

Business Results

Third Quarter of Fiscal Year Ending March 31, 2010

February 2, 2010

Minebea Co., Ltd.



Summary of Consolidated Business Results for 1Q-3Q

1H low sales and profits dragged down the overall performance

(Millions of yen)	FY ended Mar. '09 1Q-3Q	FY ending Mar. '10 1Q-3Q	Change YoY
Net sales	209,780	167,984	-19.9%
Operating income	16,231	6,564	-59.6%
Ordinary income	14,985	5,017	-66.5%
Income before income taxes	13,023	4,537	-65.2%
Net income	8,653	3,571	-58.7%
Net income per share (yen)	21.81	9.19	-57.9%

Foreign exchange rates	1Q-3Q of FY Mar. '09	1Q-3Q of FY Mar. '10
US\$	¥103.50	¥93.91
Euro	¥153.34	¥132.77
Thai Baht	¥3.10	¥2.75
Chinese RMB	¥15.00	¥13.74

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Looking at consolidated business results for the first nine months of the fiscal year ending March 31, 2010, net sales were 167,984 million yen, a decrease by 19.9% from the same period last year; operating income was 6,564 million yen, a decrease of 59.6%; and net income was 3,571 million yen, a decrease of 58.7%.

Low sales and profits during the first half of this fiscal year dragged down the overall performance. There were also negative impacts on sales from foreign exchange fluctuations, especially the weaker US dollar against the Japanese yen, and higher unit production costs due to much lower volume.

Summary of Consolidated Business Results for 3Q

Profits increased significantly QoQ
due to sales recovery and lower unit production cost

(Millions of yen)	FY ended Mar.'09 3Q	FY ending Mar.'10		Change	
		2Q	3Q	YoY	QoQ
Net sales	59,166	57,430	58,716	-0.8%	+2.2%
Operating income	4,532	2,720	4,449	-1.8%	+63.5%
Ordinary income	4,094	2,130	3,988	-2.6%	+87.2%
Income before income taxes	2,920	2,099	3,808	+30.4%	+81.4%
Net income	2,447	1,315	3,936	+60.8%	x3.0
Net income per share (yen)	6.24	3.38	10.16	+62.8%	x3.0

Foreign exchange rates	3Q of FY Mar. '09	2Q of FY Mar. '10	3Q of FY Mar. '10
US\$	¥99.17	¥94.74	¥89.49
Euro	¥132.72	¥134.24	¥132.51
Thai Baht	¥2.85	¥2.78	¥2.68
Chinese RMB	¥14.51	¥13.85	¥13.08

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However, in the third quarter of the fiscal year ending March 2010, net sales were 58,716 million yen, up 2.2% from the previous quarter.

Profits increased significantly. Operating income was 4,449 million yen, up 63.5% from the previous quarter. Net income was 3,936 million yen, three times that of the previous quarter.

Regarding net sales, many product markets including PCs are recovering remarkably, especially in Asia, although the global economy is still in the middle of recovery process from the steep downturn in the latter half of the last fiscal year.

Profits increased nicely due to increased sales in addition to lower ball bearing manufacturing costs per unit caused by increased production volume and other cost reductions.

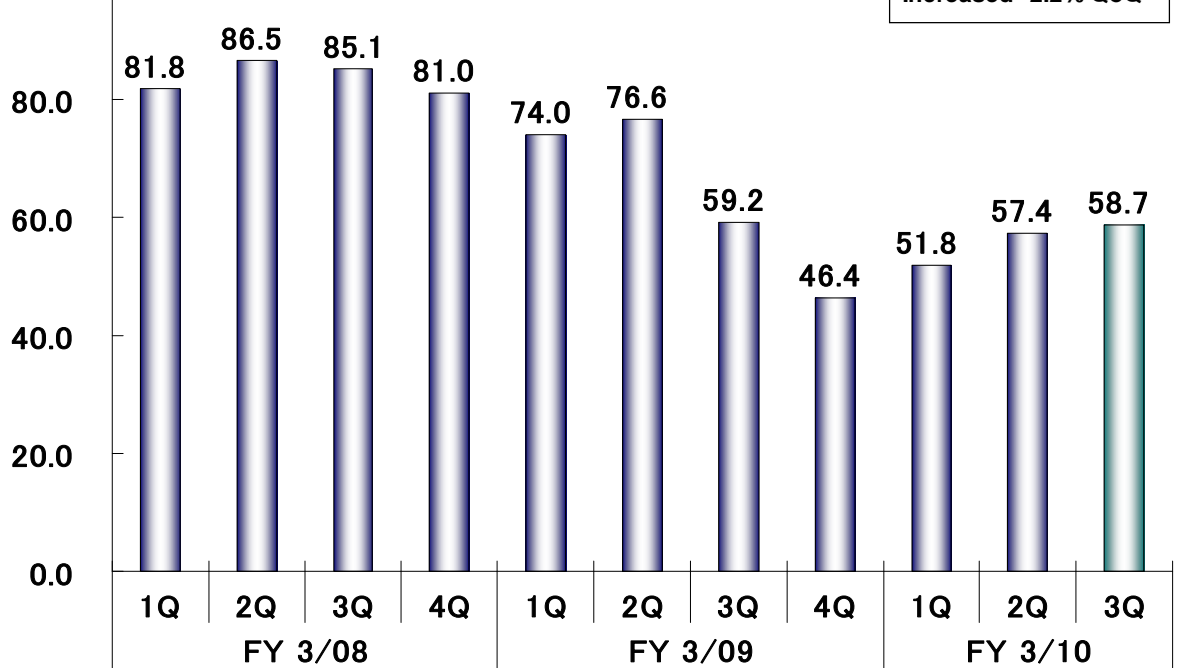
Net income increased due to a 1.7 billion yen corporate tax refund in the U.S.

