Contents

ELEVEN-YEAR SUMMARY

	2002	2001	2000	1999
Statement of Income Data:				
Net sales:	¥279,344	¥287,045	¥284,757	¥305,324
Machinery components	122,025	124,461	127,734	136,807
Percentage of net sales	44%	43%	45%	45%
Electronic devices and components	156,303	151,910	146,133	157,603
Percentage of net sales	56%	53%	51%	52%
Consumer and others	1,016	10,674	10,890	10,914
Percentage of net sales	0%	4%	4%	3%
Gross profit	¥ 73,283	¥ 84,117	¥ 81,534	¥ 90,161
Percentage of net sales	26.2%	29.3%	28.6%	29.5%
Operating income	21,972	32,977	31,069	38,546
Percentage of net sales	7.9%	11.5%	10.9%	12.6%
Net income (loss)	5,298	14,826	(2,677)	11,507
Percentage of net sales	1.9%	5.2%	(0.9)%	3.7%
Balance Sheet Data:				
Total assets	¥350,037	¥346,965	¥403,994	¥473,360
Total current assets	131,548	137,106	153,658	219,826
Total current liabilities	156,908	127,290	124,085	197,071
Short-term loans payable and current portion of long-term debt	103,461	66,531	68,022	142,828
Long-term debt	79,212	118,629	124,690	128,223
Working capital	(25,360)	9,816	29,573	22,755
Total shareholders' equity	112,732	100,574	154,357	145,705
Percentage of total assets	32.2%	29.0%	38.2%	30.8%
Per Share Data:				
Net income (loss):				
Primary	¥ 13.27	¥ 37.14	¥ (6.72)	¥ 28.94
Fully diluted	12.60	34.10	(5.39)	26.32
Shareholders' equity	282.42	251.96	386.71	366.29
Cash dividends	7.00	7.00	7.00	7.00
Other Data:				
Return on shareholders' equity	5.0%	11.6%	(1.8)%	8.0%
Return on total assets	1.5%	4.0%	(0.6)%	2.4%
Interest expense	¥ 5,673	¥ 7,553	¥ 7,897	¥12,231
Net cash provided by operating activities	34,017	38,332	60,289	60,740
Expenditure for purchase of property, plant and equipment	26,245	39,877	19,504	20,563
Free cash flow	7,772	(1,545)	40,785	40,177
Depreciation and amortization	25,577	23,682	25,026	28,034
Number of shares outstanding	399,167,695	399,167,695	399,150,527	397,787,828
Number of employees	43,729	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	
1998	1997	1996	1995	1994	1993	1992	**2002**
¥326,094	¥302,886	¥260,537	¥239,133	¥121,586	¥265,165	¥278,685	**$2,096,390**
142,007	136,147	122,540	113,795	51,835	111,644	122,634	**915,760**
43%	45%	47%	48%	42%	42%	44%	
180,875	165,118	136,519	115,216	61,504	126,653	124,555	**1,173,005**
56%	54%	52%	48%	51%	48%	45%	
3,212	1,621	1,478	10,122	8,247	26,868	31,496	**7,625**
1%	1%	1%	4%	7%	10%	11%	
¥107,086	¥ 86,487	¥ 75,152	¥ 63,866	¥ 31,753	¥ 69,430	¥ 68,197	**$549,966**
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	**164,893**
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)	**39,760**
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	**$2,626,919**
213,194	264,368	291,143	287,762	457,402	463,902	546,324	**987,227**
246,114	322,966	336,106	308,740	414,075	384,190	388,385	**1,177,546**
178,228	254,243	251,983	249,712	328,082	290,144	277,031	**776,442**
96,882	109,365	97,129	99,208	161,207	198,773	285,111	**594,461**
(32,920)	(58,598)	(44,963)	(20,978)	43,327	79,712	157,939	**(190,319)**
141,843	123,831	116,753	113,276	111,623	111,573	168,489	**846,026**
28.8%	22.0%	21.0%	21.4%	16.0%	15.8%	19.6%	
						Yen	*U.S. dollars (Note 8)*
¥ 38.42	¥ 22.76	¥ 18.91	¥ 6.61	¥ 1.52	¥(157.48)	¥ (35.11)	**$0.10**
34.85	21.03	18.68	6.61	1.52	(157.40)	(35.07)	**0.09**
357.77	317.46	300.22	291.33	287.13	287.00	433.51	**2.12**
7.00	7.00	7.00	6.00	3.00	—	6.00	**0.05**
						Millions of yen	*Thousands of U.S. dollars (Note 8)*
11.4%	7.4%	6.4%	2.3%	0.5%	(43.7)%	(7.8)%	
2.9%	1.6%	1.4%	0.4%	0.1%	(7.8)%	(1.5)%	
¥16,593	¥19,109	¥17,525	¥17,903	¥ 7,707	¥ 18,159	¥26,456	**$ 42,575**
83,878	29,546	26,230	52,951	16,594	1,868	17,134	**255,288**
23,688	50,931	37,434	22,895	8,880	19,452	35,256	**196,961**
60,190	(21,385)	(11,204)	30,056	7,714	(17,584)	(18,122)	**58,326**
29,616	29,277	22,319	18,634	9,269	17,584	24,771	**191,948**
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	

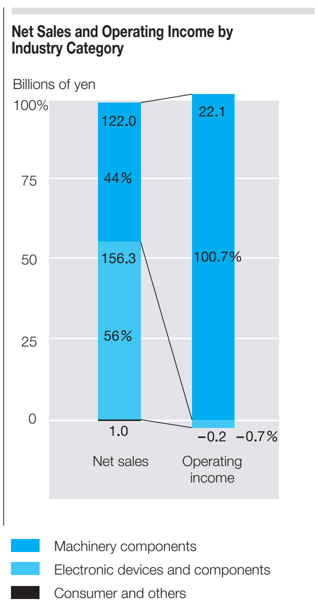
4. In fiscal 1994, the Company changed its fiscal year-end from September 30 to March 31. Accordingly, fiscal 1994 included only six months of operations, beginning in October 1993 and ending in March 1994, whereas other fiscal years consist of 12 months.
5. Net loss in fiscal 1993 includes extraordinary 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.
6. In fiscal 2000, the Company reclassified its operations into three industry categories and revised figures in prior years.
7. Owing to a change in accounting standards, cash flows are shown in a new format in and after fiscal year 2000.
8. 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.

