

## ELEVEN-YEAR SUMMARY

	2002	2001	2000	1999
<b>Statement of Income Data:</b>				
Net sales:	<b>¥279,344</b>	¥287,045	¥284,757	¥305,324
Machinery components	<b>122,025</b>	124,461	127,734	136,807
Percentage of net sales	<b>44%</b>	43%	45%	45%
Electronic devices and components	<b>156,303</b>	151,910	146,133	157,603
Percentage of net sales	<b>56%</b>	53%	51%	52%
Consumer and others	<b>1,016</b>	10,674	10,890	10,914
Percentage of net sales	<b>0%</b>	4%	4%	3%
Gross profit	<b>¥ 73,283</b>	¥ 84,117	¥ 81,534	¥ 90,161
Percentage of net sales	<b>26.2%</b>	29.3%	28.6%	29.5%
Operating income	<b>21,972</b>	32,977	31,069	38,546
Percentage of net sales	<b>7.9%</b>	11.5%	10.9%	12.6%
Net income (loss)	<b>5,298</b>	14,826	(2,677)	11,507
Percentage of net sales	<b>1.9%</b>	5.2%	(0.9)%	3.7%
<b>Balance Sheet Data:</b>				
Total assets	<b>¥350,037</b>	¥346,965	¥403,994	¥473,360
Total current assets	<b>131,548</b>	137,106	153,658	219,826
Total current liabilities	<b>156,908</b>	127,290	124,085	197,071
Short-term loans payable and current portion of long-term debt	<b>103,461</b>	66,531	68,022	142,828
Long-term debt	<b>79,212</b>	118,629	124,690	128,223
Working capital	<b>(25,360)</b>	9,816	29,573	22,755
Total shareholders' equity	<b>112,732</b>	100,574	154,357	145,705
Percentage of total assets	<b>32.2%</b>	29.0%	38.2%	30.8%
<b>Per Share Data:</b>				
Net income (loss):				
Primary	<b>¥ 13.27</b>	¥ 37.14	¥ (6.72)	¥ 28.94
Fully diluted	<b>12.60</b>	34.10	(5.39)	26.32
Shareholders' equity	<b>282.42</b>	251.96	386.71	366.29
Cash dividends	<b>7.00</b>	7.00	7.00	7.00
<b>Other Data:</b>				
Return on shareholders' equity	<b>5.0%</b>	11.6%	(1.8)%	8.0%
Return on total assets	<b>1.5%</b>	4.0%	(0.6)%	2.4%
Interest expense	<b>¥ 5,673</b>	¥ 7,553	¥ 7,897	¥12,231
Net cash provided by operating activities	<b>34,017</b>	38,332	60,289	60,740
Expenditure for purchase of property, plant and equipment	<b>26,245</b>	39,877	19,504	20,563
Free cash flow	<b>7,772</b>	(1,545)	40,785	40,177
Depreciation and amortization	<b>25,577</b>	23,682	25,026	28,034
Number of shares outstanding	<b>399,167,695</b>	399,167,695	399,150,527	397,787,828
Number of employees	<b>43,729</b>	45,193	42,399	40,482

- Notes: 1. In fiscal 2001, to concentrate resources in its best areas and improve financial strength, the Company transferred its shares in subsidiary Actus Corporation, posting an extraordinary gain of ¥5,215 million in gains on sales of investment securities in affiliates. The Company also showed an extraordinary loss of ¥2,762 million, in line with the projected loss on the withdrawal from the wheel business.
2. In fiscal 2000, to concentrate resources in its best areas and improve financial strength, the Company made decisions with regard to the transferral of its shares, etc., in Minebea Credit Co., Ltd., a wholly owned subsidiary; the liquidation of different affiliated companies; and other matters. As a result, the Company showed ¥25,782 million in extraordinary losses as losses on liquidation of subsidiaries and affiliates. The Company also applied tax effect accounting overall, which resulted in ¥6,276 million in deferred income taxes (benefit).
3. In fiscal 1995, the Company divested its consumer financing business and sold shares in its consumer financing subsidiary. This sale generated proceeds of ¥109,368 million, which were applied to the repayment of short-term loans payable and long-term debt. As a consequence, finance receivables and liabilities declined.