Quarterly

Net Sales

(Billions of yen)

100.0



Decreased 0.8% YoY
Increased 2.2% QoQ

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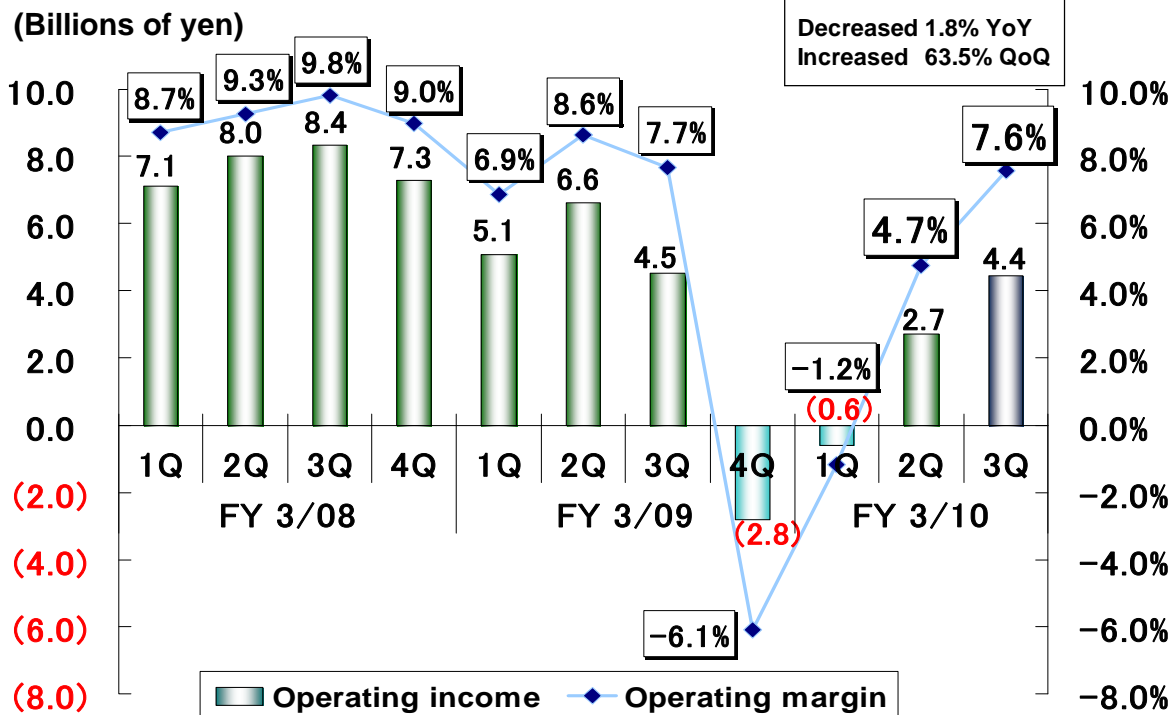


Net sales have been recovering steadily since the first quarter of this fiscal year. During the third quarter, net sales increased by 2.2% from the second quarter to 58.7 billion yen which is close to the level of the same period last year.

The currency impact on net sales was approximately a negative 1.9 billion yen compared to the previous quarter, and approximately a negative 3.3 billion yen from the same period last year. This was mostly due to the weaker US dollar against the Japanese yen.

Quarterly

Operating Income



Operating income has been improving steadily starting from the beginning of this fiscal year. It was still in the red for the first quarter due to a large reduction in production in the second half of the last fiscal year. For the second quarter, it improved significantly and turned positive as demand recovered and production increased. During the third quarter, operating income further increased to 4.4 billion yen, up 63.5% from the previous quarter. Operating margin was 7.6%, a large 2.9 percentage point improvement from the previous quarter.

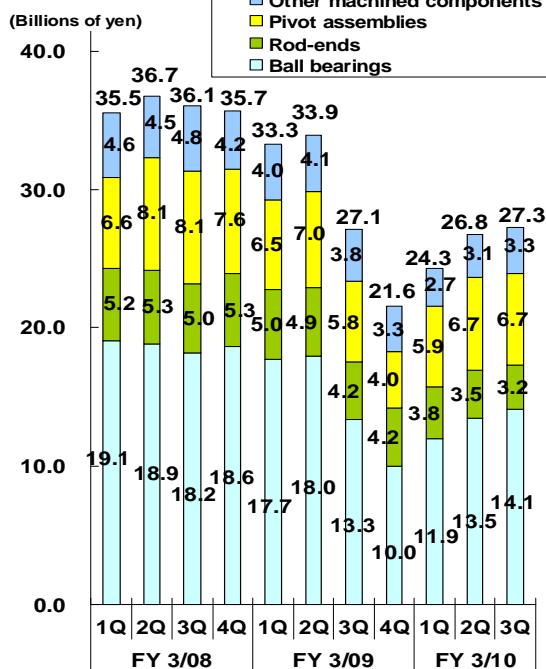
These improvements were due to sales increases caused by volume recovery continuing from the first quarter in addition to lower ball bearing manufacturing costs per unit caused by increased production volume and other cost reductions.

According to our estimate under certain assumptions, the currency impact on operating income was approximately a negative 0.05 billion yen compared to the previous quarter, and approximately a positive 0.1 billion yen compared to the same period last year.

