1. Basis of Presenting Financial Statements

The accompanying consolidated financial statements of Minebea Co., Ltd. (the "Company"), and its consolidated domestic and foreign subsidiaries are stated in Japanese yen. The accounts of the Company and its consolidated domestic and foreign subsidiaries are maintained in accordance with the accounting principles generally accepted in the respective countries and audited by independent auditors in those countries. The Company has made necessary adjustments to its consolidated accounting process regarding foreign subsidiaries in accordance with the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ Practical Issues Task Force (PITF) No. 18, issued on May 17, 2006), effective from the year ended March 31, 2009.

The accompanying consolidated financial statements have been compiled from the consolidated financial statements filed with the Ministry of Finance in Japan as required by the Financial Instruments and Exchange Act of Japan, in accordance with accounting principles generally accepted in Japan, which are different in certain respects to the application and disclosure requirements of International Financial Reporting Standards. 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 54 affiliated companies (49 consolidated subsidiaries, 1 equity method non-consolidated subsidiary, 4 equity method affiliates). All significant intercompany balances, intercompany transactions and unrealized profits have been eliminated in consolidation. The Company also has 1 non-consolidated subsidiary and 1 non-equity method affiliate.

During the year ended March 31, 2014, one consolidated subsidiary was established, shares of one consolidated subsidiary was acquired, one consolidated subsidiary was merged, one consolidated subsidiary was liquidated, and two consolidated subsidiaries were excluded from the scope of consolidation although equity method is applied. Non-consolidated subsidiaries are excluded from the scope of consolidation, as their operations are small, and their total assets, net sales, net income (amount equivalent to shares) and retained earnings (amount equivalent to shares), etc. do not have a significant impact on the consolidated financial statements.

For some consolidated subsidiaries whose fiscal year ends on December 31, provisional financial statements as of the Company's balance sheet date are prepared and used. However, for certain consolidated subsidiaries, financial statements as of the subsidiaries' balance sheet date are used. In this case, necessary adjustments are made for significant transactions between the subsidiary's balance sheet date and the Company's balance sheet date.

b) Translation of foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into Japanese yen at the exchange rates prevailing at the balance sheet date, except for those which are hedged by forward exchange contracts. Translation differences arising from the translation of the financial statements denominated in foreign currencies are recorded as minority interests in consolidated subsidiaries and foreign currency translation adjustments in net assets.

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

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

c) Cash equivalents

All highly liquid investments with an original maturity of 3 months or less are considered to be "cash equivalents."

d) Allowance for doubtful receivables

An allowance for doubtful receivables of the Company and its consolidated domestic subsidiaries is provided for normal receivables based on the historical write-off rate and for uncollectible receivables on a specific identification basis. An allowance for doubtful receivables of consolidated foreign subsidiaries is provided for estimated uncollectible receivables.

An allowance for doubtful receivables provided for consolidated subsidiaries' intercompany receivables is eliminated for consolidation purposes.

e) Inventories

Inventories of the Company and its consolidated domestic subsidiaries are stated at cost, as determined primarily by the moving average method, with balance sheet inventory amounts calculated using lowered book values and reflecting a potential decline in profitability.

Inventories of the Company's consolidated foreign subsidiaries are stated at the lower of cost or market. Cost is determined primarily by the moving average method.

Inventories as of March 31, 2014 and 2013, comprised the following:

Inventories

	Millions of yen	
	2014	2013
Merchandise and finished goods	**¥30,867**	¥27,142
Work in process	**17,157**	15,715
Raw materials	**11,046**	11,354
Supplies	**4,582**	4,023
	¥63,652	¥58,234

f) Tangible fixed assets

Tangible fixed assets are stated at acquisition cost. Depreciation of the Company and its consolidated domestic subsidiaries is computed primarily by the declining-balance method based upon the estimated useful lives of the assets. The estimated useful lives of fixed assets are predominantly 2 to 50 years for buildings and structures, 2 to 15 years for machinery and transportation equipment and 2 to 20 years for tools, furniture and fixtures. In contrast, depreciation of consolidated foreign subsidiaries is computed primarily by the straight-line method based upon the estimated useful lives of the assets. Maintenance and normal repair expenses are charged against income when incurred, while significant renewals and improvements are capitalized.

(Change of accounting policy)

As a result of the revision of the Corporation Tax Law effective from the year ended March 31, 2013, the Company and its consolidated domestic subsidiaries adopted the depreciation method based on the revised Corporation Tax Law for tangible fixed assets acquired on or after April 1, 2012.