Thousands of  
U.S. dollars  
(Note 8)

Millions of yen							2002
1998	1997	1996	1995	1994	1993	1992	
¥326,094	¥302,886	¥260,537	¥239,133	¥121,586	¥265,165	¥278,685	<b>\$2,096,390</b>
142,007	136,147	122,540	113,795	51,835	111,644	122,634	<b>915,760</b>
43%	45%	47%	48%	42%	42%	44%	
180,875	165,118	136,519	115,216	61,504	126,653	124,555	<b>1,173,005</b>
56%	54%	52%	48%	51%	48%	45%	
3,212	1,621	1,478	10,122	8,247	26,868	31,496	<b>7,625</b>
1%	1%	1%	4%	7%	10%	11%	
¥107,086	¥ 86,487	¥ 75,152	¥ 63,866	¥ 31,753	¥ 69,430	¥ 68,197	<b>\$549,966</b>
32.8%	28.6%	28.8%	26.7%	26.1%	26.2%	24.5%	
58,811	41,901	34,788	27,283	12,706	23,894	15,826	<b>164,893</b>
18.0%	13.8%	13.4%	11.4%	10.4%	9.0%	5.7%	
15,144	8,862	7,354	2,570	591	(61,212)	(13,643)	<b>39,760</b>
4.6%	2.9%	2.8%	1.1%	0.5%	(23.1)%	(4.9)%	
¥492,210	¥563,220	¥556,787	¥529,959	¥699,475	¥706,790	¥859,661	<b>\$2,626,919</b>
213,194	264,368	291,143	287,762	457,402	463,902	546,324	<b>987,227</b>
246,114	322,966	336,106	308,740	414,075	384,190	388,385	<b>1,177,546</b>
178,228	254,243	251,983	249,712	328,082	290,144	277,031	<b>776,442</b>
96,882	109,365	97,129	99,208	161,207	198,773	285,111	<b>594,461</b>
(32,920)	(58,598)	(44,963)	(20,978)	43,327	79,712	157,939	<b>(190,319)</b>
141,843	123,831	116,753	113,276	111,623	111,573	168,489	<b>846,026</b>
28.8%	22.0%	21.0%	21.4%	16.0%	15.8%	19.6%	
							U.S. dollars (Note 8)
¥ 38.42	¥ 22.76	¥ 18.91	¥ 6.61	¥ 1.52	¥(157.48)	¥ (35.11)	<b>\$0.10</b>
34.85	21.03	18.68	6.61	1.52	(157.40)	(35.07)	<b>0.09</b>
357.77	317.46	300.22	291.33	287.13	287.00	433.51	<b>2.12</b>
7.00	7.00	7.00	6.00	3.00	—	6.00	<b>0.05</b>
							Thousands of U.S. dollars (Note 8)
							Millions of yen
11.4%	7.4%	6.4%	2.3%	0.5%	(43.7)%	(7.8)%	
2.9%	1.6%	1.4%	0.4%	0.1%	(7.8)%	(1.5)%	
¥16,593	¥19,109	¥17,525	¥17,903	¥ 7,707	¥ 18,159	¥26,456	<b>\$ 42,575</b>
83,878	29,546	26,230	52,951	16,594	1,868	17,134	<b>255,288</b>
23,688	50,931	37,434	22,895	8,880	19,452	35,256	<b>196,961</b>
60,190	(21,385)	(11,204)	30,056	7,714	(17,584)	(18,122)	<b>58,326</b>
29,616	29,277	22,319	18,634	9,269	17,584	24,771	<b>191,948</b>
396,470,473	390,076,018	388,892,609	388,824,616	388,761,608	388,758,517	388,664,237	
38,733	37,096	35,978	29,790	27,821	28,311	31,582	

