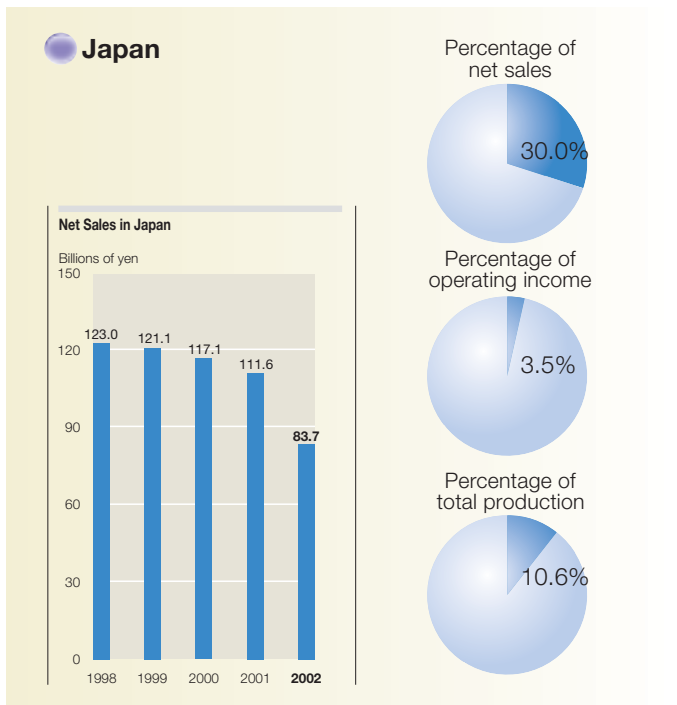


PERFORMANCE BY REGION

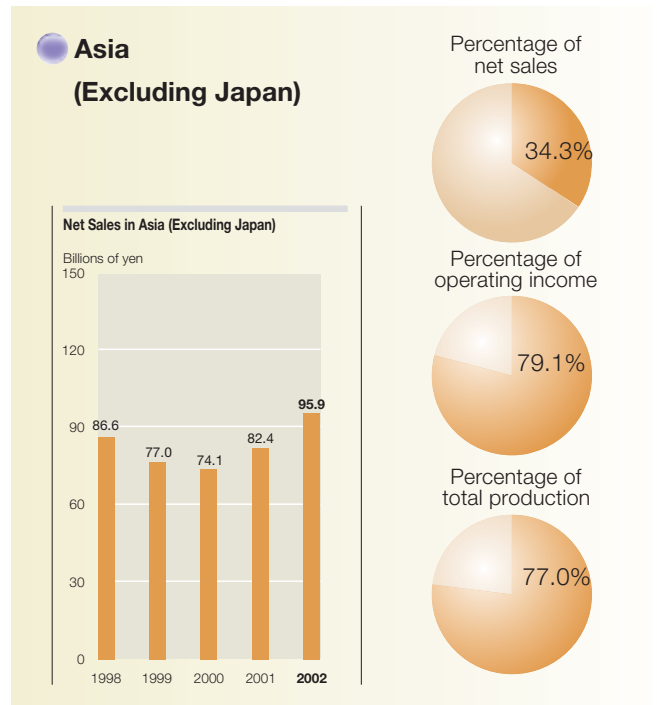


Minebea reported significant declines in both sales and income in Japan, owing to flagging markets for information and telecommunications equipment, as well as the shift of production by many customers to other parts of Asia.

Domestic sales fell 25.0%, to ¥83,705 million, and accounted for 30.0% of consolidated net sales. Operating income in Japan dropped 93.5%, to ¥767 million, or 3.5% of consolidated operating income. The value of domestic production was ¥29,609 million, equivalent to 10.6% of total production.

In the fiscal year ended March 31, 2002, we reorganized our domestic sales operations to accelerate responsiveness to customers' needs and raise service quality. This involved setting up user- and customer-specific sales teams. On the production front, we refurbished the Karuizawa Manufacturing Unit—to enhance its capabilities as the parent plant for plants manufacturing bearings and small motors.

During the period, we closed our domestic wheel plant in November 2001 following a decision in the previous year to withdraw from this business. We also ended our involvement in the furniture import and sales business, having fulfilled our procurement-related contractual obligations remaining after the transfer of our holding in the subsidiary responsible for these operations in February 2002.