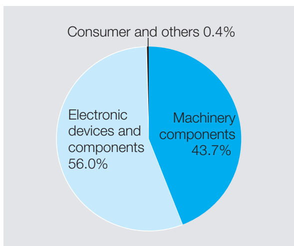


Note: Percentages represent contribution by industry category of total.

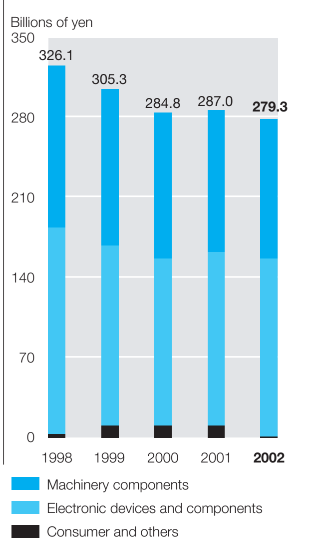
Net sales of electronic devices and components advanced 2.9%, or ¥4,393 million, to ¥156,303 million. A dip in demand from manufacturers of information and telecommunications equipment, the main market for these products, pushed down sales of fan motors and stepping motors. Nonetheless, sales of rotary 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.

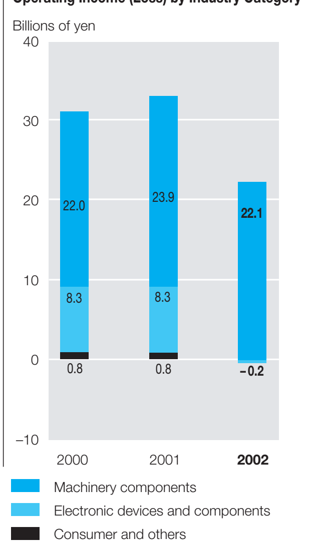
Net Sales by Industry Category



Net Sales by Industry Category



Operating Income (Loss) by Industry Category



Net Sales by Industry Category

Millions of yen

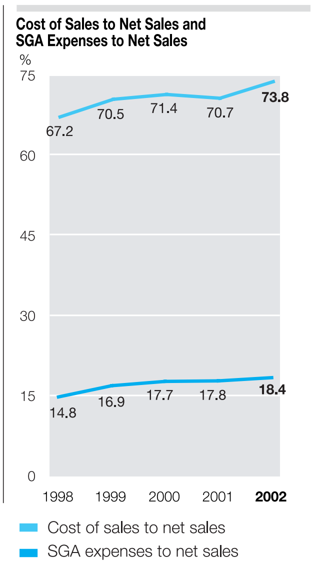
Years ended March 31	**2002**	2001	2000	1999	1998
Machinery components					
Bearings and bearing-related products	**¥100,114**	¥101,096	¥101,847	¥109,535	¥112,785
Other machinery components	**21,911**	23,365	25,887	27,272	29,222
	122,025	124,461	127,734	136,807	142,007
Electronic devices and components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

Performance by Industry Category

Millions of yen

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

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

Millions of yen

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

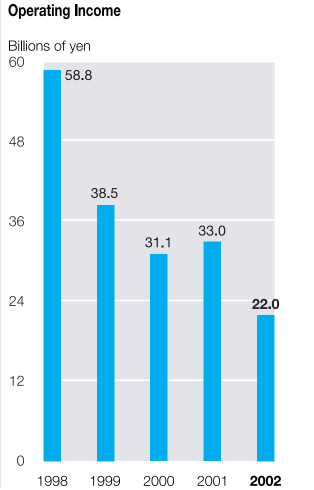
Income

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%.

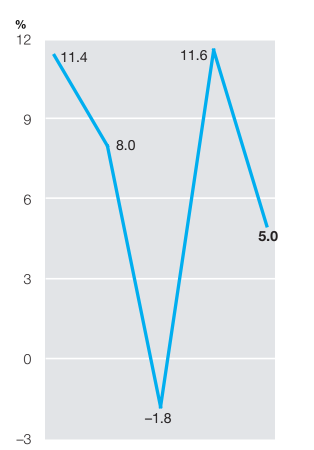
Operating income in the machinery components category amounted to ¥22,135 million, down 7.4%, or ¥1,771 million. As a consequence, the segment's operating margin remained high, reaching 18.1%. In contrast, intense pricing competition and sluggish demand from the information and telecommunications industry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