- In fiscal 1994, the Company changed its fiscal year-end from September 30 to March 31. Accordingly, fiscal 1994 included only six months of operations, beginning in October 1993 and ending in March 1994, whereas other fiscal years consist of 12 months.
- Net loss in fiscal 1993 includes extraordinary losses totaling ¥59,118 million. As part of a thorough restructuring aimed at strengthening the corporate framework, the Company withdrew from the semiconductor business in March 1993, resulting in a loss of ¥46,792 million. To further strengthen and improve its financial position, the Company changed its method of accounting for marketable securities listed on stock exchanges, resulting in a marketable security revaluation loss of ¥12,326 million.
- In fiscal 2000, the Company reclassified its operations into three industry categories and revised figures in prior years.
- Owing to a change in accounting standards, cash flows are shown in a new format in and after fiscal year 2000.
- U.S. dollar amounts are translated from yen, for convenience only, at the rate of ¥133.25=US\$1, the approximate rate of exchange on March 31, 2002.

Results of Operations

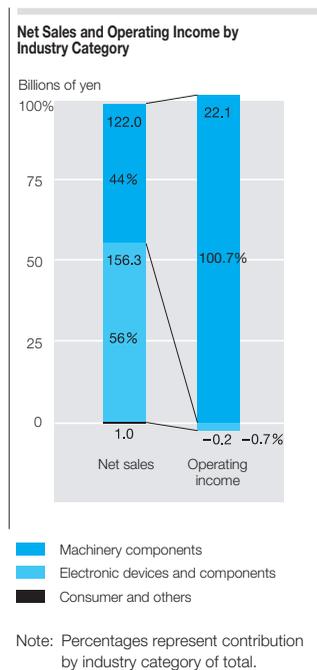
Net Sales

Consolidated net sales of Minebea totaled ¥279,344 million in fiscal 2002, a decline of 2.7%, or ¥7,701 million, from the fiscal year ended March 31, 2001. The Company's transfer of its holding in Actus, a furniture and interior decor product sales subsidiary, and its withdrawal from the wheel business in the fiscal year ended March 31, 2001, resulted in a net sales decrease of ¥17,000 million.

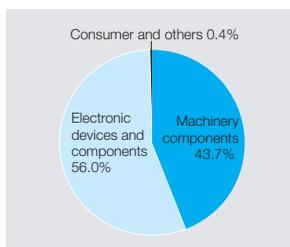
Net sales of machinery components amounted to ¥122,025 million, down 2.0%, or ¥2,436 million, from the previous period. Net sales of bearings and bearing-related products, the largest component of this industry category, edged down 1.0%, or ¥982 million, to ¥100,114 million. Sales of ball bearings slipped as flagging sales to the information and telecommunications industry countered firm sales to household electrical appliance and automobile manufacturers. Firm demand in the first half of the period and a solid order backlog supported firm sales of rod-end and spherical bearings, offsetting a decrease in demand from the aerospace industry—the primary market for these products—after the September 11 terrorist attacks in the United States. The Company's withdrawal from the wheel business prompted a 6.2%, or ¥1,454 million, decline in sales of other machinery components, to ¥21,911 million.

Net sales of electronic devices and components advanced 2.9%, or ¥4,393 million, to ¥156,303 million. A dip in demand from manufacturers of information and telecommunications equipment, the main market for these products, pushed down sales of fan motors and stepping motors. Nonetheless, sales of rotary components advanced 3.9%, or ¥2,837 million, to ¥76,440 million, bolstered by brisk sales of HDD spindle motors, including those containing fluid dynamic bearings. Sales of other electronic devices and components increased 2.0%, or ¥1,556 million, to ¥79,863 million, as rising sales of PC keyboards countered flagging sales of FDD subassemblies and other products.

