

***Minebea***

# **Business Results**

**First Quarter of Fiscal Year**

**Ending March 31, 2012**

**July 29, 2011**

**Minebea Co., Ltd.**

# Summary of Consolidated Business Results for 1Q

**Profits declined due to supply chain disruption by the Tohoku Earthquake, worse product mix, higher wages and higher startup costs from new factories**

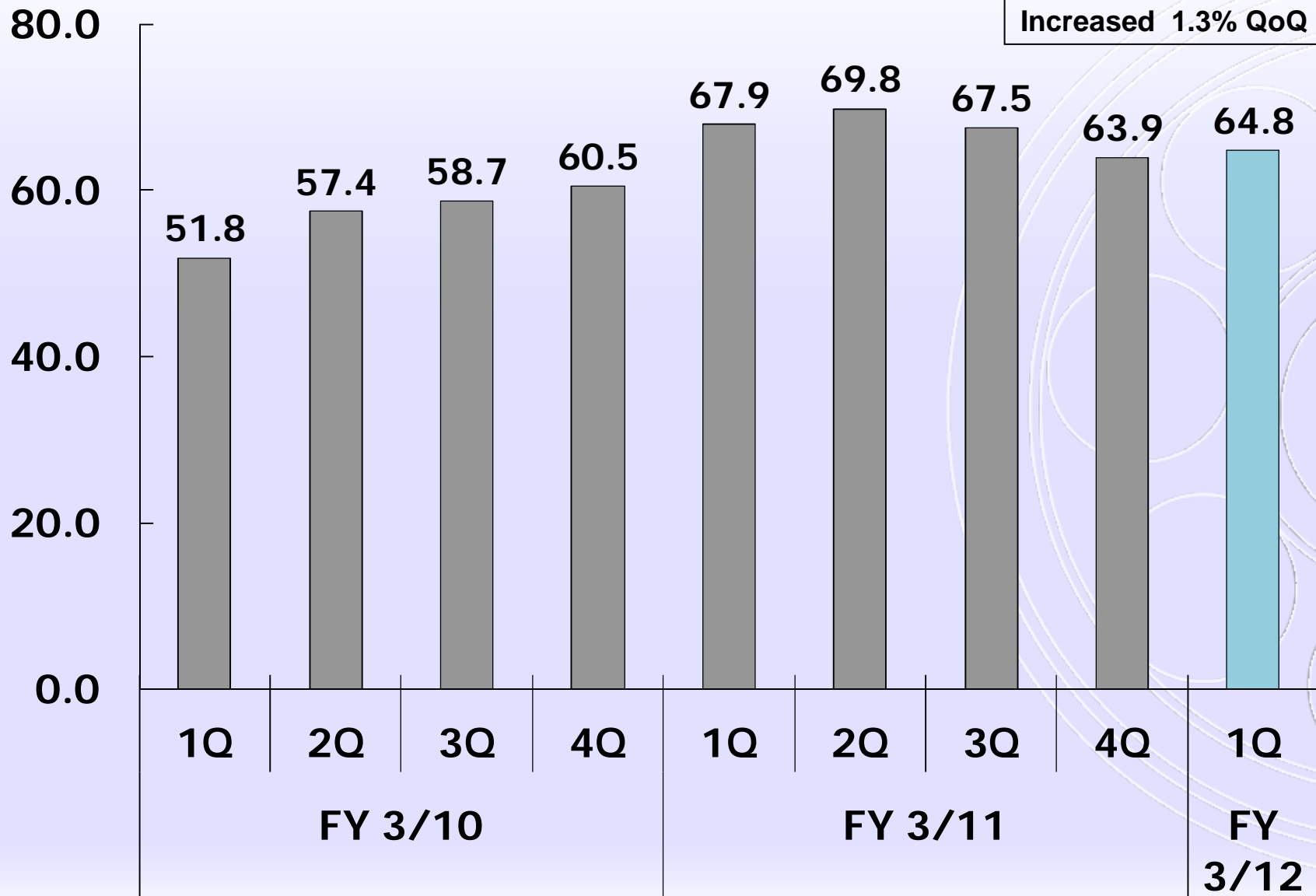
(Millions of yen)	FY ended Mar. '11		FY ending Mar. '12	Change	
	1Q	4Q	1Q	YoY	QoQ
Net sales	67,891	63,944	64,802	-4.5%	+1.3%
Operating income	6,024	4,194	2,303	-61.8%	-45.1%
Ordinary income	5,600	3,710	1,870	-66.6%	-49.6%
Net income	3,815	1,816	668	-82.5%	-63.2%
Net income per share (yen)	9.99	4.75	1.76	-82.4%	-62.9%

Foreign exchange rates	1Q of FY Mar. '11	4Q of FY Mar. '11	1Q of FY Mar. '12
US\$	¥92.81	¥81.78	¥82.04
Euro	¥120.53	¥110.55	¥118.54
Thai Baht	¥2.86	¥2.67	¥2.72
Chinese RMB	¥13.60	¥12.39	¥12.57

# Net Sales

Quarterly

(Billions of yen)



# Operating Income

Quarterly

(Billions of yen)

Decreased 61.8% YoY  
Decreased 45.1% QoQ

10.0

8.0

6.0

4.0

2.0

0.0

10%

8%

6%

4%

2%

0%

-2%

(2.0)

(0.6)