Business Segments

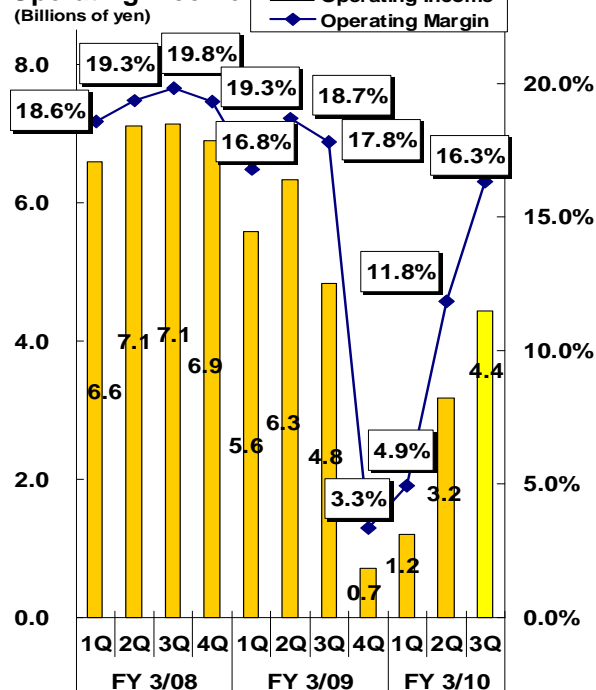
Machined Components Business

Net sales



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Operating income



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For the machined components business segment, third quarter net sales were up 1.8% from the previous quarter to 27.3 billion yen which is close to the level of the same period last year. An increased sales volume of ball bearings contributed to this net sales increase.

Operating income was 4.4 billion yen, up 40.3% from the previous quarter. Operating margin was 16.3%, a 4.5 percentage point improvement over the previous quarter. Both operating income and operating margin recovered to the levels which are close to these of the same period last year. The improvements were made due to continued sales volume increases and various cost reduction measures, despite the weaker aircraft market. Especially, a large contribution is made by lower ball bearing manufacturing costs per unit caused by increased production volume.

Third quarter sales of miniature and small sized ball bearings increased by 6% from the same period last year and by 4% from the previous quarter. Profits in this business jumped up from the second quarter due to increased sales volume and various cost reduction measures in addition to lower ball bearing manufacturing costs per unit caused by increased production volume. We will further increase production volume in the fourth quarter to meet robust demand.

Third quarter sales of rod-ends decreased by 24% from the same period last year and by 9% from the previous quarter due mainly to the contracting market and the weaker US dollar against the Japanese yen. Profitability worsened from the previous quarter, turning negative. We will continue our efforts to reduce costs while, at the same time, we prepare for an expected upturn in the latter half of this year.

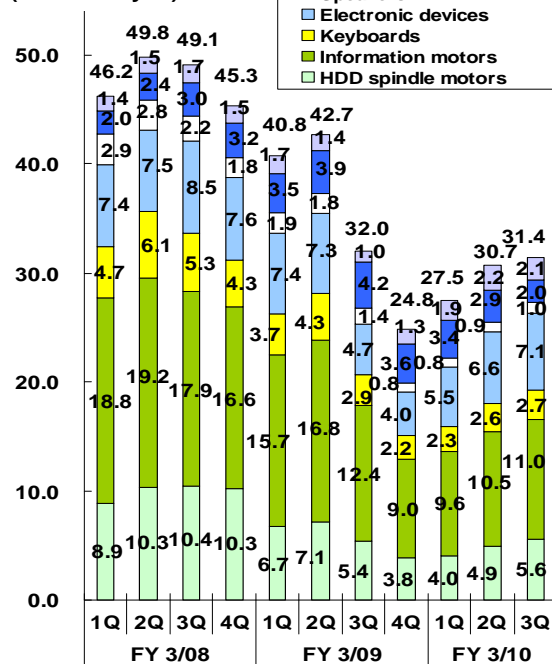
Third quarter sales of pivot assemblies for Hard Disk Drives increased by 16% from the same period last year due mainly to increased sales volume. Compared to the previous quarter, however, net sales was flat due to the weaker US dollar against the Japanese yen, even though sales volume increased. Sales volume of pivot assemblies saw a large rebound starting from April and stayed at a record high level during the third quarter due to robust demand in the HDD market. Profit was flat from the previous quarter as net sales were flat. We will increase production capacity in the near future as we expect an expanding HDD market.

Business Segments

Electronic Devices and Components Business

Net sales

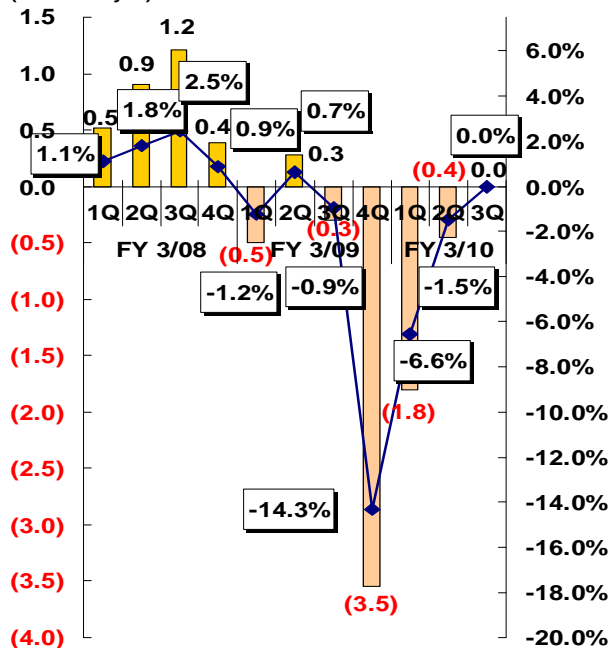
(Billions of yen)



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Operating income

(Billions of yen)



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In the electronic devices and components business segment, third quarter net sales were up 2.6% from the previous quarter to 31.4 billion yen which is close to the level of the same period last year due to sales volume increases in various motors and LED backlights, although measuring component sales declined. Operating income was improved by 0.4 billion yen to turn slightly positive, due to increased sales in addition to cost reductions.