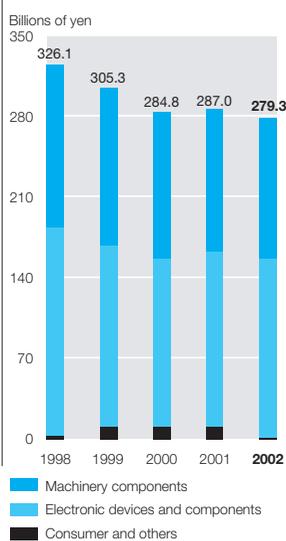
In fiscal 2001, Minebea transferred its holding in furniture and interior decor product sales subsidiary Actus to a third party and withdrew from this business. Nonetheless, the Company continued to procure furniture on behalf of Actus until February 2002. As a consequence, net sales of the consumer and others industry category amounted to ¥1,016 million in the period under review, down from ¥10,674 million in the previous period.



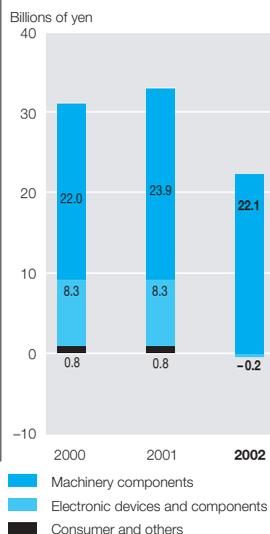
### Net Sales by Industry Category



### Net Sales by Industry Category



### Operating Income (Loss) by Industry Category



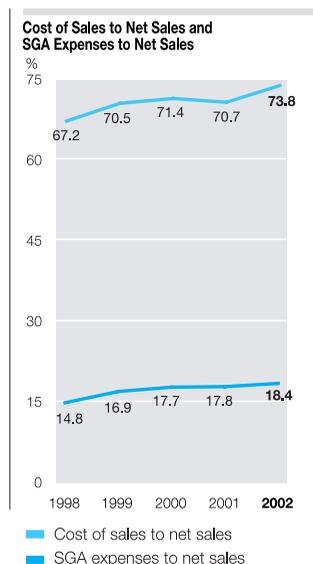
### Net Sales by Industry Category

Years ended March 31	Millions of yen				
	2002	2001	2000	1999	1998
<b>Machinery components</b>					
Bearings and bearing-related products	<b>¥100,114</b>	¥101,096	¥101,847	¥109,535	¥112,785
Other machinery components	<b>21,911</b>	23,365	25,887	27,272	29,222
	<b>122,025</b>	124,461	127,734	136,807	142,007
<b>Electronic devices and components</b>					
Rotary components	<b>76,440</b>	73,603	63,758	64,789	68,358
Other electronic devices and components	<b>79,863</b>	78,307	82,375	92,814	112,517
	<b>156,303</b>	151,910	146,133	157,603	180,875
Consumer and others	<b>1,016</b>	10,674	10,890	10,914	3,212
<b>Net sales</b>	<b>¥279,344</b>	¥287,045	¥284,757	¥305,324	¥326,094

### Performance by Industry Category

Year ended March 31, 2002	Millions of yen					
	Machinery Components	Electronic Devices and Components	Consumer and Others	Total before Eliminations	Eliminations	Total
Sales to external customers	<b>¥122,025</b>	<b>¥156,303</b>	<b>¥1,016</b>	<b>¥279,344</b>	<b>¥ —</b>	<b>¥279,344</b>
Internal sourcing	<b>8,336</b>	<b>—</b>	<b>—</b>	<b>8,336</b>	<b>(8,336)</b>	<b>—</b>
<b>Total sales</b>	<b>130,361</b>	<b>156,303</b>	<b>1,016</b>	<b>287,680</b>	<b>(8,336)</b>	<b>279,344</b>
Operating expenses	<b>108,226</b>	<b>156,466</b>	<b>1,016</b>	<b>265,708</b>	<b>(8,336)</b>	<b>257,372</b>
Operating income (loss)	<b>22,135</b>	<b>(163)</b>	<b>(0)</b>	<b>21,972</b>	<b>—</b>	<b>21,972</b>
Assets	<b>205,920</b>	<b>231,806</b>	<b>745</b>	<b>438,471</b>	<b>(88,434)</b>	<b>350,037</b>
Depreciation and amortization	<b>9,489</b>	<b>14,891</b>	<b>5</b>	<b>24,385</b>	<b>—</b>	<b>24,385</b>
Investment	<b>7,963</b>	<b>18,485</b>	<b>5</b>	<b>26,453</b>	<b>—</b>	<b>26,453</b>