1Q

2Q

3Q

4Q

1Q

2Q

3Q

4Q

1Q

FY 3/10

FY 3/11

FY 3/12

Operating income

Operating margin

4.7%

7.6%

9.1%

8.9%

9.1%

8.3%

6.6%

3.6%

-1.2%

2.7

4.4

5.5

6.0

6.3

5.6

4.2

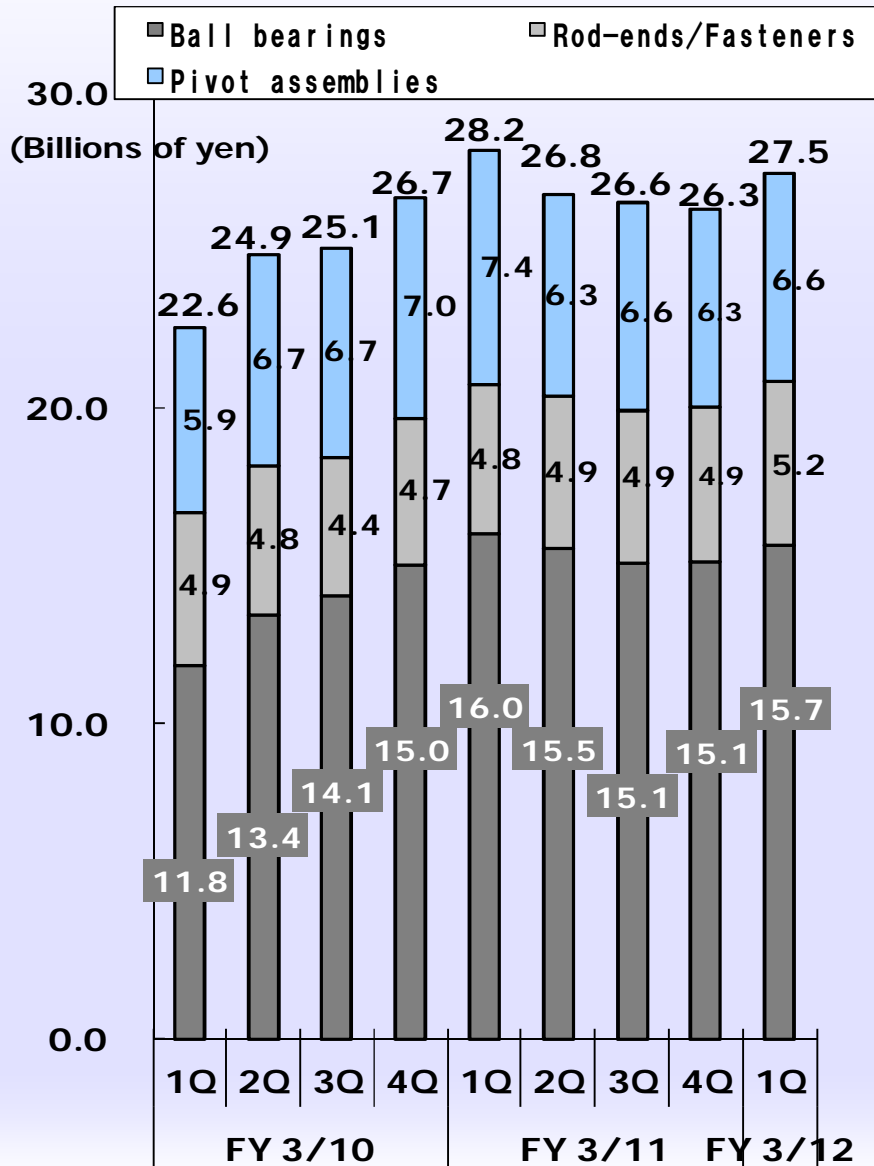
2.3

# Machined Components Business

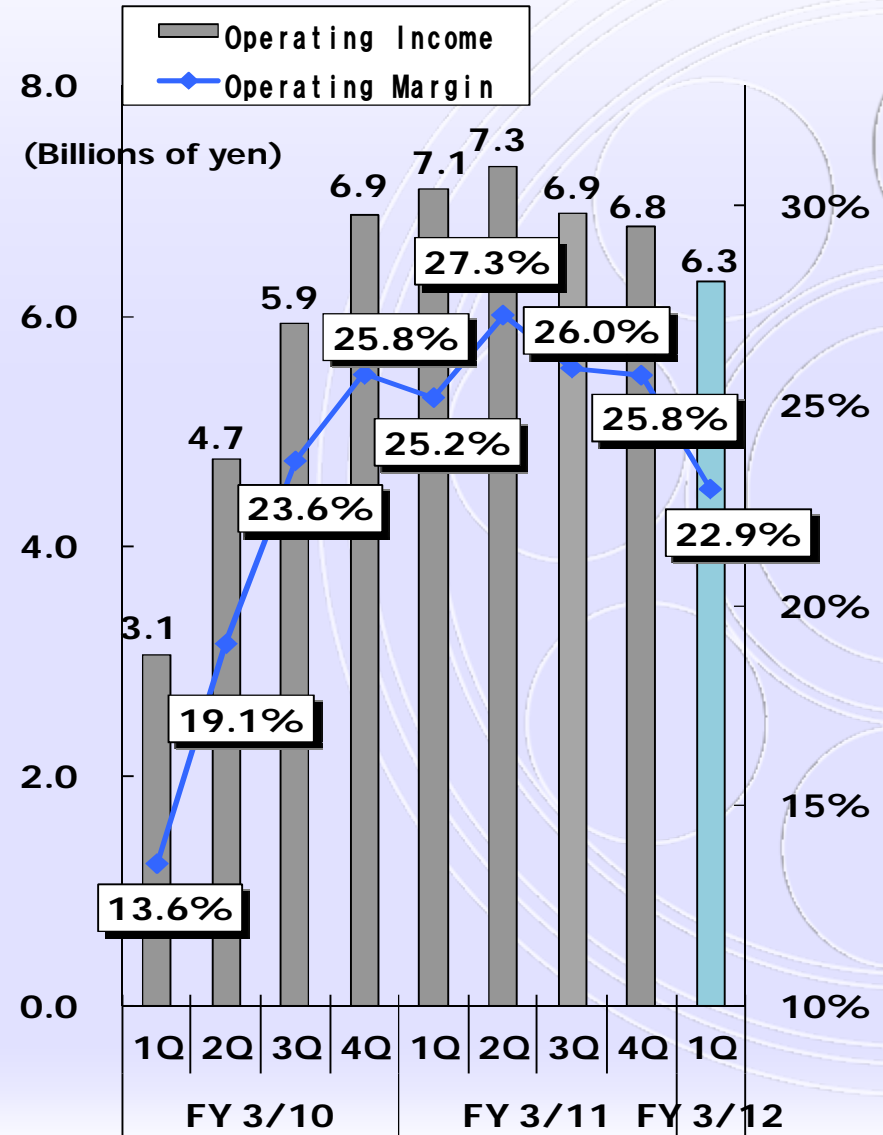
Quarterly

\* The segment results by new business segment for the fiscal year ended March 2010 is unaudited.

