by 0.9% from the previous quarter. Sales volume increased to 5.5 million units per month, including 1.3 million units of the 2.5 inch HDD spindle motors which also increased from the previous quarter, due to the robust HDD market which has been upbeat since last summer. However, profitability remained negative due partly to the appreciation of the Thai Baht against the US dollar despite our aggressive efforts to improve production yield and cut costs. We are aiming to break even on a monthly basis during the fourth quarter by continuing our current efforts.

In the information motors business, third quarter net sales decreased by 6.0% from the same period last year, and by 6.9% from the previous quarter. Profit decreased because of a fan motors sales decline due to the appreciation of the Chinese renminbi against the US dollar and intensified competition as well as a stepping motors sales decline as the peak Christmas holiday demand petered out despite our efforts to cut costs. We will continue our cost reduction efforts to make this business more profitable.

Net sales of keyboards decreased by 12.7% from the previous quarter as peak Christmas holiday demand of high-end retail desktop keyboards subsided despite the continuing strong demand for notebook PC keyboards. Profit declined from the previous quarter.

Net sales of the measuring components business increased 52.4% from the same period last year, and by 24.8% from the previous quarter, mainly due to an increase in sales of strain gauge force sensors for Nintendo's Wii related business. Profit also increased.

Net sales of electronic devices decreased by 7.3% from the same period last year, but increased by 13.4% from the previous quarter. Inverters used in large flat-screen TVs sold very well. The sales volume for LED backlights also increased. Profit increased over the second quarter.

Net sales of speakers decreased 35.9% from the same period last year and 19.2% from the previous quarter, leaving operations in the red. We are currently shifting our production from Thailand to China to cut costs.

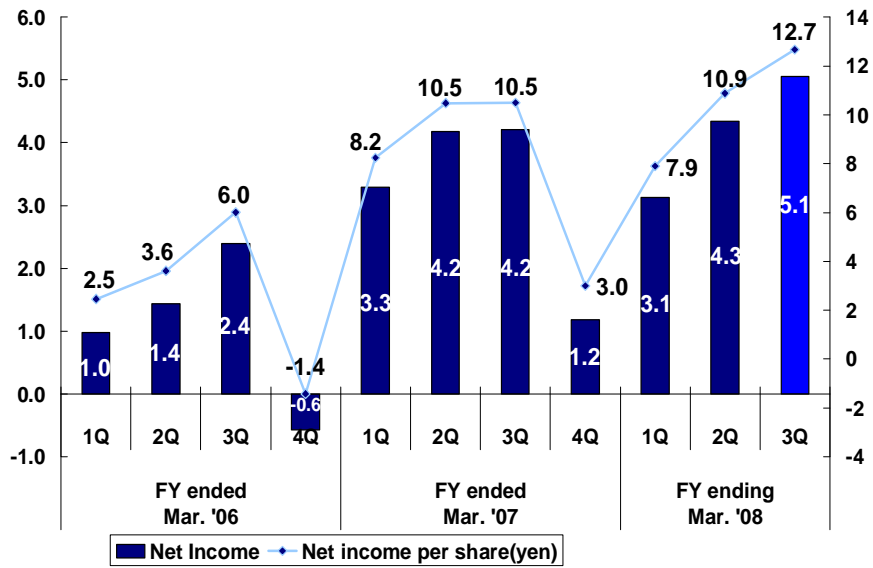
Third quarter net sales for the electronic devices and components business segment totaled 49.1 billion yen. Operating income reached 1.208 billion yen while the operating margin improved steadily to 2.5%.

Quarterly

Net Income

Increased 20.1% yoy
Increased 16.4% qoq

(Billions of yen)



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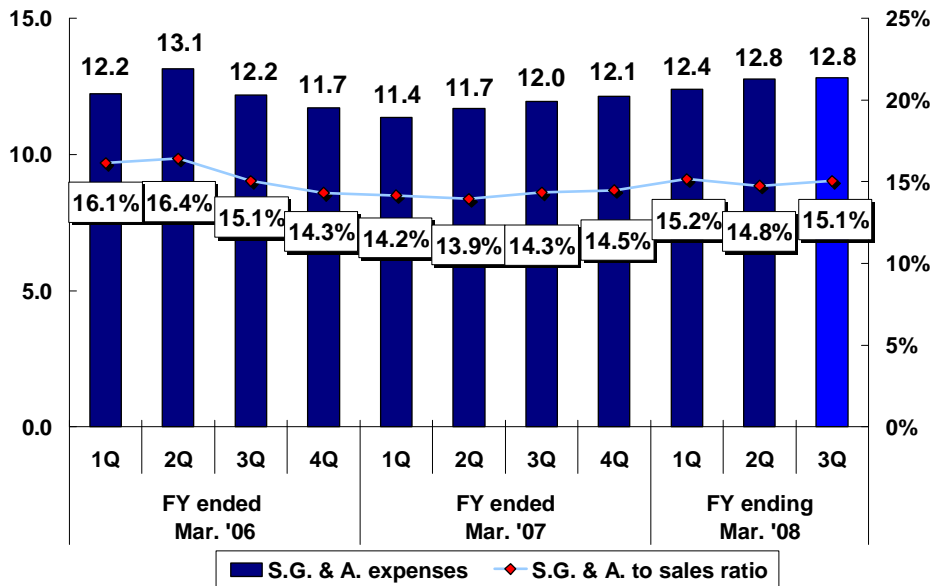