Operating Income



Return on Shareholders' Equity



Income

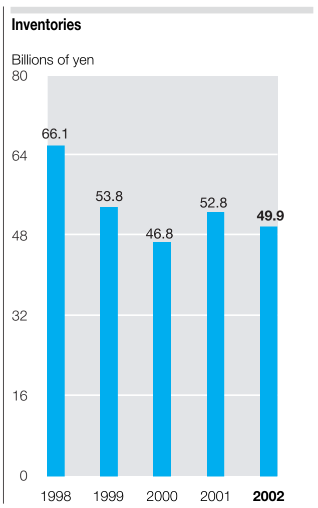
Millions of yen

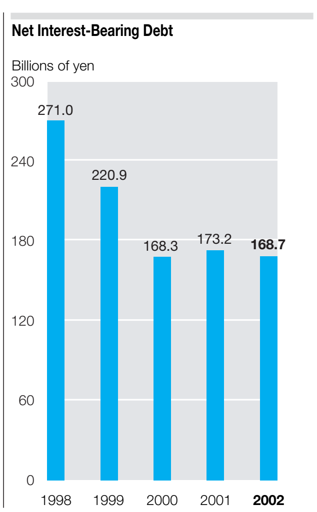
Years ended March 31	**2002**	2001	2000	1999	1998
Operating income	**¥21,972**	¥32,977	¥31,069	¥38,546	¥58,811
Operating margin	**7.9%**	11.5%	10.9%	12.6%	18.0%
Net balance of other income (expenses)	**(9,023)**	(10,590)	(37,681)	(20,111)	(35,876)
Net income (loss)	**5,298**	14,826	(2,677)	11,507	15,144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

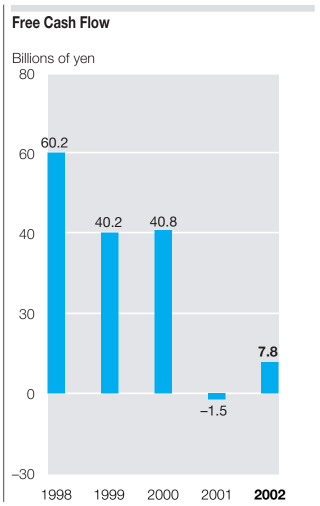
Total liabilities were ¥237,209 million, down 3.7%, or ¥9,060 million. This decline reflected a number of factors, including reduced loans and a decline in notes and accounts payable—a consequence of lower net sales. Total current liabilities rose 23.3%, or ¥29,618 million, while total long-term liabilities 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

Millions of yen

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

Millions of yen

Years ended March 31	**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.

CONSOLIDATED BALANCE SHEETS

As of March 31, 2002 and 2001

Assets	Millions of yen 2002	Millions of yen 2001	Thousands of U.S. dollars (Note 3) 2002
Current Assets:			
Cash and cash equivalents (Note 2-c)	¥ 13,952	¥ 11,930	$ 104,705
Notes and accounts receivable (Notes 2-d and 4):			
Trade	51,281	55,277	384,848
Other	2,636	3,230	19,782
	53,917	58,507	404,630
Allowance for doubtful receivables (Note 2-d)	(501)	(734)	(3,760)
Total notes and accounts receivable	53,416	57,773	400,870
Inventories (Note 2-e)	49,887	52,764	374,387
Deferred tax assets (Note 6)	6,521	6,271	48,938
Prepaid expenses and other current assets	7,772	8,368	58,327
Total current assets	131,548	137,106	987,227
Property, Plant and Equipment (Note 2-f):			
Land	17,411	16,551	130,664
Buildings and structures	102,511	90,196	769,313
Machinery and/or transportation equipment	257,486	237,558	1,932,353
Construction in progress	1,351	3,727	10,139
	378,759	348,032	2,842,469
Accumulated depreciation	(195,321)	(179,299)	(1,465,824)
Net property, plant and equipment	183,438	168,733	1,376,645
Investments and Other Assets:			
Excess of cost over net assets acquired (Note 2-i)	14,595	15,344	109,531
Investments in affiliates (Notes 2-a, 2-g and 4)	206	303	1,546
Investments in securities (Note 2-g)	5,524	8,574	41,456
Long-term loans receivable	269	252	2,019
Deferred tax assets (Note 6)	11,143	13,388	83,625
Other (Note 2-d)	3,537	3,585	26,544
	35,274	41,446	264,721
Allowance for doubtful receivables (Note 2-d)	(223)	(320)	(1,674)
Net investments and other assets	35,051	41,126	263,047
Total Assets	¥ 350,037	¥ 346,965	$ 2,626,919

The accompanying notes to consolidated financial statements are an integral part of these statements.

Liabilities and Shareholders' Equity	*Millions of yen* 2002	2001	*Thousands of U.S. dollars (Note 3)* 2002
Current Liabilities:			
Short-term loans payable (Note 5)	**¥ 61,618**	¥ 62,724	**$ 462,424**
Current portion of long-term debt (Note 5)	**41,843**	3,807	**314,018**
Notes and accounts payable (Note 4):			
Trade	**26,115**	29,170	**195,985**
Other	**4,672**	8,145	**35,062**
Total notes and accounts payable	**30,787**	37,315	**231,047**
Income taxes payable (Note 6)	**4,162**	3,985	**31,235**
Accrued expenses and other current liabilities	**18,498**	19,459	**138,822**
Total current liabilities	**156,908**	127,290	**1,177,546**
Long-Term Liabilities:			
Long-term debt (Note 5)	**79,212**	118,629	**594,461**
Other (Note 2-h)	**1,089**	350	**8,170**
Total long-term liabilities	**80,301**	118,979	**602,631**
Minority Interests in Consolidated Subsidiaries	**96**	122	**716**
Shareholders' Equity (Note 7)**:**			
Common stock, par value ¥50 per share—			
Authorized 1,000,000,000 shares			
Issued:			
March 31, 2002—399,167,695 shares			
March 31, 2001—399,167,695 shares	**68,259**	68,259	**512,265**
Capital reserve	**94,757**	94,757	**711,124**
Retained earnings	**4,774**	3,303	**35,828**
Difference on revaluation of other marketable securities	**(1,719)**	(953)	**(12,900)**
Foreign currency translation adjustments	**(53,333)**	(64,791)	**(400,246)**
	112,738	100,575	**846,071**
Treasury stock	**(6)**	(1)	**(45)**
Total shareholders' equity	**112,732**	100,574	**846,026**
Contingent Liabilities (Notes 9 and 10)			
Total Liabilities and Shareholders' Equity	**¥350,037**	¥346,965	**$2,626,919**