## Net sales



## Operating income



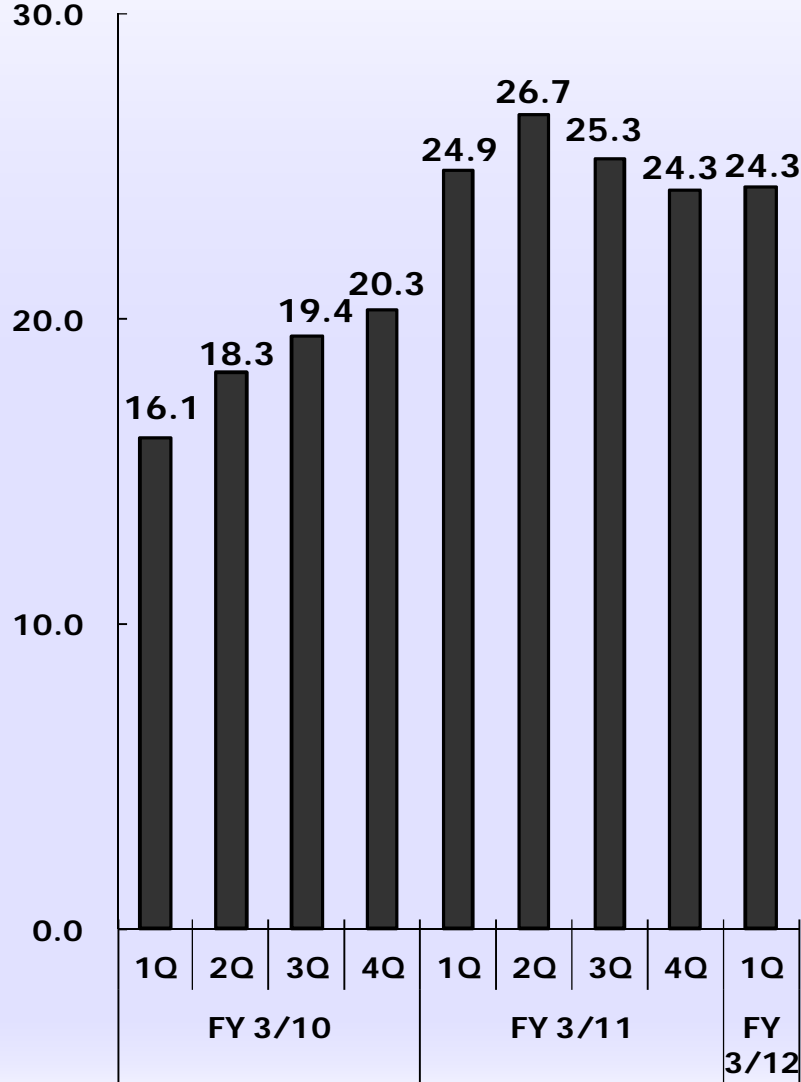
# Rotary Components Business

Quarterly

\* The segment results by new business segment for the fiscal year ended March 2010 is unaudited.

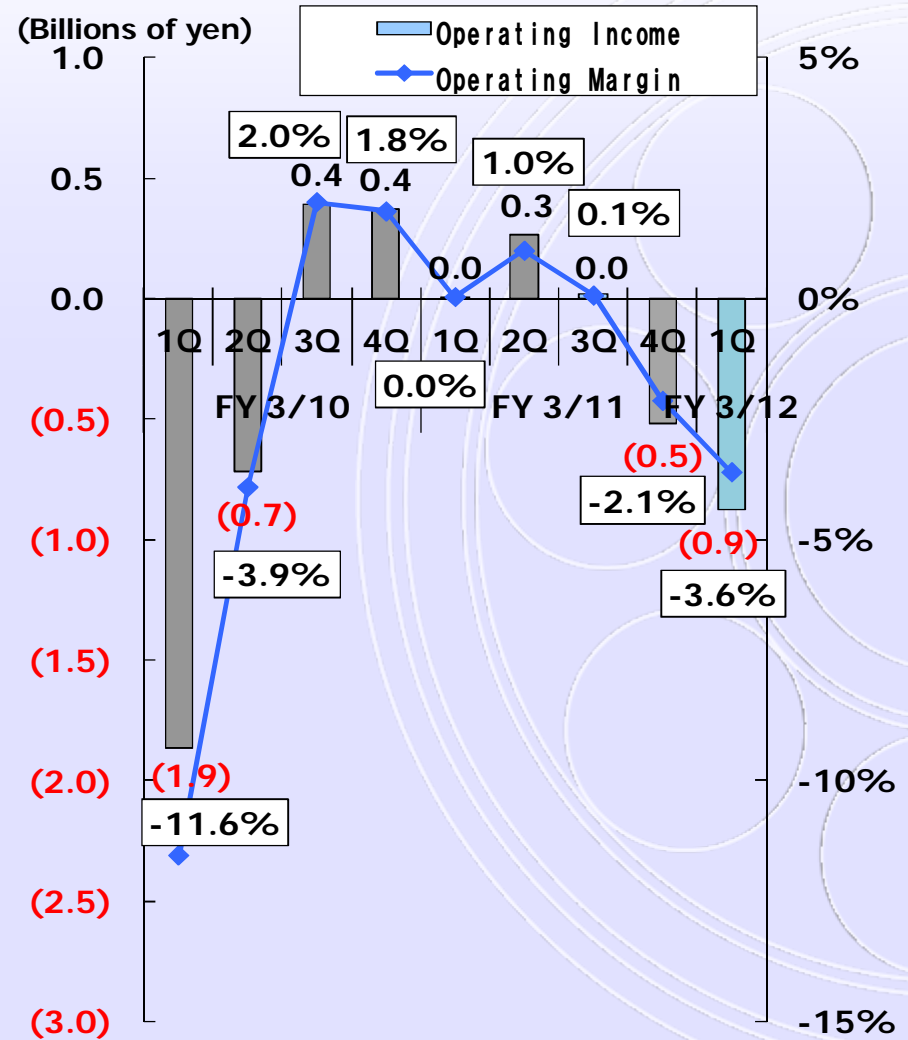
## Net sales

(Billions of yen)