## Cost of Sales and SGA Expenses



Cost of sales rose 1.5%, or ¥3,133 million, to ¥206,061 million. Declining sales and fierce pricing competition contributed to an increase in the cost of sales ratio of 3.1 percentage points, to 73.8%.

Selling, general and administrative (SGA) expenses edged up 0.3%, or ¥171 million, to ¥51,311 million, equivalent to 18.4% of net sales, up 0.6 percentage point from the fiscal year ended March 31, 2001. This increase was largely attributable to ¥5,645 million in expenses resulting from the merger of the division of domestic sales company Keiaisha NMB Co., Ltd., responsible for sales of Minebea products into the parent company's sales department, which countered a ¥4,142 million decline in expenses arising from the Company's sale of its holding in Actus. Higher SGA expenses also reflected the decisive expansion of R&D during the period, which led to an increase of 16.2%, or ¥1,489 million, in R&D expenditures, to ¥10,682 million.

## Costs and Expenses

Years ended March 31	Millions of yen				
	2002	2001	2000	1999	1998
Net sales	<b>¥279,344</b>	¥287,045	¥284,757	¥305,324	¥326,094
Cost of sales	<b>206,061</b>	202,928	203,223	215,163	219,008
Cost of sales to net sales	<b>73.8%</b>	70.7%	71.4%	70.5%	67.2%
Gross profit	<b>73,283</b>	84,117	81,534	90,161	107,086
SGA expenses	<b>51,311</b>	51,140	50,465	51,615	48,275
SGA expenses to net sales	<b>18.4%</b>	17.8%	17.7%	16.9%	14.8%

## Income

Owing primarily to declines in sales of mainstay products, operating income fell 33.4%, or ¥11,005 million, to ¥21,972 million. Accordingly, the operating margin slipped 3.6 percentage points, to 7.9%.

Operating income in the machinery components category amounted to ¥22,135 million, down 7.4%, or ¥1,771 million. As a consequence, the segment's operating margin remained high, reaching 18.1%. In contrast, intense pricing competition and sluggish demand from the information and telecommunications industry contributed to an operating loss of ¥163 million in the electronic devices and components industry category.

The net balance of other income (expenses) was a loss of ¥9,023 million, an improvement of 14.8%, or ¥1,567 million. Despite ¥1,466 million in losses on revaluation of marketable and investment securities, primarily shares in financial institutions, interest expense declined ¥1,880 million, reflecting a reduction in loans and lower interest rates, while losses on liquidation of subsidiaries and affiliates fell ¥1,006 million. Income taxes amounted to ¥7,630 million, including a deferred tax benefit of ¥2,711 million owing to tax effect accounting, which was adopted in the fiscal year ended March 31, 2000. As a consequence of these and other factors, net income plunged 64.3%, or ¥9,528 million, to ¥5,298 million.

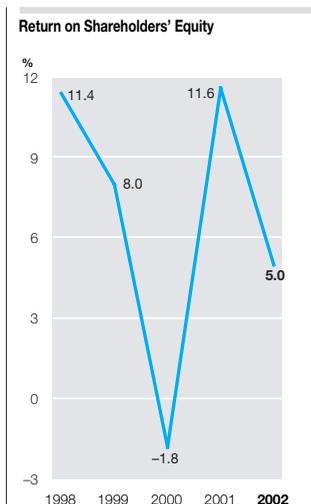
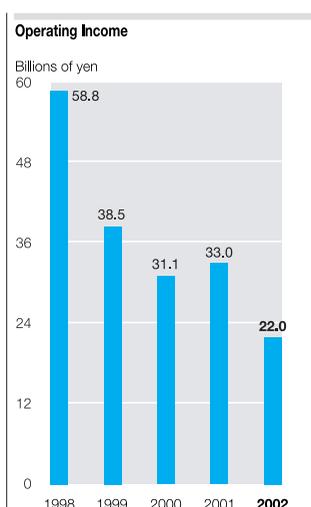
### Income