CONSOLIDATED STATEMENTS OF INCOME

Years ended March 31, 2002, 2001 and 2000

	Millions of yen			Thousands of U.S. dollars (Note 3)
	2002	2001	2000	**2002**
Net Sales (Note 4)	**¥279,344**	¥287,045	¥284,757	**$2,096,390**
Cost of Sales (Note 4)	**206,061**	202,928	203,223	**1,546,424**
Gross profit	**73,283**	84,117	81,534	**549,966**
Selling, General and Administrative Expenses (Notes 2-i and 6)	**51,311**	51,140	50,465	**385,073**
Operating income	**21,972**	32,977	31,069	**164,893**
Other Income (Expenses):				
Interest income	**586**	360	927	**4,398**
Equity in loss of nonconsolidated subsidiaries and affiliates (Note 2-a)	**(21)**	4	6	**(158)**
Interest expense	**(5,673)**	(7,553)	(7,897)	**(42,575)**
Gains (losses) on sales of marketable securities, investment securities and investment securities in affiliates	**(6)**	5,215	—	**(45)**
Gains (losses) on revaluation of marketable and investment securities	**(1,466)**	—	573	**(11,002)**
Foreign currency exchange losses (Note 2-b)	**(827)**	(732)	(1,710)	**(6,206)**
Losses on disposals of inventories	**(1,125)**	(1,846)	(1,864)	**(8,442)**
Losses on sales and disposals of property, plant and equipment	**(612)**	(340)	(324)	**(4,593)**
Losses on liquidation of subsidiaries and affiliates	**(937)**	(1,943)	(25,782)	**(7,032)**
Other, net	**1,058**	(3,755)	(1,610)	**7,940**
	(9,023)	(10,590)	(37,681)	**(67,715)**
Income (Loss) before Income Taxes	**12,949**	22,387	(6,612)	**97,178**
Income Taxes (Note 6):				
Current	**4,919**	4,160	2,242	**36,916**
Deferred (benefit)	**2,711**	3,296	(6,276)	**20,345**
	7,630	7,456	(4,034)	**57,261**
Minority Interests in Earnings of Consolidated Subsidiaries	**21**	105	99	**157**
Net Income (Loss)	**¥ 5,298**	¥ 14,826	¥ (2,677)	**$ 39,760**

	Yen			U.S. dollars (Note 3)
Per Share Data (Note 8):				
Net income (loss):				
Primary	**¥13.27**	¥37.14	¥(6.72)	**$0.10**
Fully diluted	**12.60**	34.10	(5.39)	**0.09**
Cash dividends applicable to the year	**7.00**	7.00	7.00	**0.05**

The accompanying notes to consolidated financial statements are an integral part of these statements.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

Years ended March 31, 2002, 2001 and 2000

Millions of yen

	Number of Shares of Common Stock	Common Stock	Capital Reserve	Legal Reserve (Note 7)	Retained Earnings (Deficit) (Note 7)	Difference on Revaluation of Other Marketable Securities	Foreign Currency Translation Adjustments	Treasury Stock
Balance at March 31, 1999	397,787,828	¥67,664	¥94,162	¥ —	¥(16,120)	¥ —	¥ —	¥ (1)
Net income (loss)	—	—	—	—	(2,677)	—	—	—
Cash dividends	—	—	—	—	(2,794)	—	—	—
Bonuses to directors and corporate auditors	—	—	—	—	—	—	—	—
Transfer to legal reserve	—	—	—	280	(280)	—	—	—
Common stock issued on conversion of convertible bonds	1,362,699	587	587	—	—	—	—	—
Prior year tax effect adjustment	—	—	—	—	12,950	—	—	—
Other	—	—	—	(280)	280	—	—	(1)
Balance at March 31, 2000	399,150,527	68,251	94,749	—	(8,641)	—	—	(2)
Net income	—	—	—	—	14,826	—	—	—
Cash dividends	—	—	—	—	(2,794)	—	—	—
Bonuses to directors and corporate auditors	—	—	—	—	(122)	—	—	—
Transfer to legal reserve	—	—	—	292	(292)	—	—	—
Common stock issued on conversion of convertible bonds	17,168	8	8	—	—	—	—	—
Prior year tax effect adjustment	—	—	—	—	—	—	—	—
Other	—	—	—	(292)	326	(953)	(64,791)	1
Balance at March 31, 2001	**399,167,695**	**68,259**	**94,757**	**—**	**3,303**	**(953)**	**(64,791)**	**(1)**
Net income	—	—	—	—	**5,298**	—	—	—
Cash dividends	—	—	—	—	**(2,794)**	—	—	—
Bonuses to directors and corporate auditors	—	—	—	—	**(66)**	—	—	—
Transfer to legal reserve	—	—	—	—	—	—	—	—
Common stock issued on conversion of convertible bonds	—	—	—	—	—	—	—	—
Prior year tax effect adjustment	—	—	—	—	—	—	—	—
Other	—	—	—	—	**(967)**	**(766)**	**11,458**	**(5)**
Balance at March 31, 2002	**399,167,695**	**¥68,259**	**¥94,757**	**¥ —**	**¥ 4,774**	**¥(1,719)**	**¥ (53,333)**	**¥ (6)**