## Operating income

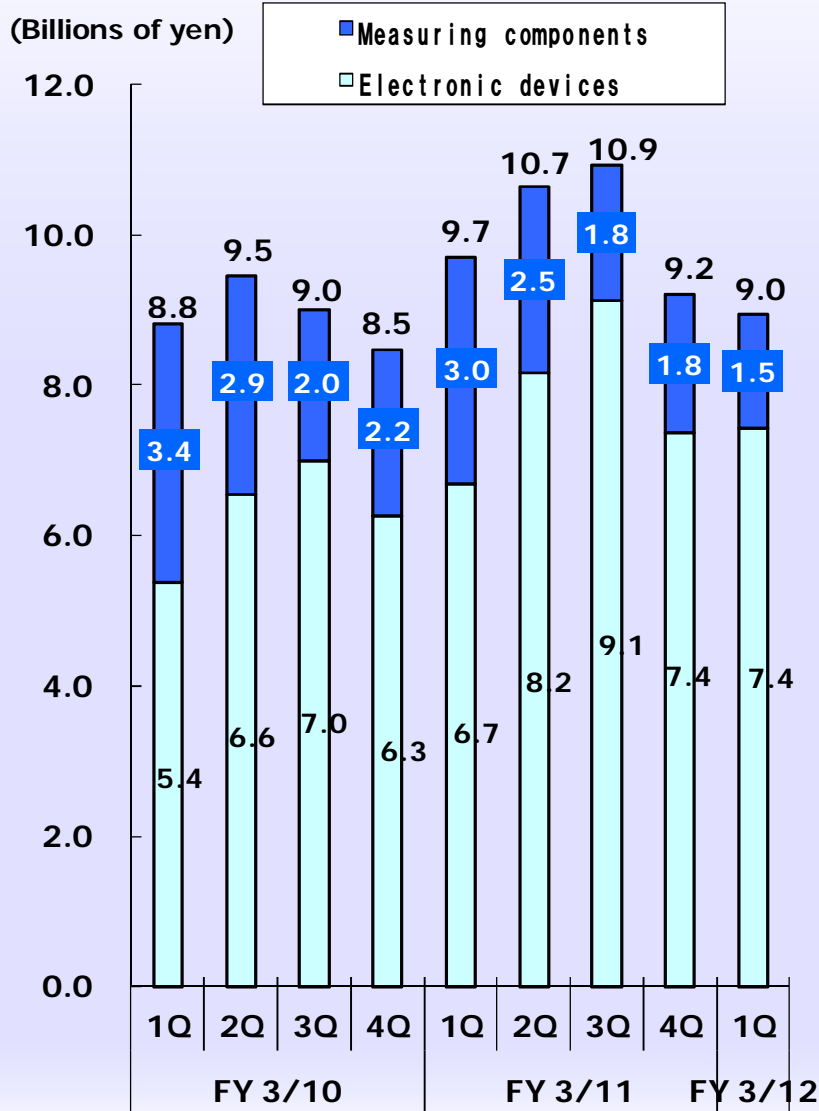
(Billions of yen)



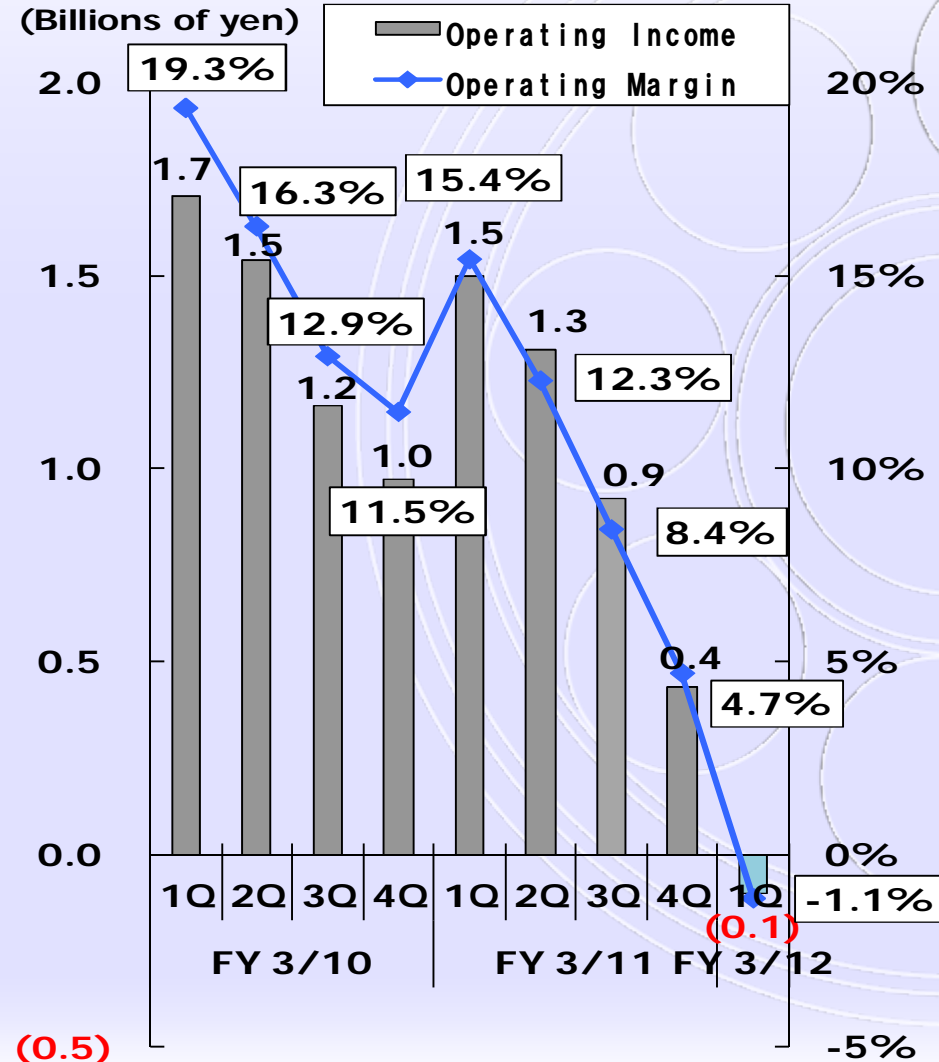
# Electronic Devices & Components Business Quarterly

\* The segment results by new business segment for the fiscal year ended March 2010 is unaudited.