Consolidated net income for the third quarter was 5,054 million yen, or 12.7 yen per share, up 20.1% from the same period last year and up 16.4% from the previous quarter.

Quarterly

S.G. & A. Expenses

(Billions of yen)



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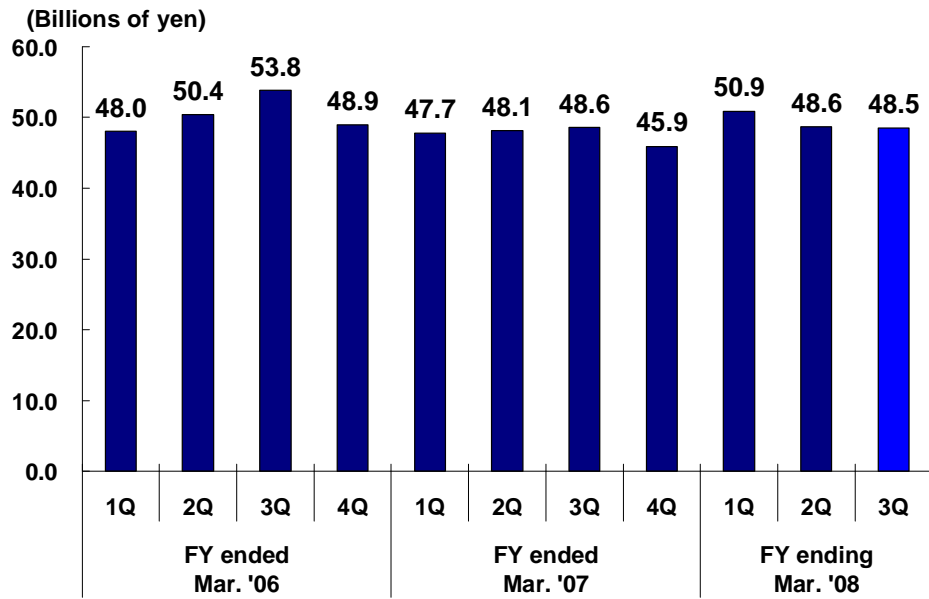


The third quarter SG&A expenses were 12.8 billion yen, at the same level as the previous quarter. However, sales to SG&A ratio increased by 0.3% point to 15.1%. This was due to the negative impact from increased transportation costs due to higher oil prices while net sales decreased. We will continue our efforts to suppress SG&A expenses and other expenses even though this fiscal year's SG&A expenses include increased costs such as internal control for financial reporting.