Thousands of U.S. dollars (Note 3)

	Number of Shares of Common Stock	Common Stock	Capital Reserve	Legal Reserve (Note 7)	Retained Earnings (Note 7)	Difference on Revaluation of Other Marketable Securities	Foreign Currency Translation Adjustments	Treasury Stock
Balance at March 31, 2001	**399,167,695**	**$512,265**	**$711,124**	**$ —**	**$ 24,788**	**$ (7,152)**	**$(486,236)**	**$ (7)**
Net income	—	—	—	—	**39,760**	—	—	—
Cash dividends	—	—	—	—	**(20,968)**	—	—	—
Bonuses to directors and corporate auditors	—	—	—	—	**(495)**	—	—	—
Transfer to legal reserve	—	—	—	—	—	—	—	—
Common stock issued on conversion of convertible bonds	—	—	—	—	—	—	—	—
Prior year tax effect adjustment	—	—	—	—	—	—	—	—
Other	—	—	—	—	**(7,257)**	**(5,748)**	**85,990**	**(38)**
Balance at March 31, 2002	**399,167,695**	**$512,265**	**$711,124**	**$ —**	**$ 35,828**	**$(12,900)**	**$(400,246)**	**$(45)**

The accompanying notes to consolidated financial statements are an integral part of these statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended March 31, 2002, 2001 and 2000

	Millions of yen			Thousands of U.S. dollars (Note 3)
	2002	2001	2000	2002
Cash Flows from Operating Activities:				
Income (loss) before income taxes	¥ 12,949	¥ 22,387	¥ (6,612)	$ 97,178
Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
Depreciation and amortization	24,385	22,149	22,160	183,002
Adjustment for consolidation	1,192	1,533	2,866	8,946
Interest and dividend income	(630)	(444)	(1,010)	(4,728)
Interest paid	5,673	7,553	7,897	42,575
Losses on sales and disposals of property, plant and equipment	365	234	134	2,739
Loss on liquidation of affiliates	937	1,943	25,782	7,032
Decrease in notes and accounts receivable	5,691	1,941	9,631	42,709
(Increase) decrease in inventories	5,711	(3,660)	2,092	42,859
Increase (decrease) in notes and accounts payable	(4,660)	(4,808)	5,214	(34,972)
Other adjustments	(8,609)	1,469	1,856	(64,608)
Total adjustments	43,004	50,297	70,010	322,732
Interest and dividends received	598	444	983	4,488
Accrued interest	(4,597)	(7,587)	(7,763)	(34,499)
Income tax payable	(4,988)	(3,621)	(2,941)	(37,433)
Other, net	—	(1,201)	—	—
Net cash provided by operating activities	34,017	38,332	60,289	255,288
Cash Flows from Investing Activities:				
Expenditure for purchase of property, plant and equipment	(26,245)	(39,877)	(19,504)	(196,961)
Proceeds from sales of property, plant and equipment	1,409	631	113	10,574
Expenditure for purchase of shares in subsidiaries	(53)	—	(43)	(398)
Proceeds from sales of shares in subsidiaries	0	5,215	5,147	0
Increase (decrease) in investments and advances	(19)	992	(1,165)	(143)
Other, net	562	(60)	2,154	4,218
Net cash used in investing activities	(24,346)	(33,099)	(13,298)	(182,710)
Cash Flows from Financing Activities:				
Repayment of long-term debt	(5,326)	(18,189)	(58,637)	(39,970)
Cash dividends paid	(2,794)	(2,794)	(2,794)	(20,968)
Cash dividends paid to minority shareholders	(31)	(27)	(28)	(233)
Other, net	(166)	3,872	(10,306)	(1,246)
Net cash used in financing activities	(8,317)	(17,138)	(71,765)	(62,417)
Effect of Exchange Rate Changes	668	(597)	(981)	5,014
Net increase (decrease) in cash and cash equivalents	2,022	(12,502)	(25,755)	15,174
Cash and Cash Equivalents at Beginning of Year	11,930	24,432	50,187	89,531
Cash and Cash Equivalents at End of Year	¥ 13,952	¥ 11,930	¥ 24,432	$ 104,705

The accompanying notes to consolidated financial statements are an integral part of these statements.

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

1. Basis of Presenting Financial Statements

The accompanying consolidated financial statements of Minebea Co., Ltd. (the "Company"), and its consolidated domestic and overseas subsidiaries are stated in Japanese yen, the accounts of which are maintained in accordance with generally accepted accounting principles in the respective countries and audited by independent auditors in those countries.

The accompanying consolidated financial statements have been prepared from the consolidated financial statements filed with the Ministry of Finance in Japan as required by the Securities and Exchange Law of Japan, in accordance with accounting principles and practices generally accepted in Japan, which may differ in some material respects from accounting principles and practices generally accepted in countries and jurisdictions other than Japan. For the purpose of this annual report, certain reclassifications have been made and additional information provided to present the accompanying consolidated financial statements in a format that is familiar to readers outside Japan.

2. Summary of Significant Accounting Policies

a) Principles of consolidation

The accompanying consolidated financial statements include the accounts of the Company and all significant subsidiaries. All significant inter-company balances, inter-company transactions and unrealized profits have been eliminated in consolidation.

b) Translation of foreign currencies

Monetary assets and liabilities denominated in overseas currencies are translated into yen at the exchange rates prevailing at the balance sheet date, except for certain accounts that were hedged by forward exchange contracts. The resulting exchange losses and gains are charged or credited to income.