## Net sales



## Operating income

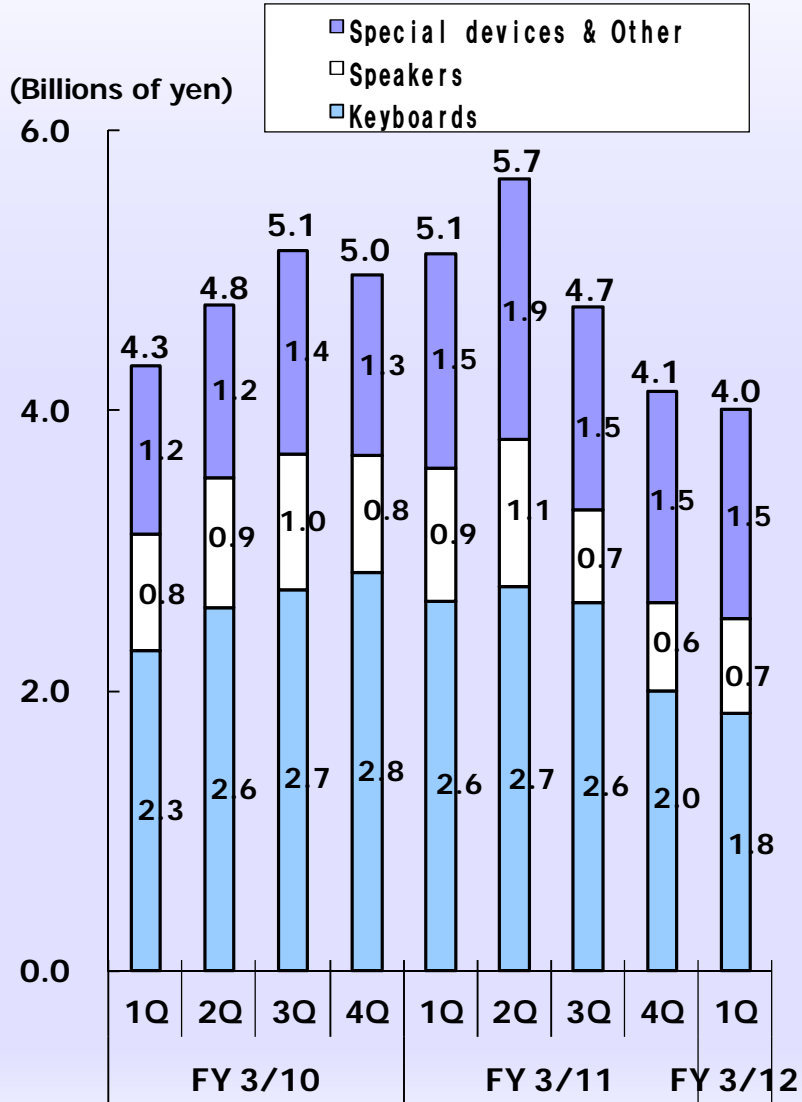


# Other Business

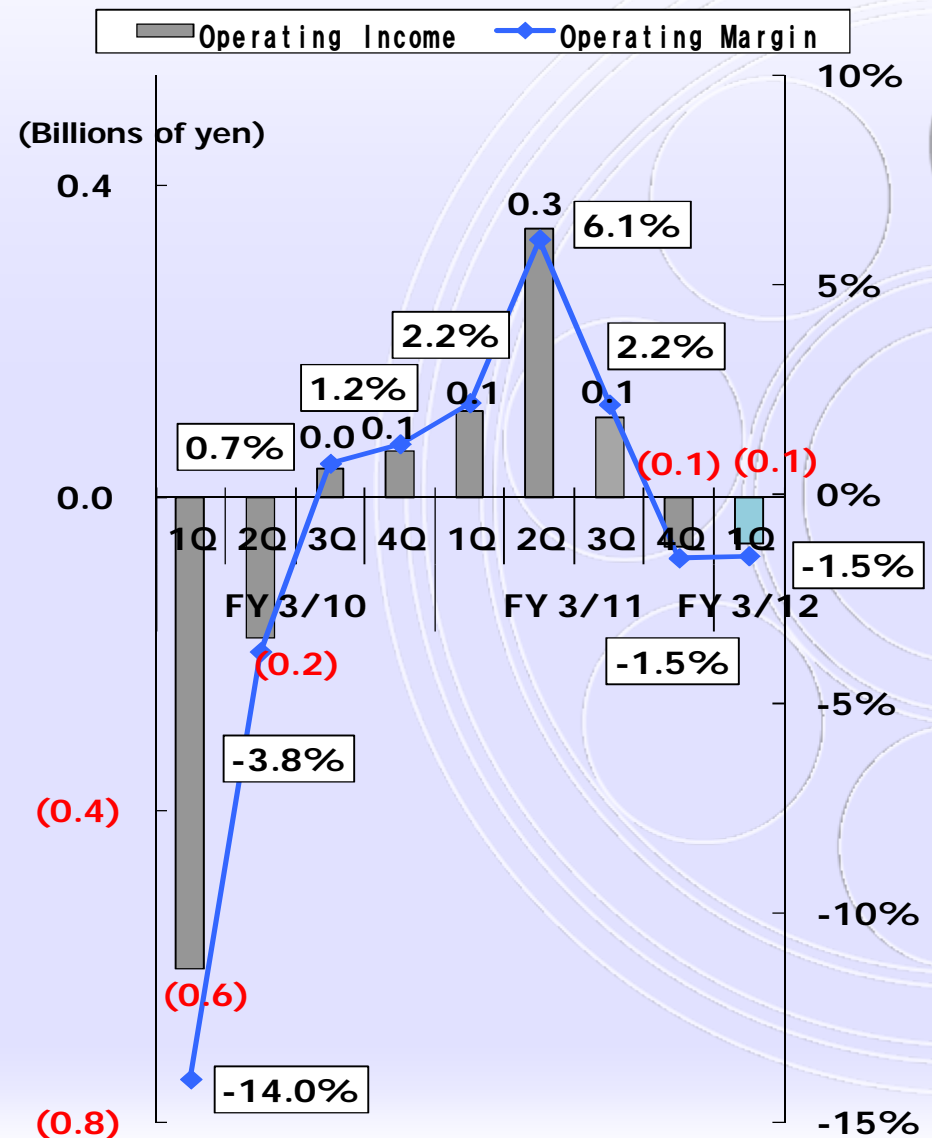
Quarterly

\* The segment results by new business segment for the fiscal year ended March 2010 is unaudited.