This resulted in a decrease of ¥106 million in depreciation and increase of ¥106 million in operating income and income before income taxes and minority interest.

g) Investment securities

Investment securities consist of equity securities of listed and unlisted companies and government and corporate bonds, etc. Available-for-sale securities held by the Company and its domestic and foreign consolidated subsidiaries with readily determinable fair value are stated at the closing quoted market price on March 31, 2014 and 2013. Resulting valuation gains and losses are included, net of deferred taxes, in net assets in the consolidated balance sheets. The cost of securities sold is calculated using the moving average method. Those securities for which fair value is not readily determinable are stated at cost, as determined by the moving average method.

Available-for-sale securities

						Millions of yen
	2014			2013		
	Reported amount in balance sheet	*Acquisition cost*	*Difference*	*Reported amount in balance sheet*	*Acquisition cost*	*Difference*
Securities for which reported amounts in the balance sheet exceed acquisition cost						
Equity securities	**¥3,723**	**¥2,342**	**¥1,381**	¥3,654	¥2,453	¥1,201
Bonds	**3,841**	**3,831**	**10**	3,112	3,104	8
Securities for which reported amounts in the balance sheet do not exceed acquisition cost						
Equity securities	**303**	**377**	**(74)**	—	—	—
Bonds	**53**	**60**	**(7)**	5	8	(3)
Total	**¥7,920**	**¥6,610**	**¥1,310**	¥6,771	¥5,565	¥1,206

Unlisted equity securities are not included in the above, as they do not have quoted market prices, therefore it is extremely difficult to measure their fair value. The amount of unlisted equity securities as of March 31, 2014 and 2013 are ¥2,302 million and ¥2,302 million, respectively.

Available-for-sale securities sold during each fiscal year

Millions of yen

	2014			2013			2012		
	Amount of sale	*Gain on sale*	*Loss on sale*	*Amount of sale*	*Gain on sale*	*Loss on sale*	*Amount of sale*	*Gain on sale*	*Loss on sale*
Equity securities	**¥ 162**	**¥54**	**¥—**	¥ —	¥—	¥—	¥31	¥28	¥—
Bonds	**—**	**—**	**—**	237	—	—	—	—	—
Other	**1,095**	**—**	**—**	528	—	—	—	—	—
Total	**¥1,257**	**¥54**	**¥—**	¥765	¥—	¥—	¥31	¥28	¥—

Impaired securities

In the year ended March 31, 2012, the Company recorded ¥831 million of impairment losses on securities (¥831 million of available-for-sale securities).

Regarding impairment, the Company records impairment for all securities with fair values as of the year-end that have declined by 50% or more compared to their acquisition costs. For securities with fair values as of the year-end that have declined between 31% and 50%, the Company considers the recoverability of each security and records an impairment for amounts deemed necessary.

h) Accounting for retirement benefits

To provide for the payment of retirement benefit to employees, the Company and its consolidated domestic subsidiaries sponsor funded and unfunded defined benefit pension plans and defined contribution pension plans.

Defined benefit pension plans (funded) provide lump-sum payments or annuity based on salary and length of service.

Certain consolidated foreign subsidiaries sponsor funded and unfunded defined benefit pension plans or defined contribution pension plans.

To calculate the retirement benefit obligations, the Company and consolidated domestic subsidiaries use the straight-line attribution method to attribute expected retirement benefits to March 31, 2014 and 2013. To calculate the retirement benefit obligations, consolidated foreign subsidiaries use the benefit formula to attribute expected retirement benefits to March 31, 2014 and 2013.

Past service costs are amortized using the straight-line method over a period of 10 years.

Actuarial gains and losses are amortized using the straight-line method over a period of 5 years, from the period subsequent to the period in which they are incurred.

Unrecognized actuarial gains and losses and unrecognized past service costs are recognized as remeasurements of defined benefit plans in total accumulated other comprehensive income within the net assets section, after adjusting for tax effects.

(Change of accounting policy)

From the year ended March 31, 2014, the Company applied the “Accounting Standard for Retirement Benefits” (ASBJ Statement No. 26, issued on May 17, 2012) and the “Guidance on Accounting Standard for the Retirement Benefits” (ASBJ Guidance No. 25, issued on May 17, 2012), except for the provisions prescribed in the body of Paragraph 35 of the “Accounting Standard for Retirement Benefits” and the body of Paragraph 67 of the “Guidance on the Accounting Standard for Retirement Benefits.” As a result of this change, the amount calculated by deducting plan assets from retirement benefit obligations is recorded as net defined benefit liability, and unrecognized actuarial gains and losses and unrecognized past service costs is recorded as net defined benefit liability.