Financial statement items of consolidated overseas subsidiaries are translated into yen as follows:

Balance sheet items	Translated at the rates of exchange prevailing at the balance sheet date
Statement of income items	Translated at the average rate of exchange during the fiscal period

c) Cash equivalents

All highly liquid investments with a maturity of three months or less when purchased are considered to be "cash equivalents."

d) Allowance for doubtful receivables

With respect to the Company and its consolidated domestic subsidiaries, an allowance for doubtful receivables is determined by adding the estimated uncollectible amounts to an amount calculated using a set provision rate. Such allowance of consolidated overseas subsidiaries is generally provided for in the amount required for known uncollectible receivables.

Allowance for doubtful receivables applicable to consolidated subsidiary receivables is eliminated on consolidation on the balances of the allowance as of 2002 and March 31, 2001, were sufficient to cover the estimated uncollectible receivables.

e) Inventories

Inventories of the Company and its consolidated domestic subsidiaries are stated primarily at the moving average cost, and those of its consolidated foreign subsidiaries are stated at the lower of first-in, first-out cost or market, or at the lower of moving average cost or market.

Inventories as of March 31, 2002 and 2001, comprised the following:

	Millions of yen		*Thousands of U.S. dollars*
	2002	2001	**2002**
Merchandise and finished goods	**¥24,339**	¥24,739	**$182,657**
Work in process	**11,601**	12,916	**87,062**
Raw materials	**10,489**	11,522	**78,717**
Supplies	**3,458**	3,587	**25,951**
	¥49,887	¥52,764	**$374,387**

f) Property, plant and equipment

Property, plant and equipment is stated at cost. Depreciation of plant and equipment of the Company and its consolidated domestic subsidiaries is computed on the declining balance method based upon the estimated useful lives of the assets, whereas depreciation of plant and equipment of consolidated foreign subsidiaries is computed primarily on the straight-line method based upon the estimated lives of the assets. Maintenance and normal repair expenses are charged against income as incurred, while major renewals and improvements are capitalized.

g) Investments in securities

Investments in securities consist of equity securities of listed and unlisted companies. Securities held by the Company or its subsidiaries with quoted market values are stated at the lower of cost or market, based on the market closing price on March 31, 2002. Resulting valuation gains and losses are included, after the application of tax accounting, in shareholders' equity in the consolidated balance sheets. Those stocks with no quoted market value are stated at cost by the moving average method.

The aggregate cost and market value of securities held by the Company and its consolidated domestic subsidiaries as of March 31, 2002, were as follows:

	Millions of yen
Aggregate cost:	
Current	¥ —
Noncurrent	7,260
	¥7,260
Aggregate market value:	
Current	¥ —
Noncurrent	4,397
	¥4,397

h) Accounting for retirement benefits

On April 1, 2000, the Company and its consolidated subsidiaries adopted new accounting standards for retirement benefits. To facilitate the payment of retirement benefits to employees, the Company makes provisions based on the estimated total benefit payments and pension plan assets as of March 31, 2002. The adoption of new accounting standards generated a shortfall in provisions of ¥3,134 million, which will be written off over five years and included as an extraordinary expense in other income (expenses).

To facilitate the payment of retirement benefits to employees, the Company's overseas subsidiaries make provisions based on the amount payable at the end of the term.

i) Excess of cost over net assets acquired

Excess of cost over net assets acquired for business acquisitions was amortized, amounting to ¥1,192 million in fiscal 2002 and ¥1,533 million in fiscal 2001, respectively, on a straight-line basis over a period ranging from five to 40 years.

j) Reclassifications

Certain amounts in the prior years' financial statements have been reclassified to conform with the fiscal 2002 presentation.

3. Translation into U.S. Dollars

The accompanying financial statements are expressed in Japanese yen and, solely for the convenience of the reader, have also been translated into U.S. dollar amounts at the rate of ¥133.25=US$1, the approximate rate of exchange on March 31, 2002. The translations should not be construed as representations that the Japanese yen amounts have been, could have been or could in the future be converted into U.S. dollars.

4. Investments in Affiliates

Summarized financial information for all affiliates as of March 31, 2002 and 2001, and for the years then ended, is as follows:

	Millions of yen		*Thousands of U.S. dollars*
Financial Position	**2002**	2001	**2002**
Assets:			
Current assets	**¥ 726**	¥1,678	**$ 5,448**
Other assets, including property, plant and equipment	**157**	106	**1,178**
	¥ 883	¥1,784	**$ 6,626**
Liabilities and shareholders' equity:			
Current liabilities	**¥ 254**	¥ 964	**$ 1,906**
Long-term liabilities	**11**	20	**83**
Shareholders' equity	**618**	800	**4,638**
	¥ 883	¥1,784	**$ 6,627**

	Millions of yen		*Thousands of U.S. dollars*
Operations	**2002**	2001	**2002**
Net sales	**¥1,903**	¥1,632	**$14,281**
Cost and expenses	**1,922**	1,618	**14,424**
Net income (loss)	**¥ (19)**	¥ 14	**$ (143)**

Summarized below are the significant transactions of the Company and its consolidated subsidiaries with affiliates for the years ended March 31, 2002 and 2001, and the related account balances as of March 31, 2002 and 2001:

	Millions of yen		*Thousands of U.S. dollars*
	2002	2001	**2002**
Transactions:			
Sales	**¥239**	¥329	**$1,794**
Purchases	**2**	8	**15**
Account balances:			
Notes and accounts receivable	**25**	412	**188**
Notes and accounts payable	**1**	1	**8**

5. Short-Term Loans and Long-Term Debt

Short-term loans outstanding consist of notes payable to banks, principally due in 30 to 180 days. The average annual interest rates for short-term loans were 2.8% and 3.5% for the years ended March 31, 2002 and 2001, respectively.