## Net sales



## Operating income





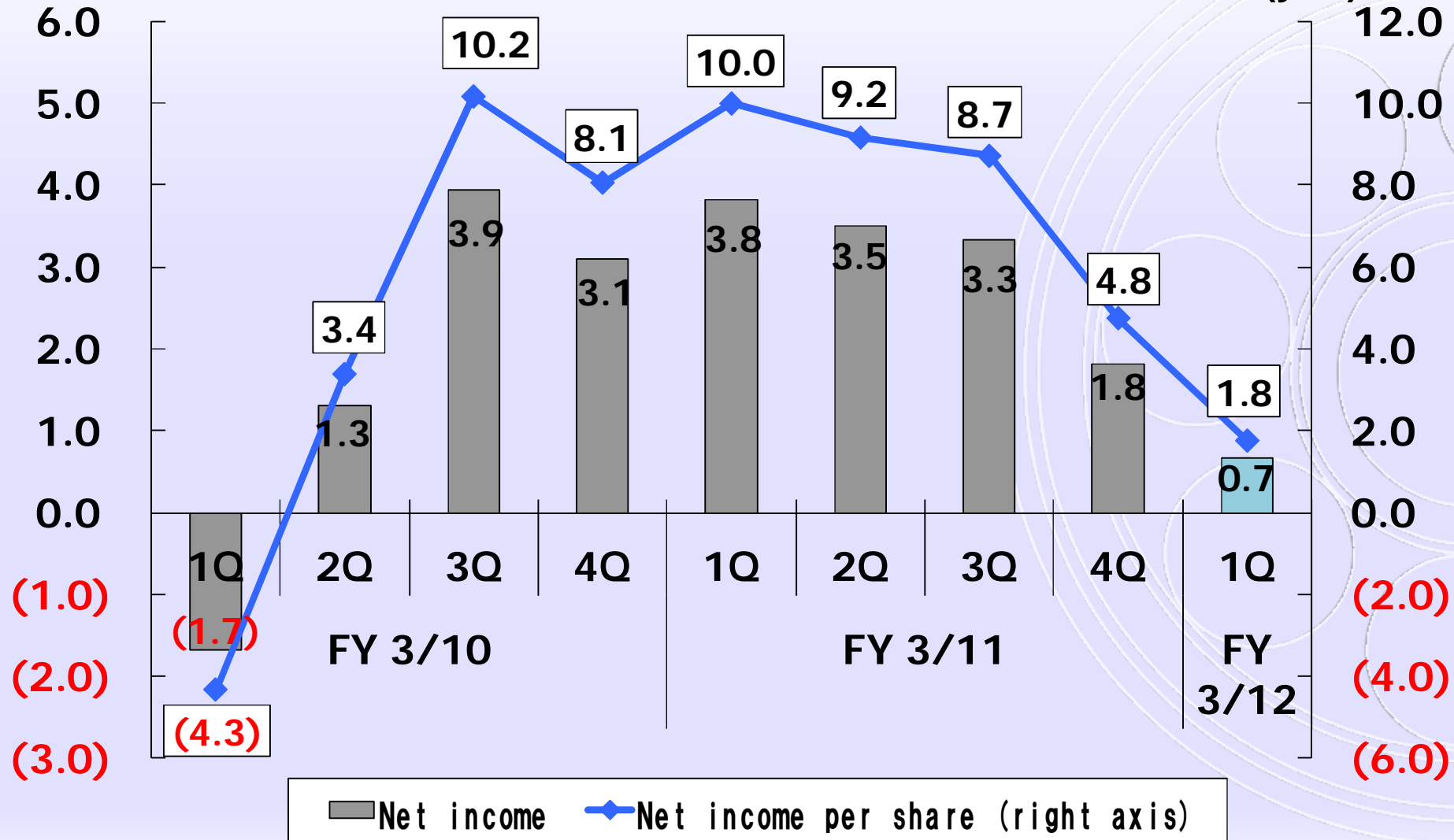
# Net Income

Quarterly

(Billions of yen)

(yen)

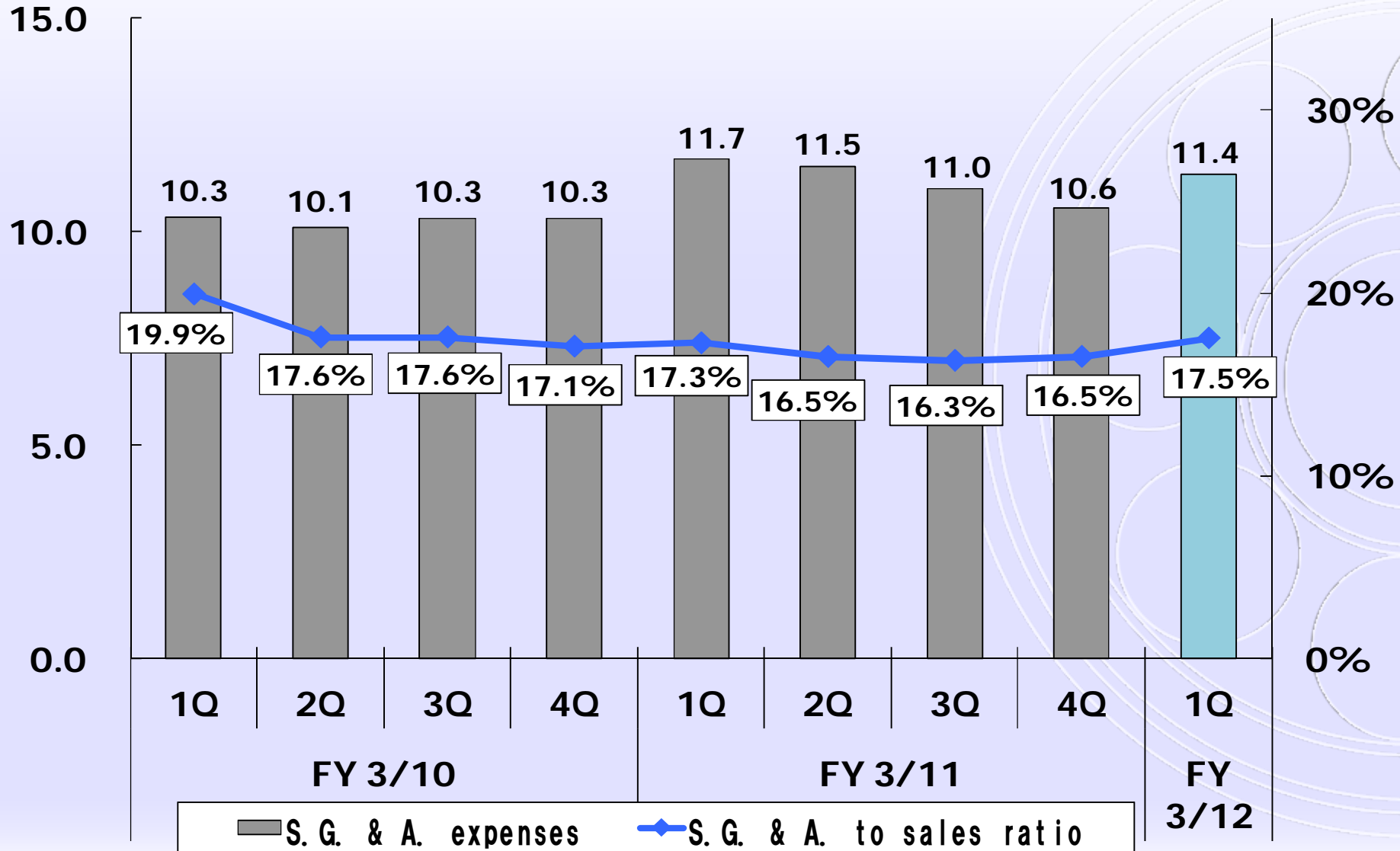
Decreased 82.4% YoY  
Decreased 62.9% QoQ