Millions of yen

Years ended March 31

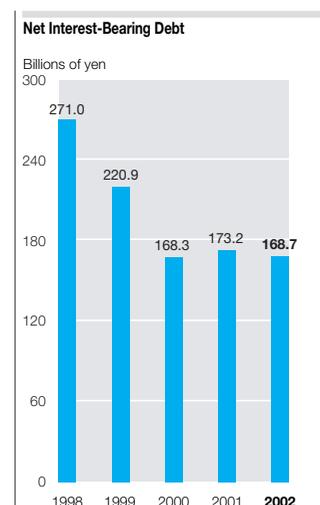
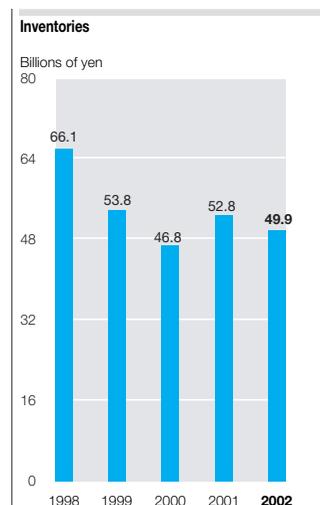
	2002	2001	2000	1999	1998
Operating income	<b>¥21,972</b>	¥32,977	¥31,069	¥38,546	¥58,811
Operating margin	<b>7.9%</b>	11.5%	10.9%	12.6%	18.0%
Net balance of other income (expenses)	<b>(9,023)</b>	(10,590)	(37,681)	(20,111)	(35,876)
Net income (loss)	<b>5,298</b>	14,826	(2,677)	11,507	15,144
Net income (loss) to net sales	<b>1.9%</b>	5.2%	(0.9)%	3.7%	4.6%
Net income (loss) per share (Yen):					
Primary	<b>13.27</b>	37.14	(6.72)	28.94	38.42
Fully diluted	<b>12.60</b>	34.10	(5.39)	26.32	34.85
Return on shareholders' equity	<b>5.0%</b>	11.6%	(1.8)%	8.0%	11.4%
Return on total assets	<b>1.5%</b>	4.0%	(0.6)%	2.4%	2.9%

Note: In the fiscal year ended March 31, 2000, to concentrate resources in its best areas and improve financial strength, the Company made a decision with regards to the transferral of its shares, etc., in Minebea Credit Co., Ltd., a wholly owned subsidiary; the liquidation of different affiliated companies; and other matters. As a result, the Company showed ¥25,782 million in extraordinary losses as losses on liquidation of subsidiaries and affiliates.



## Analysis of Financial Position and Cash Flows

### Financial Position



In line with its basic objective of strengthening its financial position, Minebea continued to take decisive steps to reduce inventories and recover receivables as quickly as possible. These efforts enabled the Company to reduce net interest-bearing debt ¥4,508 million, to ¥168,720 million, greatly enhancing financial soundness.