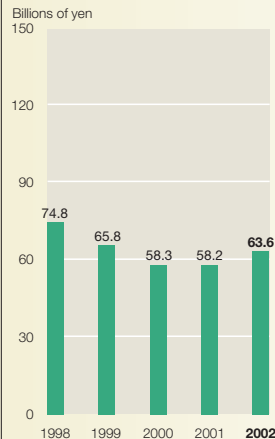
The Minebea Group's business in Asia (excluding Japan) was negatively affected by depressed information and telecommunications markets in Japan, Europe and North America. Nevertheless, sales were favorable as customers from Japan and elsewhere accelerated their shift of production to the region. Amid difficult conditions, we endeavored to lower manufacturing costs and raise production efficiency at our plants in Thailand, China and Singapore, which together account for more than 75% of total Group output. As a consequence, regional sales grew 16.3%, to ¥95,884 million, equivalent to 34.3% of consolidated net sales. Regional operating income edged up 0.1%, to ¥17,387 million, or 79.1% of total operating income. The value of production in the region was ¥215,097 million, representing 77.0% of total production.

The increasingly rapid shift of production to China by key customers, together with the continuing expansion of local markets have made China an extremely important and promising market. Underscoring this, in the period under review our sales in Asia, excluding Japan, exceeded our domestic sales for the first time.

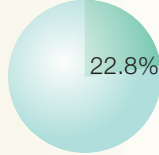
Responding to these various factors, in the fiscal year ended March 31, 2002, we fortified our sales organization in the region. Specifically, we undertook a reorganization in which our Singapore headquarters, which previously oversaw the entire region, is now responsible for Southeast Asia only, while our new Hong Kong headquarters serves customers in China, the Taiwan area and Korea. We also increased the number of sales engineers providing technical services to local customers and the number of sales people. In Hong Kong, in particular, we seconded staff from North American sales subsidiaries to handle U.S.-based customers in the region and assigned Korean sales staff to better serve Korean customers.

North and South America

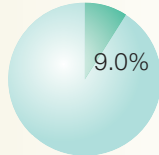
Net Sales in North and South America



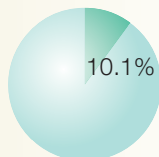
Percentage of net sales



Percentage of operating income



Percentage of total production



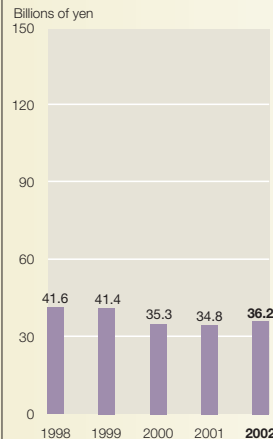
The sudden slowdown in the U.S. economy hindered sales of fan motors, although our PC keyboards and speakers performed favorably. Orders from the aircraft industry declined following the September 11 terrorist attacks in the United States, but sales of bearings to aircraft manufacturers increased, assisted by a solid order backlog at the end of the previous period.

Sales in North and South America climbed 9.2%, to ¥63,569 million, or 22.8% of consolidated net sales. Regional operating income jumped 48.3%, to ¥1,968 million, or 9.0% of total operating income. Production in the region was valued at ¥28,345 million, or 10.1% of total production.

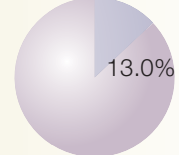
In the year under review, we fortified the development functions of sales subsidiary NMB Technologies Corporation, focusing on switching power supplies, fan motors and automotive products. In addition, we set up user-specific teams to oversee everything from initial product development to mass production. In these and other ways, we reinforced our R&D and technological capabilities. As previously mentioned, we seconded staff from North American sales subsidiaries to our new Hong Kong headquarters to better serve the needs of U.S. manufacturers shifting production to China.

Europe

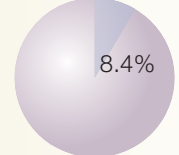
Net Sales in Europe



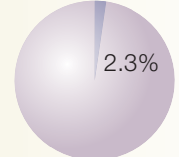
Percentage of net sales



Percentage of operating income



Percentage of total production



Despite slowing economic growth in Europe, mainstay products, such as ball bearings, rod-end bearings and spherical bearings, performed favorably. In contrast, income declined relative to the fiscal year ended March 31, 2001, as Precision-Motors-Deutsche-Minebea-GmbH (PMDM), a small motor development subsidiary in Germany, reported a decrease in royalty income.

Sales in Europe grew 4.1%, to ¥36,186 million, accounting for 13.0% of consolidated net sales. Regional operating income dropped 25.5%, to ¥1,850 million, or 8.4% of total operating income. The value of production in Europe was ¥6,293 million, or 2.3% of total production.

During the year, we rationalized switching power supply R&D activities and reinforced development of fan motors and HDD spindle motors. Precision small motors have become a mainstay business for Minebea, second only to our bearings business. Accordingly, the operations of German subsidiary PMDM are taking on increasing importance.