The aggregate annual maturities of long-term debt outstanding as of March 31, 2002, are as follows:

	Millions of yen	*Thousands of U.S. dollars*
2003	**¥41,843**	**$314,018**
2004	**10,830**	**81,276**
2005	**48,062**	**360,690**
2006	**5,320**	**39,925**
2007 and thereafter	**15,000**	**112,570**

The following is a summary of terms of conversion and redemption of convertible bonds and exercise of warrants:

	Exercise or conversion price per share of common stock as of March 31, 2002	*Exchange rate applicable upon conversion*	*Exercise of warrants or redemption at the option of the Company*
0.8% unsecured convertible bonds payable in Japanese yen due 2003	¥ 852.00	—	On or after April 1, 2001, at 102% to 100% of principal amount
0.65% unsecured convertible bonds payable in Japanese yen due 2005	¥ 972.00	—	On or after April 1, 2002, at 103% to 100% of principal amount
1.55% unsecured bonds with warrants payable in Japanese yen due 2005	¥1,350.00	—	Exercisable into common stock between May 20, 2003 and September 30, 2005

Note: Exercise or conversion prices are subject to adjustments in certain events such as stock dividends, free share distributions and combinations or reclassifications of the common stock. If all outstanding bonds, notes and warrants were converted or exercised as of March 31, 2002, 47,044,547 shares of common stock would have been issued.

Long-term debt as of March 31, 2002 and 2001, consisted of the following:

	Millions of yen		*Thousands of U.S. dollars*
	2002	2001	**2002**
0.8% unsecured convertible bonds payable in Japanese yen due 2003	**¥ 13,823**	¥ 13,823	**$103,737**
0.65% unsecured convertible bonds payable in Japanese yen due 2005	**27,080**	27,080	**203,227**
2.0% unsecured bonds payable in Japanese yen due 2003	**10,000**	10,000	**75,047**
2.85% unsecured bonds payable in Japanese yen due 2005	**10,000**	10,000	**75,047**
3.0% unsecured bonds payable in Japanese yen due 2008	**15,000**	15,000	**112,570**
1.55% unsecured bonds with warrants payable in Japanese yen due 2005	**4,000**	4,000	**30,019**
0.4% to 7.6% loans from banks, other	**41,152**	42,533	**308,832**
	121,055	122,436	**908,479**
Less current portion	**41,843**	3,807	**314,018**
	¥ 79,212	¥118,629	**$594,461**

6. Income Taxes

The Company and its consolidated domestic subsidiaries are subject to a number of different taxes based on income, which in the aggregate indicate an effective statutory rate of 40% for fiscal 2002 and 2001.

The income taxes of consolidated overseas subsidiaries are generally levied at lower rates than those currently applied in Japan. In addition, consolidated subsidiaries in Thailand are granted a status by the Promotion of Investment Act, whereby earnings derived from the manufacture or sale of qualifying products are fully exempt from Thai income tax for a period of three to eight years.

Also, a consolidated subsidiary in China is granted a status by the Income Tax Law of the People's Republic of China for Enterprises with Foreign Investment and Foreign Enterprises, whereby earnings are fully exempt from China's income tax for two years starting from the first profit-making year and subject to 13.5% income tax rate for the following three years and after that subject to 27% income tax rate.

Provision (credit) has been made for deferred (prepaid) income taxes attributable to timing differences between recognition of income and expenses for financial reporting purposes for the Company's overseas subsidiaries. The income tax effect of these differences is not recognized for the Company and its domestic subsidiaries. However, in fiscal 2000 the Company and consolidated domestic subsidiaries recognized the timing difference because of the adoption of tax effect accounting in Japan. This income tax effect is recognized for timing differences resulting from elimination of inter-company profit and certain adjustments made in the accompanying consolidated financial statements.

The aggregate deferred (prepaid) income taxes of ¥17,664 million and ¥19,659 million as of March 31, 2002 and 2001, respectively, are included in deferred tax assets of current assets and investments and other assets in the accompanying consolidated balance sheets.

7. Shareholders' Equity

The Japanese Commercial Code provides that an amount equivalent to at least 10% of appropriation of retained earnings paid with respect to each financial period be appropriated to the legal reserve until such reserve equals 25% of the common stock. The legal reserve may be used to reduce a deficit or be transferred to the common stock account through suitable shareholder and/or director action. The capital surplus and legal reserve may also be drawn down up to an amount that equals 25% of the common stock. Owing to a change in consolidated accounting procedures in Japan, this reserve has been included in retained earnings (deficit) since fiscal 1999.

Appropriation of retained earnings with respect to cash dividends, bonuses to directors and corporate auditors, and transfer to the legal reserve are subject to the approval of the general shareholders' meeting. The accompanying consolidated financial statements reflect appropriations approved by shareholders subsequent to the fiscal years ended March 31, 2002 and 2001, respectively.

Owing to the application of accounting standards for financial instruments in Japan, valuation losses on marketable securities are now included in shareholders' equity. In addition, in accordance with revisions to procedures for preparing consolidated financial statements in Japan, foreign currency translation adjustments, previously included in assets, are now included in shareholders' equity.