Quarterly

Inventories

Decreased 0.1% yoy
Decreased 0.3% qoq

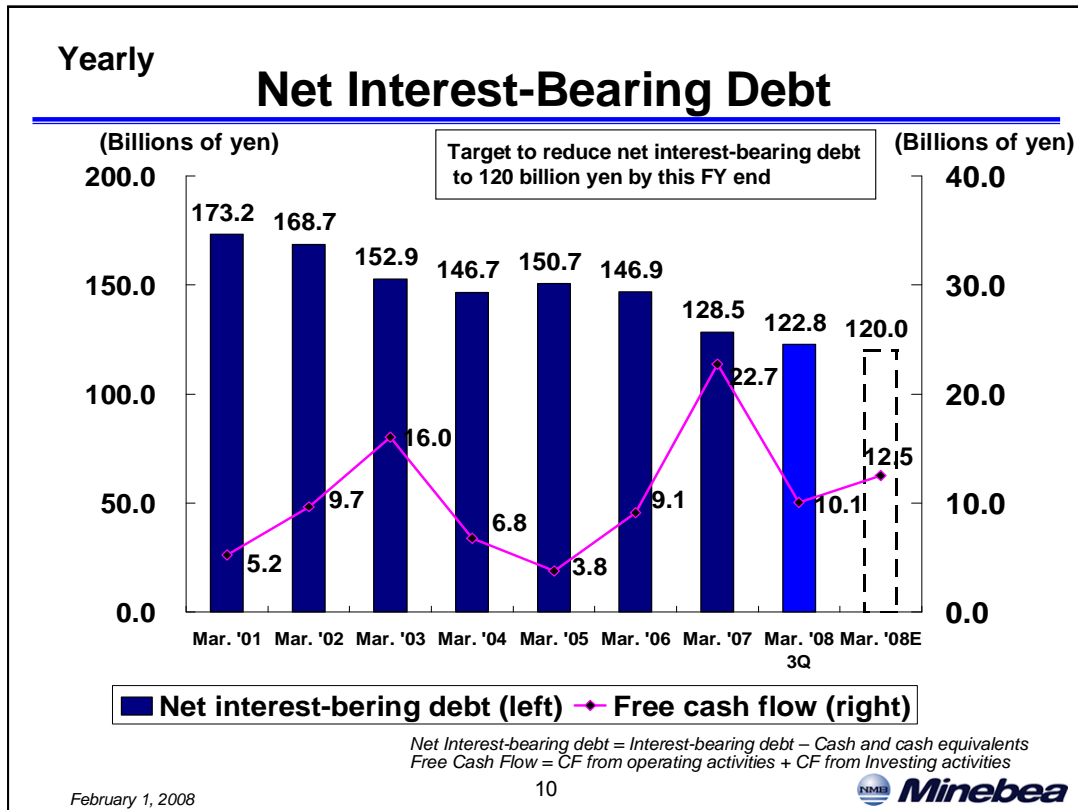


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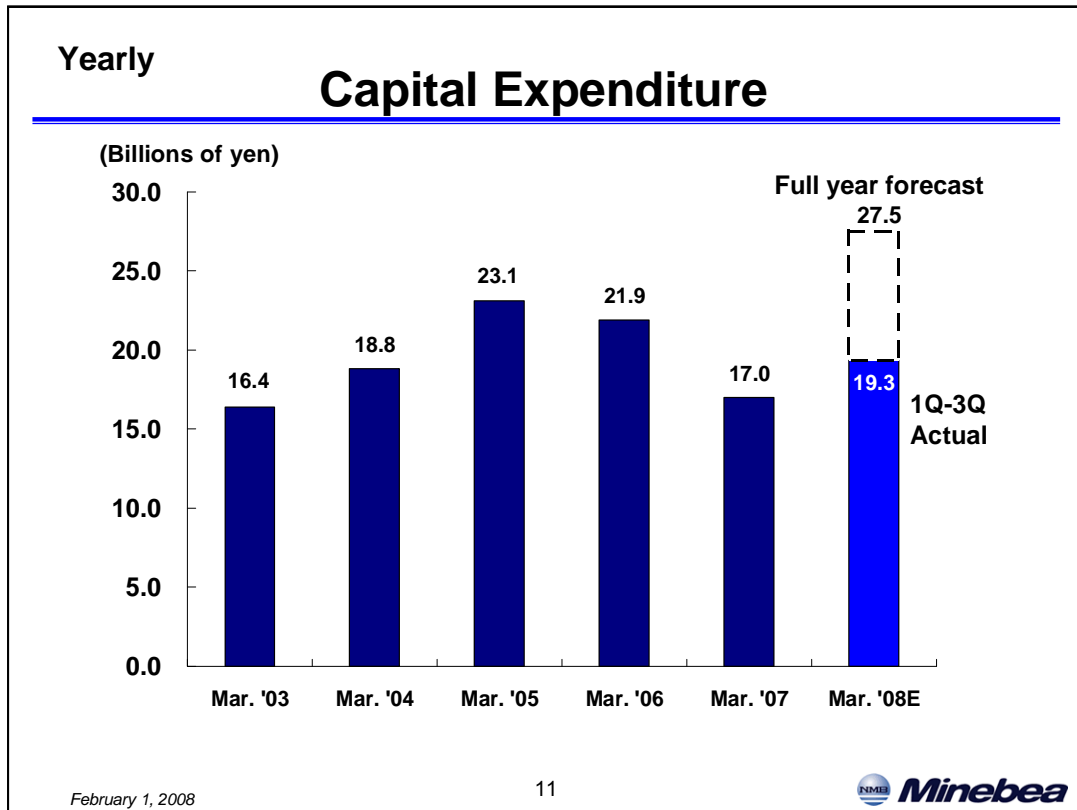
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Inventories decreased by 0.1 billion yen compared to the previous quarter. We will continue working to cut inventories.



In the third quarter, net interest bearing debt, which is interest bearing debt minus cash and cash equivalents, totaled 122.8 billion yen, a decrease of 5.8 billion yen from the end of the last fiscal year. It also decreased by 1.7 billion yen from the end of the first half. Free cash flow for this fiscal year so far has increased steadily to 10.1 billion yen. We will continue our efforts to achieve our target to reduce the amount of net interest bearing debt to 120 billion yen by the end of this fiscal year.



Regarding capital expenditure, 19.3 billion yen was spent from the first quarter to the third quarter combined, compared to the full year forecast of 27.5 billion yen, mainly to increase production capacity for ball bearings and aircraft parts.