Third quarter net sales of HDD spindle motors increased by 4% from the same period last year, and by 14% from the previous quarter as sales volume increased steadily despite the weaker US dollar against the Japanese yen. Sales volume of high-value-added 2.5 inch HDD spindle motors increased significantly, contributing to a further improved product mix. Operating loss in this business shrunk from the previous quarter due to increased production volume, improved product mix, and further cost reductions. In the fourth quarter, we expect to achieve break even on a monthly basis due to a further expected sales volume increase.

Third quarter net sales of information motors decreased by 11% from the same period last year, but increased by 5% from the previous quarter due to an increase in stepping motors and others. Profitability of this business turned positive. We will continue our efforts to increase sales volume, improve product mix and reduce costs.

Net sales of keyboards decreased by 7% from the same period last year, but increased by 4% from the previous quarter. Operating loss of this business narrowed from the previous quarter. We will make further efforts to improve profitability by reducing costs.

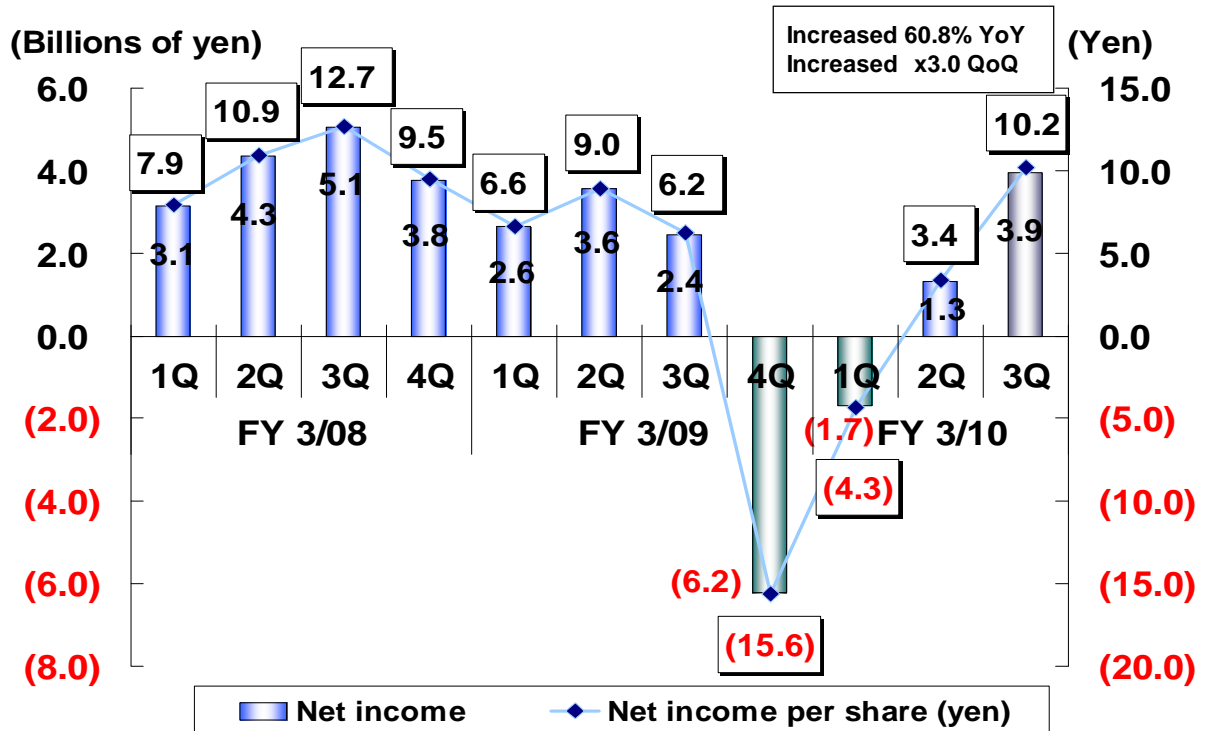
Net sales of electronic devices jumped up by 51% from the same period last year, and increased by 8% from the previous quarter. Sales volume of small-sized LED backlights increased significantly due to competitors' shrinkage/exit and increased sales volume. Profit of this business increased further from the previous quarter. Regarding LED backlights, we expanded our production capacity during the quarter as we expect a further increase in sales volume.

Net sales of speakers decreased by 29% from the same period last year, but increased by 11% from the previous quarter. Profitability was still slightly negative due to insufficient sales recovery. We will continue our efforts to improve product mix, increase sales and reduce costs.

Net sales of measuring components decreased by 52% from the same period last year, and by 31% from the previous quarter. This is mainly because product sales for a game console related application have already passed its peak. Profit decreased from the previous quarter as sales declined.