The application of the Accounting Standard and Guidance for Retirement Benefits are in accordance with the transitional treatment stipulated in Paragraph 37 of the “Accounting Standard for Retirement Benefits.” As of March 31, 2014, remeasurements of defined benefit plans in total accumulated other comprehensive income were adjusted for the impact of this change.

Consequently, ¥5,943 million was posted as “Net defined benefit liability” and total accumulated other comprehensive income decreased by ¥2,246 million as of March 31, 2014.

Net assets per share decreased by ¥6.01.

Retirement benefit plans

Projected benefit obligations and the components thereof as of March 31, 2013 are as follows:

Projected Benefit Obligations	Millions of yen 2013
Projected benefit obligations	¥(40,853)
Plan assets at fair value	28,752
Unfunded projected benefit obligations	(12,101)
Unrecognized past service costs	1,654
Unrecognized actuarial losses	3,331
Net amount recognized in the consolidated balance sheets	(7,116)
Prepaid pension costs	1,031
Accrued retirement benefits	¥ (8,147)

The components of retirement benefit costs for the years ended March 31, 2013 and 2012, are as follows:

	Millions of yen	
Retirement Benefit Costs	2013	2012
Service cost	¥1,256	¥1,371
Interest cost	1,354	1,195
Expected return on plan assets	(1,207)	(989)
Amortization of past service costs	330	332
Amortization of actuarial losses	2,096	1,479
Retirement benefit costs	3,829	3,388
Losses on settlement of retirement benefit plan	1,642	—
Contributions to defined contribution pension plans	192	187
Total	¥5,663	¥3,575

Assumptions used for calculation for the years ended March 31, 2013 and 2012, are as follows:

Assumptions Used for Calculation	2013	2012
Discount rate	mainly 1.1%	mainly 2.0%
Expected rate of return on plan assets	mainly 2.0%	mainly 2.0%

The movements of projected benefit obligations and plan assets for the year ended March 31, 2014, and the reconciliation of year-end balance and net defined benefit liability as of March 31, 2014, are as follows:

Movement of Projected Benefit Obligations	Millions of yen 2014
Projected benefit obligations at the beginning of the year	**¥40,853**
Service cost	**1,397**
Interest cost	**1,243**
Actuarial loss (gain)	**(764)**
Benefits paid	**(1,242)**
Past service cost (benefit)	**(15)**
Foreign currency translation adjustments	**2,399**
Others	**(275)**
Projected benefit obligations at the end of the year	**¥43,596**

Movement of Plan Assets	Millions of yen 2014
Plan assets at the beginning of the year	**¥28,752**
Expected return on plan assets	**1,209**
Actuarial gain (loss)	**1,135**
Contributions paid by the employer	**3,204**
Benefits paid	**(1,119)**
Foreign currency translation adjustments	**1,776**
Others	**(211)**
Plan assets at the end of the year	**¥34,746**

Net Defined Benefit Liability	*Millions of yen* 2014
Funded projected benefit obligations	¥37,736
Plan assets	(34,746)
	2,990
Unfunded projected benefit obligations	5,860
Total net liability in the consolidated balance sheet	8,850
Net defined benefit liability	8,850
Total net liability in the consolidated balance sheet	¥ 8,850

The components of retirement benefit costs for the year ended March 31, 2014, are as follows:

Retirement Benefit Costs	*Millions of yen* 2014
Service cost	¥1,397
Interest cost	1,243
Expected return on assets	(1,209)
Amortization of actuarial losses	1,433
Amortization of past service costs	340
Retirement benefit costs	3,204
Contributions to defined contribution pension plans	233
Total	¥3,437

The components of remeasurements of defined benefit plans as of March 31, 2014 (before tax), are as follows:

Remeasurements of Defined Benefit Plans	*Millions of yen* 2014
Unrecognized past service cost	¥1,324
Unrecognized actuarial loss (gain)	3,842
Total	¥5,166

The breakdown of plan assets by major categories as of March 31, 2014, is as follows:

Breakdown of Plan Assets	2014
Bonds	44%
Equity securities	27
Pooled funds	15
Assets insurance (General account)	7
Cash and cash equivalents	1
Other	6
Total	100%

In determining the expected long-term rate of return on plan assets, the Company considers the current and projected asset allocations, as well as the current and expected long-term rate of return from various categories of the plan assets.