8. Per Share Data

Dividends per share shown in the consolidated statements of income have been presented on an accrual basis and include, in each fiscal year, dividends approved or to be approved after the fiscal year-end but applicable to the fiscal year.

Primary net income per share is based on the weighted average number of shares of common stock outstanding during the respective years.

Fully diluted net income per share is computed using the weighted average number of shares of common stock outstanding increased by the number of shares that would result from the conversion of all outstanding convertible bonds, the conversion of which would have a dilutive effect on net income per share. In calculating fully diluted net income per share, net income is adjusted, net of income taxes, by interest expense on the convertible bonds when such bonds are dilutive.

The number of shares used in calculating net income per share for the years ended March 31, 2002 and 2001, was as follows:

	Thousands of shares	
	2002	2001
Primary	**399,165**	399,163
Fully diluted	**443,249**	443,251

9. Litigation

As of March 31, 2002, there are no material claims outstanding or threatened against the Company or its consolidated subsidiaries.

10. Contingent Liabilities

The Company and its consolidated subsidiaries had no contingent liabilities as of March 31, 2002.

11. Industry Information

Minebea classifies its operations into three industry categories: machinery components, which includes bearings and bearing-related products, notably ball bearings, rod-end and spherical bearings and pivot assemblies, as well as other machinery components, such as fasteners, and special machinery components; electronic devices and components, encompassing rotary components and other electronic devices and components, primarily PC keyboards, speakers, FDD subassemblies and switching power supplies; and consumer and others, comprising the import and sale of furniture and interior decor products.

The following table presents certain information regarding the Company's performance by industry category at March 31, 2002, and for the year then ended:

Performance by Industry Category in Fiscal 2002

Millions of yen

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

The following tables present certain information regarding the Company's performance by region at March 31, 2002 and 2001, and for the years then ended:

Performance by Region in Fiscal 2002

Millions of yen

Year ended March 31, 2002	*Japan*	*Asia (excluding Japan)*	*North and South America*	*Europe*	*Total before Eliminations*	*Eliminations*	*Total*
Sales to external customers	**¥ 83,705**	**¥ 95,884**	**¥63,569**	**¥36,186**	**¥279,344**	**¥ —**	**¥279,344**
Internal sourcing	**92,865**	**107,444**	**3,508**	**4,549**	**208,366**	**(208,366)**	**—**
Total sales	**176,570**	**203,328**	**67,077**	**40,735**	**487,710**	**(208,366)**	**279,344**
Operating expenses	**175,803**	**185,941**	**65,109**	**38,885**	**465,738**	**(208,366)**	**257,372**
Operating income	**767**	**17,387**	**1,968**	**1,850**	**21,972**	**—**	**21,972**
Assets	**195,305**	**201,541**	**38,088**	**25,194**	**460,128**	**(110,091)**	**350,037**

Performance by Region in Fiscal 2001

Millions of yen

Year ended March 31, 2001	*Japan*	*Asia (excluding Japan)*	*North and South America*	*Europe*	*Total before Eliminations*	*Eliminations*	*Total*
Sales to external customers	¥111,643	¥ 82,437	¥58,192	¥34,773	¥287,045	¥ —	¥287,045
Internal sourcing	95,003	108,712	1,597	3,450	208,762	(208,762)	—
Total sales	206,646	191,149	59,789	38,223	495,807	(208,762)	287,045
Operating expenses	194,840	173,787	58,462	35,741	462,830	(208,762)	254,068
Operating income	11,806	17,362	1,327	2,482	32,977	—	32,977
Assets	212,827	183,118	38,821	25,191	459,957	(112,992)	346,965

The following tables present certain information regarding the Company's overseas sales for the years ended March 31, 2002 and 2001:

Overseas Sales in Fiscal 2002

Millions of yen

Year ended March 31, 2002	*To Asia (excluding Japan)*	*To North and South America*	*To Europe*	*Total*
Overseas sales	**¥96,758**	**¥60,733**	**¥38,832**	**¥196,323**
Total sales				**¥279,344**
Percentage of total sales	**34.6%**	**21.8%**	**13.9%**	**70.3%**

Overseas Sales in Fiscal 2001

Millions of yen

Year ended March 31, 2001	*To Asia (excluding Japan)*	*To North and South America*	*To Europe*	*Total*
Overseas sales	¥84,687	¥58,203	¥34,564	¥177,454
Total sales				¥287,045
Percentage of total sales	29.5%	20.3%	12.0%	61.8%

The Board of Directors
Minebea Co., Ltd.

We have examined the consolidated balance sheets of Minebea Co., Ltd., and its consolidated subsidiaries as of March 31, 2002 and 2001, and the related consolidated statements of income, shareholders' equity and cash flows for each of the three years in the period ended March 31, 2002, all expressed in Japanese yen. Our examinations were made in accordance with generally accepted auditing standards in Japan and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the consolidated financial statements referred to above present fairly the financial position of Minebea Co., Ltd., and its consolidated subsidiaries as of March 31, 2002 and 2001, and the results of their operations and their cash flows for each of the three years in the period ended March 31, 2002, in conformity with accounting principles generally accepted in Japan.

The accompanying consolidated financial statements as of and for the year ended March 31, 2002, have been translated into U.S. dollars for convenience only. In our opinion, this translation has been made on the basis set forth in Note 3 of the notes to consolidated financial statements.

Tokyo, Japan
June 27, 2002

Shin Nihon & Co.

Shin Nihon & Co.
Certified Public Accountants

See Note 1 to the consolidated financial statements, which explains the basis of preparing the consolidated financial statements of Minebea Co., Ltd., under Japanese accounting principles and practices.