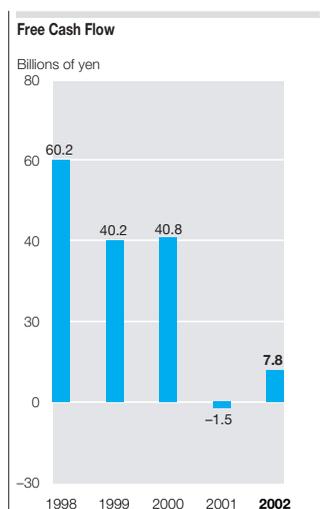
Total assets at the end of the fiscal year ended March 31, 2002, amounted to ¥350,037 million, edging up 0.9%, or ¥3,072 million, from a year earlier. Decreases of ¥4,590 million in notes and accounts receivable and ¥2,877 million in inventories reduced total current assets 4.1%, or ¥5,558 million, to ¥131,548 million. In contrast, net property, plant and equipment increased 8.7%, or ¥14,705 million, to ¥183,438 million. Expenditure for purchase of property, plant and equipment amounted to ¥26,245 million, down from ¥39,877 million in the previous period, owing to forward investments in plants overseas—including that for a fluid dynamic bearing HDD spindle motor facility. This outlay was considerably smaller than in the fiscal year ended March 31, 2001, when we invested heavily to expand at our principal production bases in Thailand and China. A revaluation of investments in securities pushed net investments and other assets down 14.8%, or ¥6,075 million, to ¥35,051 million.

Total liabilities were ¥237,209 million, down 3.7%, or ¥9,060 million. This decline reflected a number of factors, including reduced loans and a decline in notes and accounts payable—a consequence of lower net sales. Total current liabilities rose 23.3%, or ¥29,618 million, while total long-term liabilities fell 32.5%, or ¥38,678 million, owing primarily to current portion of long-term debt of ¥41,843 million—due within one year, including ¥13,823 million in convertible bonds, to the current portion of long-term debt.

### Financial Position

As of March 31	Millions of yen				
	2002	2001	2000	1999	1998
Total assets	<b>¥350,037</b>	¥346,965	¥403,994	¥473,360	¥492,210
Total current assets	<b>131,548</b>	137,106	153,658	219,826	213,194
Inventories	<b>49,887</b>	52,764	46,839	53,816	66,074
Total current liabilities	<b>156,908</b>	127,290	124,085	197,071	246,114
Working capital	<b>(25,360)</b>	9,816	29,573	22,755	(32,920)
Interest-bearing debt	<b>182,673</b>	185,160	192,712	271,051	275,110
Net interest-bearing debt	<b>168,720</b>	173,228	168,280	220,864	270,970
Total shareholders' equity	<b>112,732</b>	100,574	154,357	145,705	141,843
Total shareholders' equity/Total assets	<b>32.2%</b>	29.0%	38.2%	30.8%	28.8%
Shareholders' equity per share (Yen)	<b>282.42</b>	251.96	386.71	366.29	357.77

## Cash Flows



Minebea's free cash flow totaled ¥7,772 million in fiscal 2002, an increase of ¥9,317 million from the fiscal year ended March 31, 2001, as a decline in expenditures to strengthen principal manufacturing facilities offset a decrease in net income.

Net cash provided by operating activities was ¥34,017 million, ¥4,315 million less than in the fiscal year ended March 31, 2001, reflecting a ¥9,438 million decline in income before income taxes, to ¥12,949 million, which offset a ¥5,711 million decrease in inventories.

Net cash used in investing activities amounted to ¥24,346 million, down ¥8,753 million, as the Company reduced expenditure for purchase of property, plant and equipment.

Net cash used in financing activities came to ¥8,317 million, down ¥8,821 million, as outlays for the repayment of long-term debt decreased.

As a result of Minebea's operating, investing and financing activities during the period under review and the effect of exchange rate changes, cash and cash equivalents at end of year totaled ¥13,952 million, ¥2,022 million higher than at the same point a year earlier.

### Free Cash Flow

Years ended March 31	Millions of yen				
	2002	2001	2000	1999	1998
Net cash provided					
by operating activities	¥ 34,017	¥ 38,332	¥ 60,289	¥ 60,740	¥ 83,878
Expenditure for purchase of					
property, plant and equipment	(26,245)	(39,877)	(19,504)	(20,563)	(23,688)
Free cash flow	7,772	(1,545)	40,785	40,177	60,190

Note: Owing to a change in accounting standards, cash flows are shown in a new format in and after the fiscal year ended March 31, 2000.