Assumptions used for calculation for the year ended March 31, 2014, are as follows:

Assumptions Used for Calculation	2014
Discount rate	mainly 1.1%–4.4%
Expected long-term rate of return on plan assets	mainly 2.0%–6.8%

i) Leases

Non-cancellable finance lease transactions, except for those that stipulate the transfer of ownership of leased property to the lessee, are depreciated using the straight-line method, whereby the lease term is the useful life of the asset and the residual value is zero.

j) Hedge accounting

Method of hedge accounting

The Company adopts the deferred hedge method. The Company, however, adopts the allocation method to account for the forward exchange contracts for foreign currency-denominated receivables and payables if the requirements for the allocation method are met. The Company also adopts the special method to account for the interest rate swaps, which meet the requirements of special accounting.

Hedging vehicles and hedged items

(Hedging vehicles)

Forward exchange contracts

Interest rate swaps

(Hedged items)

Monetary receivables and payables in foreign currency

Anticipated transaction in foreign currencies

Interest rates on borrowings

Hedge policy

Under the guidance of its Corporate Finance Department, the Company enters into forward exchange contracts to hedge risks related to foreign exchange fluctuations arising from export and import transactions, and from lending in foreign currencies. The Company also enters into interest rate swaps to hedge fluctuation risks related to interest rates on borrowings.

Method of assessing hedge effectiveness

Regarding forward exchange contracts, in principle, the Company conforms critical terms of such contracts to those of foreign currency-denominated receivables and payables upon closing of forward exchange contracts in accordance with the risk management policy, and confirms that exchange rate fluctuations, etc. can be offset at the inception of hedging and continuously thereafter.

Also, regarding interest rate swaps, the Company assesses hedge effectiveness based upon the fulfillment of the requirements for special accounting.

k) Goodwill

Excess of the purchase price over net assets acquired in business acquisitions for the Company and its consolidated subsidiaries is amortized on a straight-line basis over a period of 10 years. Amortization for the years ended March 31, 2014, 2013 and 2012, were ¥618 million, ¥1,148 million and ¥1,332 million, respectively.

In the year ended March 31, 2014, other expenses included amortization of goodwill of ¥300 million, resulting from the revaluation of investments in Daiichi Seimitsu Sangyo Co., Ltd., a consolidated subsidiary of the Company. Furthermore, in the year ended March 31, 2013, other expenses included amortization of goodwill of ¥621 million, resulting from the revaluation of investments in Minebea Motor Manufacturing Corporation and NMB Mechatronics Co., Ltd., consolidated subsidiaries of the Company.

l) Accounting standard for accounting changes and error corrections

For accounting changes and error corrections after April 1, 2011, the Company has applied the “Accounting Standard for Accounting Changes and Error Corrections” (ASBJ Statement No. 24, issued on December 4, 2009) and the “Guidance on Accounting Standard for Accounting Changes and Error Corrections” (ASBJ Guidance No. 24, issued on December 4, 2009).

m) Reclassifications

Certain reclassifications of previous years’ figures have been made to conform with the current year’s classification.

n) Accounting standards, etc. that are not applied herein

(Accounting standard for retirement benefits, etc.)

“Accounting Standard for Retirement Benefits” (ASBJ Statement No. 26, issued on May 17, 2012)

“Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25, issued on May 17, 2012)

Outline
Accounting procedures have been changed for unrecognized actuarial gains or losses and unrecognized past service costs. Revisions were also made to the calculation method, scope of disclosure, etc. for retirement benefit obligations and service costs.

Effective dates
Revisions relating to the calculation of retirement benefit obligations and service costs will become effective from the beginning of the year ending March 31, 2015.

No retrospective application to financial statements in prior periods will be made due to the fact that transitional measures are allowed in the application of these accounting standards.

Effect of application of these accounting standards
Due to the revision of calculation method for retirement benefit obligations and service costs, retained earnings as of April 1, 2014 will decrease by ¥237 million.

(Accounting standard for business combinations, etc.)
"Accounting Standard for Business Combinations"
(ASBJ Statement No. 21, revised on September 13, 2013)
"Accounting Standard for Consolidated Financial Statements"
(ASBJ Statement No. 22, revised on September 13, 2013)
"Accounting Standard for Business Divestitures"
(ASBJ Statement No. 7, revised on September 13, 2013)
"Accounting Standard for Earnings Per Share"
(ASBJ Statement No. 2, revised on September 13, 2013)
"Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, revised on September 13, 2013)
"Guidance on Accounting Standard for Earnings Per Share"
(ASBJ Guidance No. 4, revised on September 13, 2013)

Outline
Revisions to these accounting standards and guidelines were made primarily concerning (1) treatment of a parent company's interest after additional acquisition of shares in a subsidiary that does not result in change of control; (2) treatment of acquisition-related expenses; (3) change in presentation of net income as well as a change from minority interest to non-controlling interest; and (4) treatment of provisional accounting treatment.