Quarterly

Net Income



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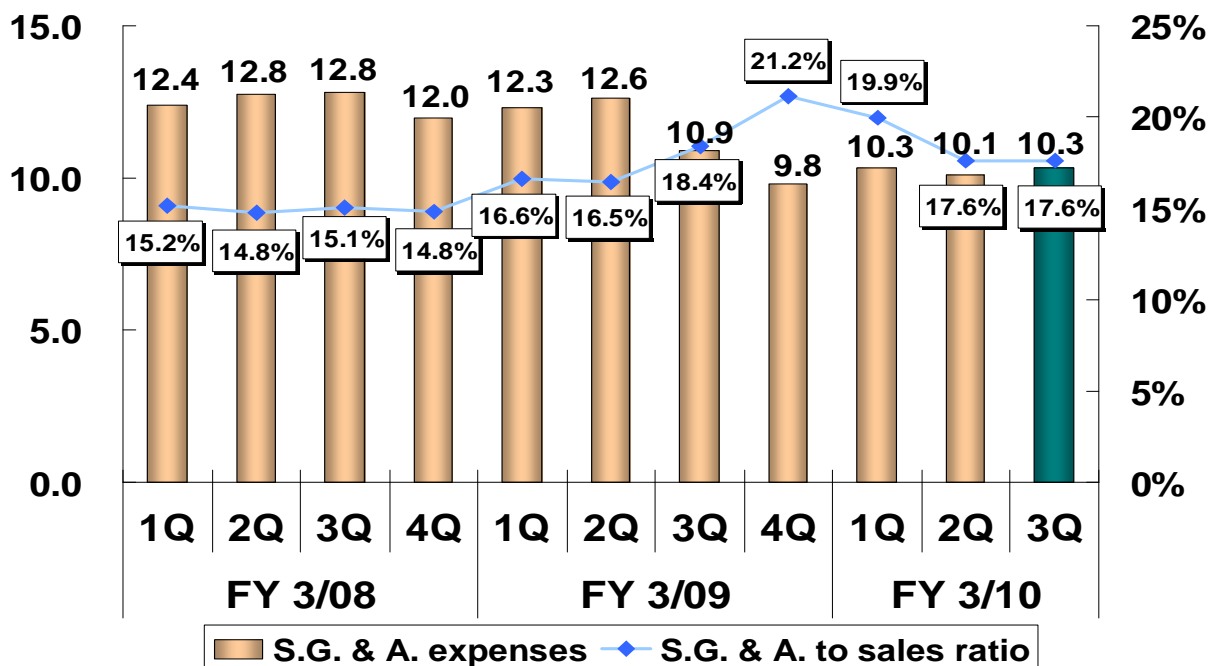
Net income for the third quarter was 3.9 billion yen, a 2.6 billion yen improvement which is a three times increase from the previous quarter, due to an approximately 1.7 billion yen corporate tax refund in the U.S., in addition to a large increase in operating income.

Net income per share was 10.2 yen, a 6.8 yen improvement from the previous quarter.

Quarterly

S.G. & A. Expenses

(Billions of yen)



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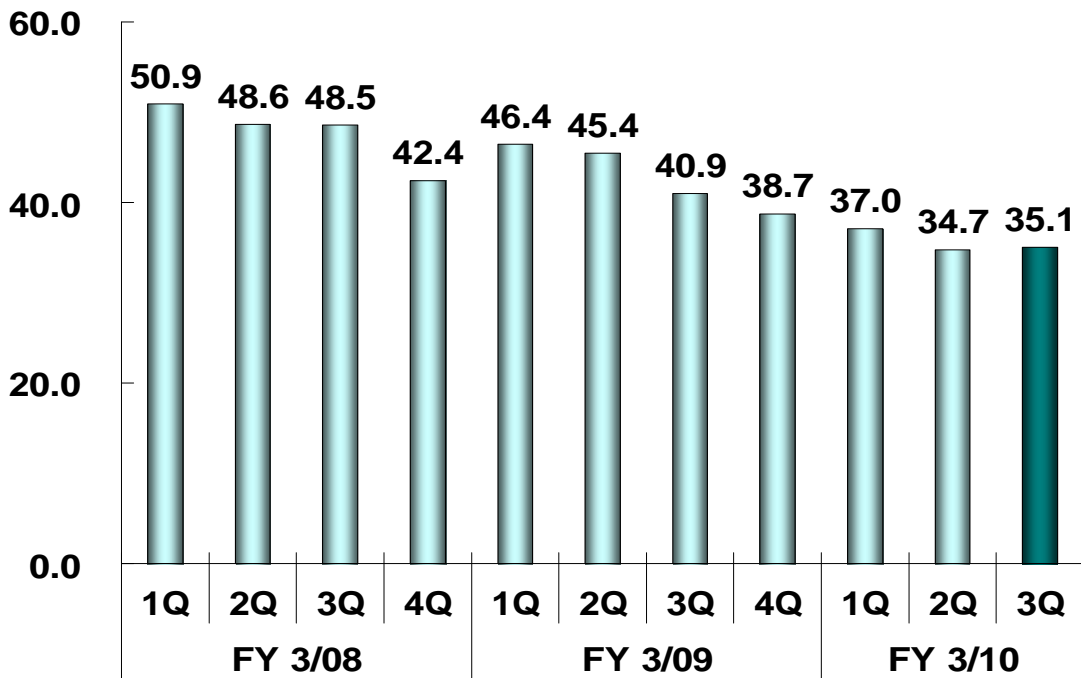


SG&A expenses in the third quarter increased by 0.2 billion yen from the previous quarter to 10.3 billion yen. The SG&A expenses to sales ratio was unchanged from the previous quarter at 17.6% due to our expense reduction efforts, although there were negative impacts on sales from foreign exchange fluctuations. We will continue our efforts to hold expenses down through top down orders and bottom up suggestions in order to strengthen our profitability further.