Forecast for Fiscal Year Ending March 31, 2008

Full year forecast revised upward

(Millions of yen)	Year ended Mar.'07	Year ending Mar.'08			Amount change (A) - (B)
	Full year	New forecast (A)	% change yoy	Previous forecast (B)	
Net sales	331,022	335,000	+1.2%	335,000	0
Operating income	26,265	31,500	+19.9%	30,000	1,500
Machined components business	26,195	27,900	+6.5%	27,900	0
Electronic devices and components business	69	3,600	x52.2	2,100	1,500
Ordinary income	21,843	27,000	+23.6%	25,000	2,000
Income before income taxes	19,523	24,500	+25.5%	23,500	1,000
Net income	12,862	16,000	+24.4%	15,000	1,000
Net income per share (yen)	32.23	40.10	+24.4%	37.59	2.51

Foreign Exchange Rate Assumptions		FY Mar. '07	→	FY Mar. '08		
US\$ = ¥116.91	→	¥117.25		Euro = ¥149.75	→	¥161.32
Thai Baht = ¥3.18	→	¥3.70		RMB = ¥14.77	→	¥15.45

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As a result of the above, we revised our forecast for this fiscal year upward.

In the new forecast, net sales will remain unchanged at 335 billion yen. Operating income was revised upward by 5% to 31.5 billion yen. Out of that amount, the operating income for the machined components business remains unchanged at 27.9 billion yen while the operating income for the electronic devices and components business was revised upward by 71% to 3.6 billion yen. Ordinary income was revised to 27.0 billion yen. Net income before income taxes was revised to 24.5 billion yen. Net income was revised to 16.0 billion yen. Earnings per share were revised to 40.1 yen.

Strong demand for our main products such as ball bearings, aircraft parts, pivot assemblies and spindle motors for HDDs, inverters and measuring components still seems to be continuing for the January to March period even though there might be some seasonality. We will continue our efforts to improve our business results.

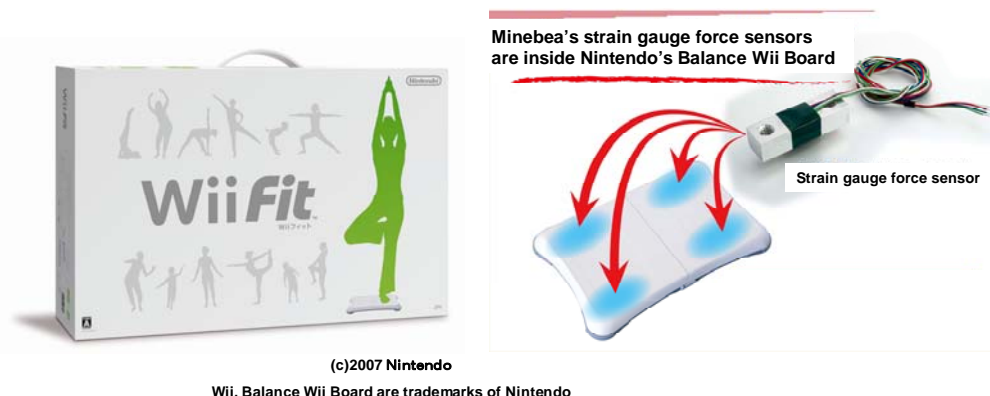
However, we will keep a close eye on major risk factors such as foreign exchange fluctuations in Asian currencies, the US dollar and other currencies, fluctuations in the energy and material markets and general economic conditions in major countries around the world due to the financial market turmoil triggered by the sub-prime loan crisis in the U.S.

New Market Development through Innovation

- Measuring Components:

New business for Nintendo Wii

The Balance Wii Board controller packaged with Wii Fit utilizes Minebea's strain gauge force sensors



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Before finishing, I would like to briefly introduce one example of our successful new market development efforts.

Minebea has been focusing on innovation as a way to increase corporate value. As explained in our mid-term business plan implemented this fiscal year, one of the necessary innovations is to expand our business by introducing existing products to new markets and expanding into new applications.

I would like to explain one of our new business developments for this fiscal year involving Nintendo's home gaming console, Wii. Four of Minebea's strain gauge force sensors are used in every Balance Wii Board controller packaged with Wii Fit. This very popular Wii software package which seeks to integrate health and entertainment under the theme of health was released for sale in December 2007.

Net sales of the measuring components business from the first quarter to the third of this fiscal year are 7.5 billion yen, up 26% compared to the same period last year mainly due to this new business development.

As shown by this example, Minebea will keep an eye on changing needs in the marketplace and expand our business into new areas by utilizing our existing technology.

Minebea Co., Ltd.

Business Results

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

Any statements in the presentation which are not historical fact are future projections made based on certain assumptions and executive 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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