Effective dates
These revisions will become effective from the beginning of the year ending March 31, 2016.

Treatment of provisional accounting treatment will become applicable for business combinations after the beginning of the year ending March 31, 2016.

Effect of application of these accounting standards
The effect of the revisions are under assessment at the time of the preparation of the consolidated financial statements.

o) Investigations by Korean, Singaporean and the U.S. competition authorities
Certain consolidated subsidiaries are primarily responding to investigations made by Korean, Singaporean and the U.S. competition authorities on suspicion of attempted violation of relevant competition laws in those countries in relation to the dealing in the miniature ball baring products. It is difficult to predict whether or not there would be a material impact on the operating results etc. of the Group at this point in time.

3. Short-Term and Long-Term Debt

Short-term debt consists of short-term loans from banks, principally due in 30 to 180 days. The weighted average interest rates of short-term loans as of March 31, 2014 and 2013 are 0.77% and 1.25%, respectively.

Short-term debt as of March 31, 2014 and 2013, consists of the following:

	Millions of yen	
	2014	2013
Short-term loans	**¥48,794**	¥65,966
Total	**¥48,794**	¥65,966

Long-term debt as of March 31, 2014 and 2013, consists of the following:

	Millions of yen	
	2014	2013
0.68% unsecured bonds payable in Japanese yen due December 2016	**¥ 10,000**	¥ 10,000
0.60% convertible bond-type unsecured bonds payable in Japanese yen with stock acquisition rights due February 2017	**7,700**	7,700
5.00% bonds with subscription rights to shares due November 2015	**—**	204
Loans from banks, etc.		
Years ended March 31		
2014—0.42% to 6.00%		
2013—0.42% to 1.91%	**82,004**	86,542
Lease obligations	**456**	591
	100,160	105,037
Less: current portion	**15,451**	19,482
	¥ 84,709	¥ 85,555

The aggregate annual maturities of long-term debt outstanding as of March 31, 2014, are as follows:

	Millions of yen
2015	**¥ 15,451**
2016	**20,238**
2017	**28,995**
2018	**16,015**
2019 and thereafter	**19,461**
	¥100,160

4. Impairment of Fixed Assets

The asset groups for which the Company and its consolidated subsidiaries recognized impairment losses for the years ended March 31, 2014, 2013 and 2012, are as follows:

Overview of asset groups for which impairment losses were recognized

Use	*Business/location*	*Type of assets*	**2014**	2013	2012
			Millions of yen		
Idle assets	2 facilities, which are former Ichinoseki Plant and former Kanegasaki Plant (Ichinoseki City, Iwate Prefecture and others)	Land	**¥ 12**	¥ 12	¥ 14
		Total	**12**	12	14
Operational assets	Fan motor business (Shanghai, China and others)	Machinery and transportation equipment	**964**	104	—
		Tools, furniture and fixtures	**—**	26	—
		Total	**964**	130	—
	Inverter business (Lopburi, Thailand)	Buildings and structures	**0**	—	—
		Machinery and transportation equipment	**93**	—	—
		Tools, furniture and fixtures	**0**	—	—
		Total	**93**	—	—
	Small motor business (South Korea and others)	Machinery and transportation equipment	**32**	—	—
		Tools, furniture and fixtures	**5**	—	—
		Total	**37**	—	—
	Speaker business (Taiwan and others)	Buildings and structures	**1**	1	—
		Machinery and transportation equipment	**—**	20	—
		Tools, furniture and fixtures	**—**	11	—
		Software	**1**	—	—
		Total	**2**	32	—
	HDD Spindle motor business (Ayutthaya, Thailand)	Buildings and structures	**—**	423	—
		Machinery and transportation equipment	**—**	993	—
		Tools, furniture and fixtures	**—**	520	—
		Total	**—**	1,936	—
	Vibration motor business (Zhuhai, China and others)	Buildings and structures	**—**	—	2
		Machinery and transportation equipment	**—**	79	166
		Tools, furniture and fixtures	**—**	209	62
		Total	**—**	288	230
	In-house motor parts production business (Malaysia and others)	Buildings and structures	**—**	18	—
		Machinery and transportation equipment	**—**	355	—
		Tools, furniture and fixtures	**—**	130	—
		Total	**—**	503	—
	Keyboard business (Shanghai, China)	Buildings and structures	**—**	—	2
		Machinery and transportation equipment	**—**	—	255
		Tools, furniture and fixtures	**—**	—	20
		Total	**—**	—	277
	In-house raw material production business (Ayutthaya, Thailand)	Buildings and structures	**—**	—	12
		Machinery and transportation equipment	**—**	—	237
		Tools, furniture and fixtures	**—**	—	5
		Total	**—**	—	254
Total			**¥1,108**	¥2,901	¥775

Asset grouping method

Assets are generally grouped at the lowest level that generates independent cash flows, based on the business segmentation.