# S.G. & A. Expenses

Quarterly

(Billions of yen)



# Inventories

Quarterly

(Billions of yen)

50.0

40.0

30.0

20.0

10.0

0.0

1Q

2Q

3Q

4Q

1Q

2Q

3Q

4Q

1Q

FY 3/10

FY 3/11

FY  
3/12

37.0

34.7

35.1

35.9

39.3

41.7

42.7

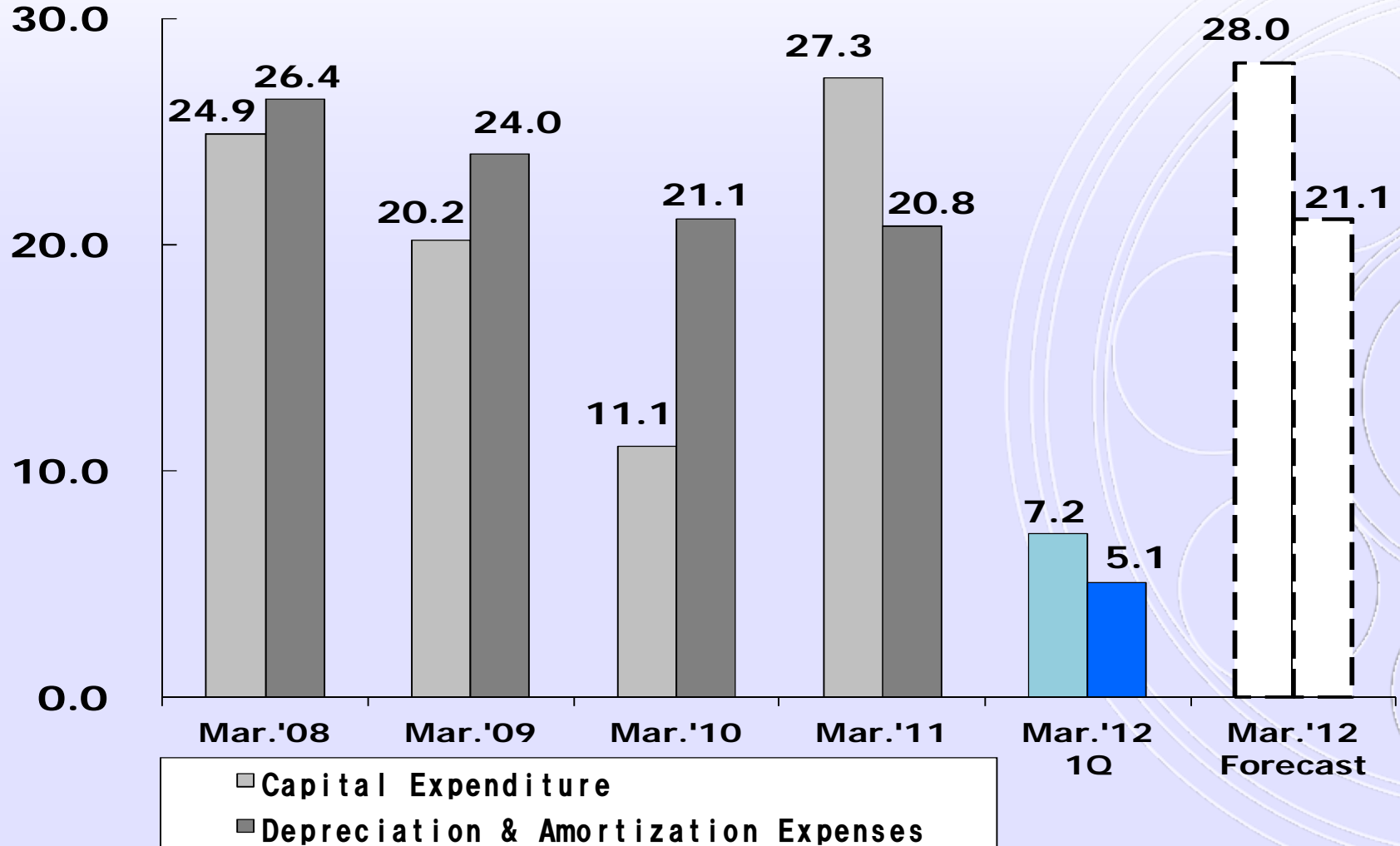
44.0

44.3

# Capital Expenditure & Depreciation

Yearly

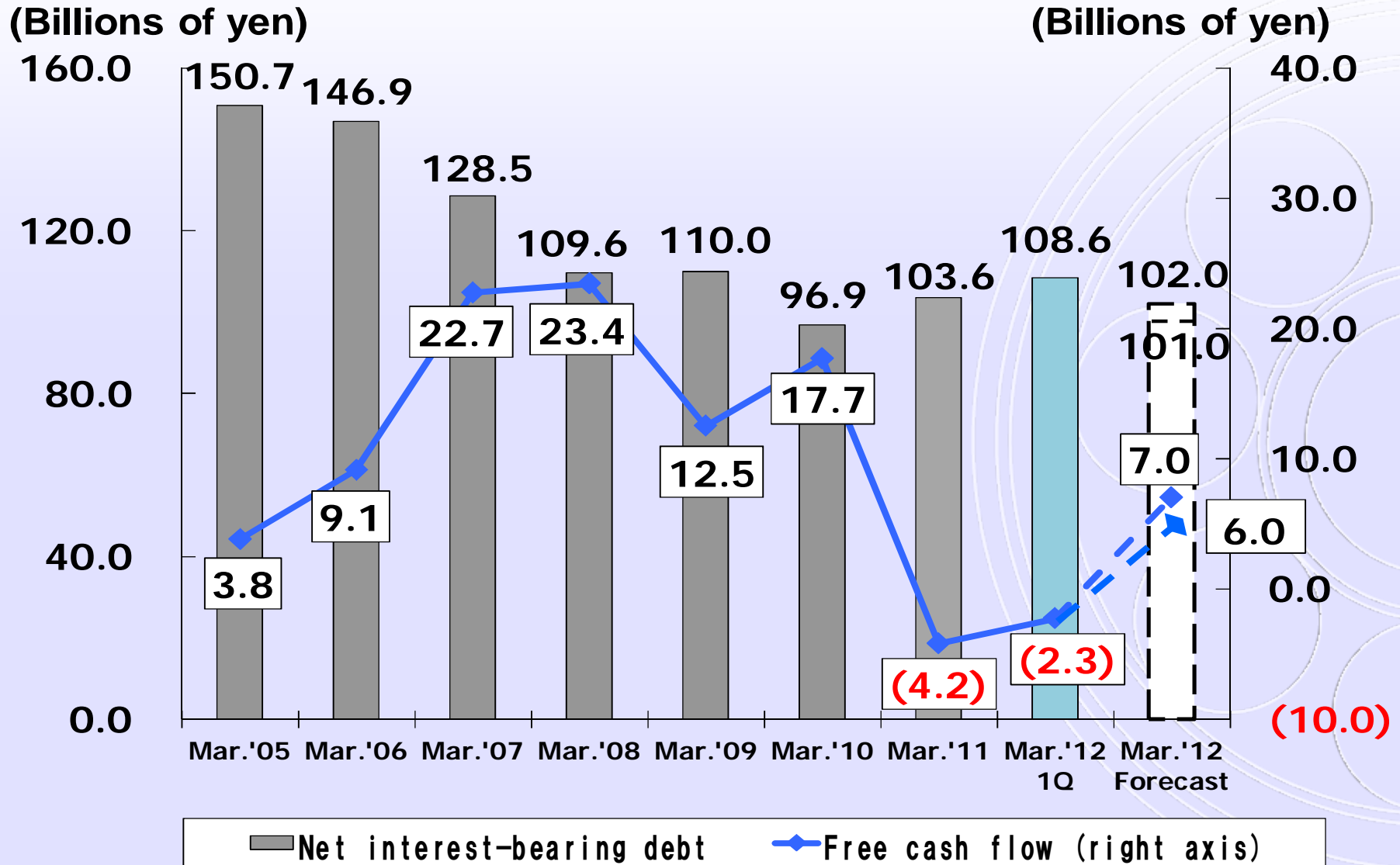
(Billions of yen)



\*From FY 3/09, due to change in lease accounting, assets of finance leases are included.

# Net Interest-Bearing Debt

Yearly



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

# Forecast for Fiscal Year Ending March 31, 2012

## Full year forecast unchanged

(Millions of yen)	FY ended	Fiscal Year ending Mar. '12					
	Mar. '11	1st Half		2nd Half		Full year	
	Full year	Upper end	Lower end	Upper end	Lower end	Upper end	Lower end
Net sales	269,139	135,000	123,000	150,000	137,000	285,000	260,000
Operating income	22,163	9,700	8,100	14,800	12,900	24,500	21,000
Ordinary income	20,364	8,700	7,100	13,800	11,900	22,500	19,000
Net income	12,465	4,400	3,300	8,600	7,700	13,000	11,000
Net income per share (yen)	32.61	11.60	8.70	22.74	20.36	34.34	29.06

Foreign exchange rates	Mar. '11 Full year	FY ending Mar. '12 Assumption
US\$	¥86.04	¥84.00
Euro	¥113.22	¥111.00
Thai Baht	¥2.75	¥2.80
Chinese RMB	¥12.78	¥12.60

# Starting to produce LED backlights for tablet PCs

April 2011: Suzhou LED backlight factory started operation



August 2011: expected to reach stepped-up production level

**December 2011: expected to start producing LED backlights for tablet PCs**

- Minebea secured big orders as its LED backlights are superior because they are thinner, brighter and are suitable for tablet PCs.
- Minebea has already equipped the Suzhou factory with new production machines so that no extra big investments are necessary.
- LED backlights will be produced mainly in Suzhou.

# Construction of new Thai and Cambodian factories

## Multi-purpose ball bearing factory in Thailand

Completed most of the exterior work and start operation in Autumn



Building area 20,500m<sup>2</sup>

## Own factory in Cambodia

Undergoing the foundation work and start operation at the end of 2011



Building area 28,000m<sup>2</sup>



# Construction of multi-purpose factory in Lop Buri

Location: Lop Buri, Thailand

(site of a planned but stopped pivot assembly factory)

Building area: 19,000m<sup>2</sup>

Expected to complete: January 2012 (2 months quicker than normal)

Specifics: transfer motor parts production lines from existing buildings

Rendering of  
the new factory



## **Utilizing open space in Lop Buri factory complex**

- Expand LED backlight production capacity by May 2012 due to rapid expansion of smart phone market
- Minebea's total capacity will be 35 million units / month in FY March 2013
- Expand rod-end bearing production capacity

# **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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