Quarterly

Inventories

(Billions of yen)



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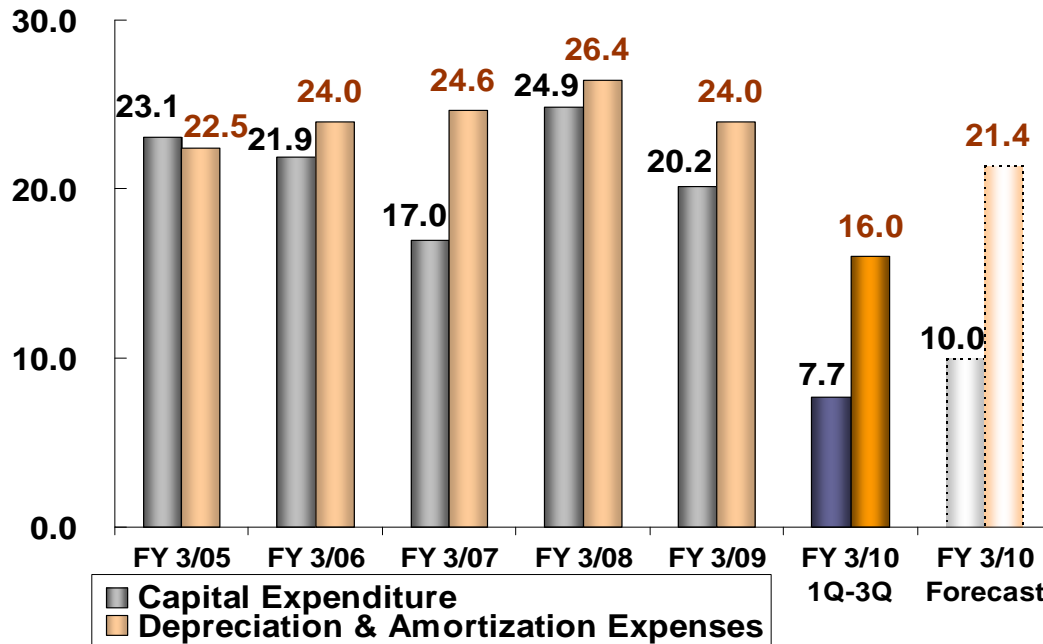
Inventories increased by 0.4 billion yen compared to the previous quarter.

This is due to the weaker Japanese yen at the end of the third quarter compared to the end of the previous quarter.

Yearly

Capital Expenditure & Depreciation

(Billions of yen)



*Since FY 3/09, due to change in lease accounting, assets of financial leases are included.

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Capital expenditure for the first nine months of this fiscal year was 7.7 billion yen.

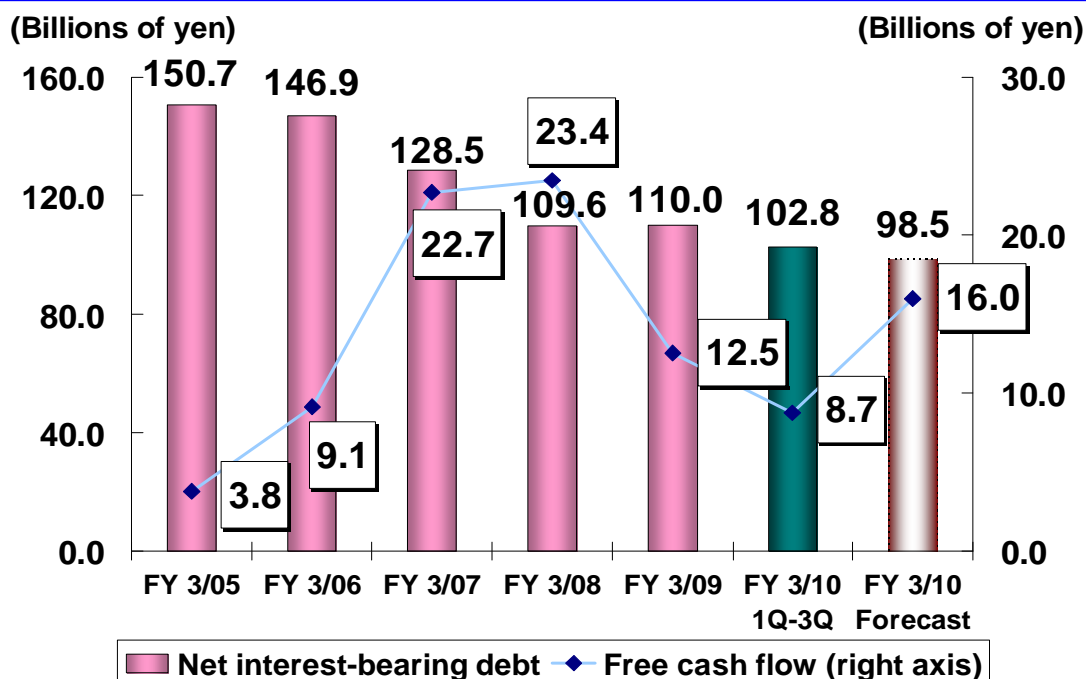
Investments were mainly for maintenance and renewal, in addition to a capacity expansion of LED backlights. We keep our capital expenditure guidance for this fiscal year unchanged at 10 billion yen.

Because we see the needs for capacity expansions in some businesses as the global economy continues to recover, we will maintain our efforts for improving capital efficiency and creating free cash flow while we invest in the areas which contribute future growth.