Reason for impairment losses having been recognized

The idle assets (land) for which impairment losses were recognized for the years ended March 31, 2014, 2013 and 2012 do not have an effective utilization plan, and their land prices dropped significantly.

Regarding operational assets (buildings and structures, machinery and equipment, tools, furniture and fixtures, and software), impairment losses were recognized, as their future cash flows were below book values of the asset groups, due to decreases in profitability, downsizing of business, or decreases in utilization resulting from deterioration in business environment, etc., and reduced to their recoverable amounts based on value in use.

In the year ended March 31, 2014, ¥132 million (of which ¥93 million for the inverter business, ¥37 million for the small motor business and ¥2 million for the speaker business) was included in "Business restructuring losses."

In the year ended March 31, 2013, ¥953 million (of which ¥130 million for the fan motor business, ¥288 million for the vibration motor business, ¥503 million for the in-house motor parts production business and ¥32 million for the speaker business) was included in "Business restructuring losses."

In the year ended March 31, 2012, ¥484 million (of which ¥230 million for the vibration motor business and ¥253 million for the in-house motor parts production business) was included in "Business restructuring losses."

Calculation method of recoverable amounts

Idle assets are measured at net realizable value, based on real estate appraisal standards.

Certain operational assets are measured at net realizable value, based on appraisal value by a third party.

Other operational assets are measured at value in use, and the future cash flows of fan motor business for the year ended March 31, 2014 were discounted by 14.0%. The entire book value was recorded as impairment losses for other businesses in the year ended March 31, 2014, and for the years ended March 31, 2013 and 2012, as no positive future cash flows were expected.

5. Losses on disaster

In the year ended March 31, 2014, fixed costs during the low operation period of ¥220 million, and losses on disposal of inventories of ¥328 million due to the factory explosion at a consolidated subsidiary in the U.S. were recognized.

In the year ended March 31, 2013, due to the large scale flooding in Thailand, fixed costs during the low operation period of ¥1,715 million, and costs for disaster measures of ¥266 million were recognized.

In the year ended March 31, 2012, due to the large scale flooding in Thailand, fixed costs during the low operation period of ¥2,969 million, losses on disposal of fixed assets of ¥2,239 million, losses on disposal of inventories of ¥418 million, and costs for disaster measures of ¥2,218 million were recognized.

6. Business restructuring losses

In the year ended March 31, 2014, losses of ¥215 million related to the withdrawal from the inverter business, losses of ¥174 million related to the personnel cutbacks at a consolidated subsidiary in the U.S., losses of ¥158 million related to the withdrawal from the membrane business, and other losses of ¥203 million were recognized.

In the year ended March 31, 2013, losses of ¥1,255 million related to the closure of the coreless vibration motor business, losses of ¥568 million related to the rationalization of in-house motor parts production business, losses of ¥246 million related to the closure of the speaker business, and other losses of ¥558 million were recognized.

In the year ended March 31, 2012, losses of ¥893 million related to the downsizing of the keyboard business, losses of ¥427 million related to the deterioration of profitability in the vibration motor business, and losses of ¥283 million related to the partial closure of the raw material in-house production business were recognized.

7. Losses on settlement of retirement benefit plan

In the year ended March 31, 2013, settlement losses for partial settlement of a retirement benefit plan of consolidated subsidiaries in the U.S. were recognized.

8. Provision of allowance for doubtful receivables/bad debts written off

In the year ended March 31, 2013, estimated uncollectible receivables of ¥573 million and write-off of bad debts of ¥135 million were recognized, due to the fact that customer of Minebea Technologies Taiwan Co., Ltd., a consolidated subsidiary in Taiwan, has become substantially bankrupt.

9. Income Taxes

The Company and its consolidated domestic subsidiaries are subject to a number of different taxes based on income which, in the aggregate, resulted in an effective statutory rate of 38.0% for the years ended March 31, 2014 and 2013, and 39.0% for the year ended March 31, 2012.

The income taxes of consolidated foreign subsidiaries are generally levied at lower rates than those currently applied in Japan. In addition, consolidated subsidiaries in Thailand are granted a tax exempt 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 3 to 8 years.

The income tax effect is recognized for temporary differences resulting from elimination of intercompany profit and certain adjustments made in the accompanying consolidated financial statements.

Net deferred tax assets of ¥8,988 million and ¥10,413 million as of March 31, 2014 and 2013, respectively, are included in the accompanying consolidated balance sheets and are composed of the following:

	Millions of yen	
Deferred Tax Assets	**2014**	2013
Excess of allowed limit chargeable to accrued bonuses	**¥ 1,187**	¥ 1,024
Excess of allowed limit chargeable to accrued retirement benefits	**—**	1,798
Net defined benefit liability	**2,392**	—
Loss on revaluation of investment securities	**603**	618
Unrealized gains on sales of inventories	**1,084**	785
Unrealized gains on sales of fixed assets	**476**	535
Excess of allowed limit chargeable to depreciation	**2,323**	1,662
Impairment losses	**375**	403
Tax loss carryforwards	**8,070**	12,312
Foreign tax credit carryforwards	**—**	994
Other	**1,417**	2,493
Subtotal	**17,927**	22,624
Valuation allowance	**(6,466)**	(9,849)
Total deferred tax assets	**¥11,461**	¥12,775

	Millions of yen	
Deferred Tax Liabilities	**2014**	2013
Depreciation allowed to foreign subsidiaries	**¥ 504**	¥ 546
Differences on revaluation of available-for-sale securities	**314**	116
Reserve for reduction entry	**1,127**	1,127
Prepaid pension costs	**—**	387
Other	**528**	186
Total deferred tax liabilities	**2,473**	2,362
Net deferred tax assets	**¥8,988**	¥10,413

Net deferred tax assets are included in the accompanying consolidated balance sheets as follows:

	Millions of yen	
	2014	2013
Current assets—Deferred tax assets	**¥4,199**	¥ 5,649
Fixed assets—Deferred tax assets	**5,966**	5,423
Current liabilities—Other	**(9)**	(6)
Long-term liabilities—Other	**(1,168)**	(653)
Net deferred tax assets	**¥8,988**	¥10,413

The reconciliation of the statutory tax rate in Japan and the effective tax rates appearing in the consolidated statements of income for the years ended March 31, 2014, 2013 and 2012, is shown below:

	2014	2013	2012
Statutory tax rate in Japan	**38.0%**	38.0%	39.0%
Adjustments:			
Amortization of goodwill	**1.3**	13.8	9.4
Difference of tax rates applied to foreign subsidiaries	**(16.2)**	(28.7)	(48.7)
Foreign tax credit carryforwards	**3.7**	(5.2)	0.1
Valuation allowance	**(3.5)**	37.3	(0.6)
Effect of dividend income eliminated for consolidation	**6.0**	48.7	21.9
Dividend income and other items not included for tax purposes	**(5.8)**	(47.0)	(21.0)
Entertainment cost and other items not deducted for tax purposes	**0.5**	1.0	1.3
Withholding income taxes	**0.4**	21.3	12.8
Adjustments in year-end deferred tax assets due to tax rate changes	**0.8**	0.8	7.7
Differences in tax rates on special income tax for reconstruction	**0.5**	(1.4)	—
Other	**(1.7)**	(3.8)	0.8
Effective income tax rate	**24.0%**	74.8%	22.7%

Adjustment of deferred tax assets and deferred tax liabilities due to the change in corporate tax rate

"The Act for Partial Revision of the Income Tax Act, etc." (Act No. 10 of 2014) was promulgated on March 31, 2014. With this revision, the reconstruction corporate tax, a surtax for reconstruction funding after the Great East Japan Earthquake, will no longer be levied from the year beginning on or after April 1, 2014. In conjunction with this, for temporary differences expected to be reversed in the year beginning on April 1, 2014, the statutory effective tax rate used to calculate deferred tax assets and deferred tax liabilities was changed from the previous rate of 38.0% to 35.6%.

As a result of this tax rate change, the amount of deferred tax assets (net of deferred tax liabilities) as of March 31, 2014 has decreased by ¥204 million, while income taxes-deferred has increased by the same amount.