Depreciation and amortization expenses for the first nine months of this fiscal year were 16.0 billion yen. We also keep our depreciation and amortization expenses guidance for this fiscal year unchanged at 21.4 billion yen.

Yearly

Net Interest-Bearing Debt



Net Interest-bearing debt = Interest-bearing debt – Cash and cash equivalents
 Free Cash Flow = CF from operating activities + CF from investing activities

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Net interest-bearing debts, which are interest-bearing debts minus cash and cash equivalents, were 102.8 billion yen at the end of the third quarter, a decrease of 7.2 billion yen from the end of the previous fiscal year. Compared to the end of the second quarter, the balance also decreased by 0.8 billion yen due to an increase in net income and a suppressed level of capital expenditure, although we had large cash payments of interim dividends, an introduction of the Employee Shareholding Incentive Plan and year-end bonuses during the quarter. Free cash flow for this nine month period was 8.7 billion yen. We will continue to focus on creating cash flow. We also work actively toward realizing M&As and returning cash to investors in light of overall business environment.

Forecast for Fiscal Year Ending March 31, 2010

Full year forecast is changed from ranges to single numbers

(Millions of yen)	FY ended Mar. '09	FY ending Mar. '10 New Forecast		Previous Forecast Full year Forecast Range	
	Full year	Full year	YoY	Upper end	Lower end
Net sales	256,163	225,000	-12.2%	230,000	200,000
Operating income	13,406	11,000	-17.9%	14,000	10,000
Machined components business	17,468	12,900	-26.2%	15,400	13,100
Electronic devices and components business	- 4,062	-1,900	-	-1,400	-3,100
Ordinary income	11,555	9,000	-22.1%	11,300	7,600
Income before income taxes	6,834	8,000	17.1%	11,100	7,400
Net income	2,441	5,500	x2.3	6,500	3,500
Net income per share (yen)	6.18	14.17	x2.3	16.71	9.00

Foreign exchange rates	FY ended Mar. '09	FY ending Mar. '10 Assumption
US\$	¥100.83	¥93.46
Euro	¥145.65	¥132.58
Thai Baht	¥2.98	¥2.75
Chinese RMB	¥14.64	¥13.68

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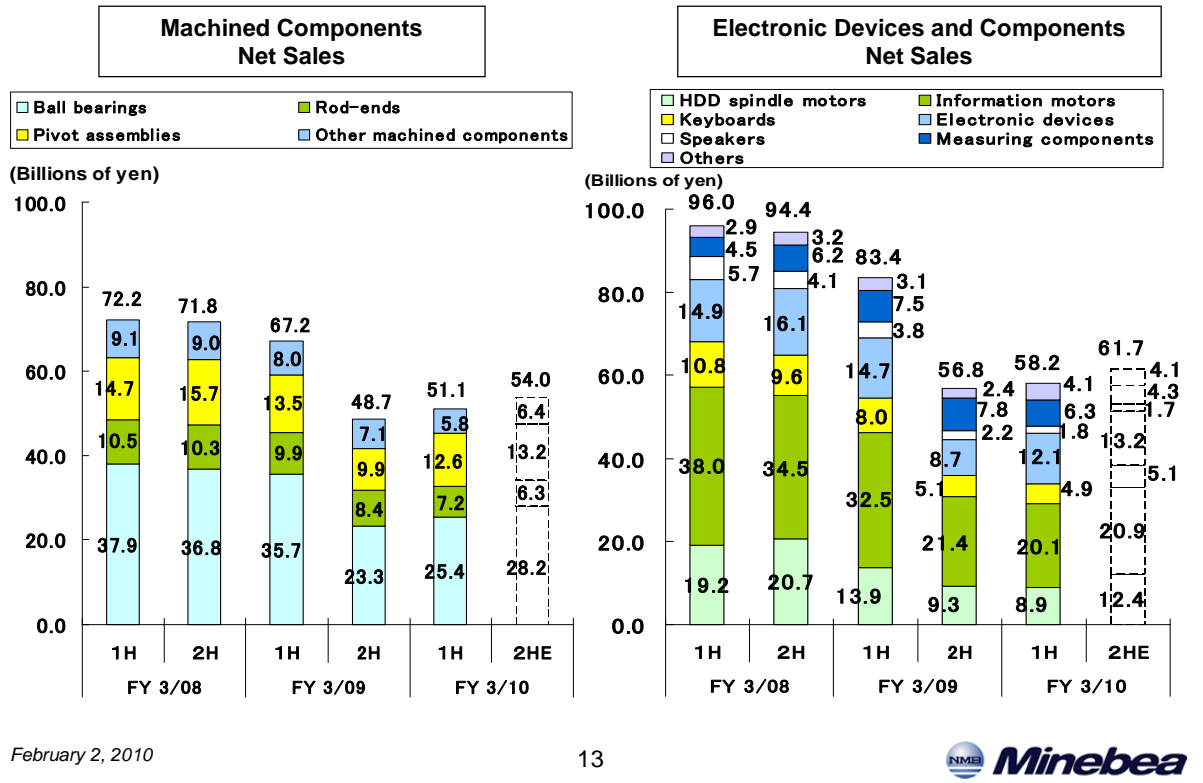
We now have a new full year forecast for this fiscal year, changed from our initial forecast range, after having reviewed our nine months performance.

As for net sales, we forecast 225 billion yen, a decrease of 12.2% from the last fiscal year, because most of our product sales are still on their way to recover and we also had negative currency impacts, especially from the stronger Japanese yen against the U.S. dollar, although we expect additional sales from newly acquired businesses and increased sales from pivot assemblies and LED backlights.

As for operating income, we forecast 11 billion yen, a decrease of 17.9% from the last fiscal year, because main line ball bearings' profits are still on their way to recover and profits from rod-ends and measuring components are expected to decline, although pivot assemblies and LED backlights turn strongly positive and losses from HDD spindle motors, information motors and others narrow.

As for net income, we forecast 5.5 billion yen, 2.3 times that of the last fiscal year, partly due to an approximately 1.7 billion yen corporate tax refund in the U.S. during the third quarter.

Business Segments Forecast for Fiscal Year Ending March 31, 2010



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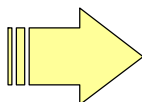
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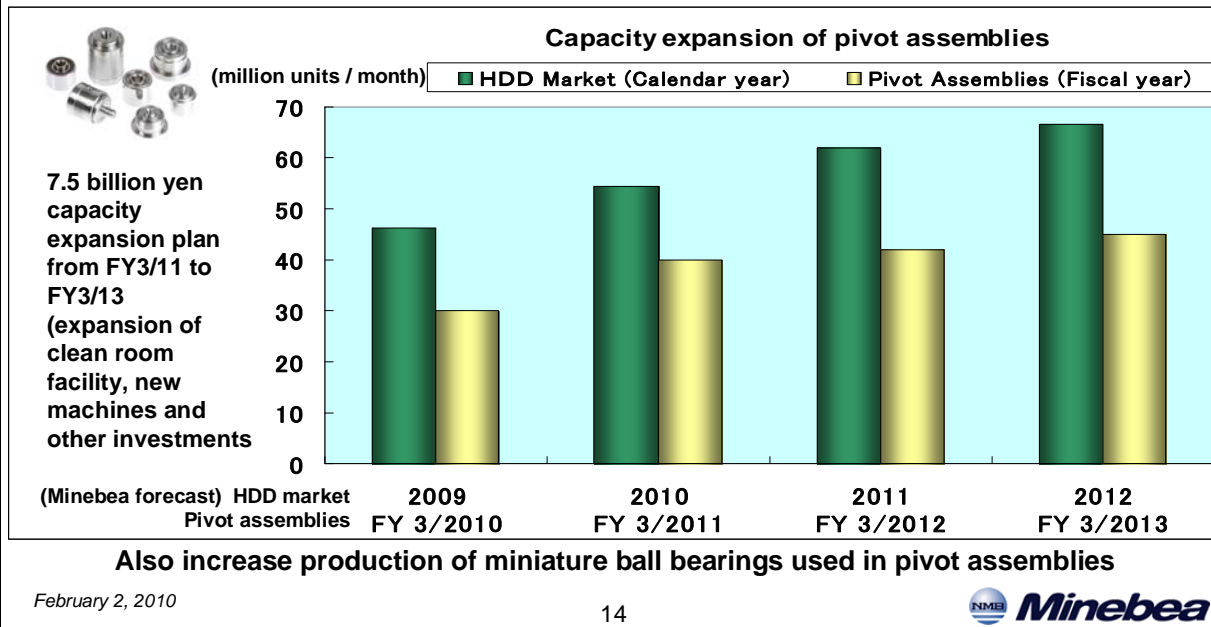
This graph shows revised sales forecasts of business units in two business segments for the second half of this fiscal year, together with past results.

Capacity expansion of pivot assemblies

Re-acceleration of demand in HDD market expected



Expand production capacity of pivot assemblies by 50% in 3 years



I would like to explain our capacity expansion plan in pivot assemblies for Hard Disk Drives (HDD).

Demand in the HDD market has been increasing for many applications such as PCs, especially netbook PCs, and storage for cloud computing systems. In order to meet such robust demand for HDD, we will increase our pivot assemblies production capacity by 50% to 45 million units per month in the next three years. We will spend 7.5 billion yen to expand our clean room space and to introduce new manufacturing machines. As two miniature ball bearings are used per pivot assembly, we will also increase our production capability of miniature ball bearings. Minebea will fulfill expanding demand for HDD as the largest supplier of pivot assemblies, an important component, of which we have approximately 60% market share. As for miniature ball bearings, demand from other applications is also expected to grow. Therefore, we will expand our capacity to 240 million units per month in the medium term by improving efficiency of our existing plants and increasing the number of employees.

Repurchase of Own Shares

Resolution to repurchase own common shares (Feb. 2, 2010)

Number of shares: Up to 5 million shares

(equal to 1.29% of total issued shares excluding treasury shares)

Amount: Up to 2.5 billion yen

Period: From February 3 to March 24, 2010

**Purpose: To make it possible to carry out an agile capital policy
in response to changes in the business environment.**

Financial Strategy

- Net interest-bearing debt is expected to reach the medium-term target of ¥100 billion as of the end of this fiscal year.
- We will continue to focus on creating cash flow. We also work actively toward realizing M&As and returning cash to investors in light of overall business environment.

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Today, our Board of Directors has resolved to repurchase our own common shares up to 5 million shares or up to 2.5 billion yen which is the second such resolution after 2008. The purpose of this measure is to make it possible to carry out an agile capital policy in response to changes in the business environment.

Minebea have worked to reduce net interest-bearing debt to strengthen our financial position. By the end of this fiscal year, it is expected to reach the medium-term target of 100 billion yen.

We will continue to focus on creating cash flow. We also work actively toward realizing M&As and returning cash to investors in light of overall business environment.

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 conditions or demand trends around Minebea; (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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