"The Act for Partial Revision of the Income Tax Act, etc. for the Purpose of Creating Taxation System Responding to Changes in Economic and Social Structures" (Act No. 114 of 2011) and the "Act on Special Measures for Securing Financial Resources Necessary to Implement Measures for Reconstruction from the Great East Japan Earthquake" (Act No. 117 of 2011) were promulgated on December 2, 2011. As a result, the corporate tax rate was lowered and a reconstruction corporate tax was imposed from the fiscal year beginning on or after April 1, 2012. Accordingly, the statutory tax rate, which is used to calculate deferred tax assets and deferred tax liabilities, will be reduced from the current 39.0–40.7% to 37.20–38.01% for temporary differences which are expected to reverse during the year beginning April 1, 2012 and the year beginning April 1, 2014, and to 34.83–35.64% for temporary differences which are expected to reverse in or after the year beginning April 1, 2015.

The changes in the tax rate resulted in a decrease in the amount of deferred tax assets (after deducting deferred tax liabilities) as of March 31, 2012 by ¥130 million, while increasing income taxes-deferred and differences on revaluation of available-for-sale securities by ¥131 million and ¥1 million, respectively.

On October 11, 2011, Thailand Cabinet approved a reduction of the corporate tax rate from 30% to 23% in the year 2012, and to 20% in the year 2013. Accordingly, the statutory tax rate of consolidated subsidiaries in Thailand, which is used to calculate deferred tax assets and deferred tax liabilities, will be reduced from the current 30% to 23% for temporary differences which are expected to reverse during the year beginning April 1, 2012, and 20% for temporary differences which are expected to reverse in or after the year beginning April 1, 2013. The changes in the tax rate resulted in a decrease in the amount of deferred tax assets (after deducting deferred tax liabilities) as of March 31, 2012 by ¥295 million, while increasing income taxes-deferred by the same amount.

10. Leases

Outstanding future lease payments for non-cancellable operating leases as of March 31, 2014 and 2013, are as follows:

	Millions of yen	
	2014	2013
Due within 1 year	**¥ 358**	¥ 252
Due after 1 year	**3,927**	1,713
Total	**¥4,285**	¥1,965

11. Financial Instruments

a) Qualitative information on financial instruments

Financial instrument policies

The Company procures necessary funds (mainly through bank loans and issuance of bonds) based on the capital investment plan. Temporary surplus funds are managed in highly liquid financial assets and short-term operating funds are procured through bank loans. Derivatives are utilized to avoid the risks mentioned below, and speculative trading is not undertaken.

Details of financial instruments and its risks

Notes and accounts receivable, which are trade receivables, are exposed to the credit risk of clients. On the other hand, trade receivables in foreign currencies produced in foreign business operations are subject to the risk of exchange rate fluctuations, although they are basically hedged using forward exchange contracts, other than those within the balance of the foreign currency trade accounts payable.

Securities and investment securities are bonds and equity securities of companies with business relations, and are categorized as available-for-sale securities. These securities are exposed to the risk of market price fluctuations. Long-term loans are generally provided to clients.

Notes and accounts payable, which are trade payables, are mostly due within 6 months. Foreign currency trade accounts payable are exposed to the risk of exchange rate fluctuations, but are hedged using forward exchange contacts, other than those within the balance of the foreign currency trade accounts receivable.

Borrowings, bonds, and lease obligations related to finance lease transactions primarily serve the purpose of financing for capital investment, and the redemption date is up to 5 years and 7 months from the balance sheet date. A portion of these are exposed to the risk of interest rate fluctuations, but are hedged by derivative transactions (interest rate swap transactions).

The convertible bond-type bonds with stock acquisition rights were issued to procure investment funds for M&A activities, and their redemption date is February 20, 2017.

Derivative transactions are forward exchange contracts executed for the purpose of hedging exchange rate fluctuation risk associated with trade receivables and payables in foreign currencies, interest rate swaps executed for the purpose of hedging interest rate fluctuation risk associated with bank loans, and copper price swaps to hedge price fluctuation risks for sale and purchase contracts of raw materials. With respect to hedging vehicles and hedged items, hedge policy and method of assessing hedge effectiveness, please refer to note “2. Summary of Significant Accounting Policies j) Hedge accounting.”

Risk management for financial instruments

• Management of credit risks (risks of clients’ failure to perform contracted obligations)
The Sales Division & Administration Department of the Company periodically monitors the status of major clients regarding trade receivables based on the Company’s credit management policies. It also reviews payment due dates and outstanding amounts per client each month, as well as revises credit ratings and credit limits every year for early detection and reduction of uncollectible receivables due to deteriorated financial conditions, etc. Similar management procedures are conducted at consolidated subsidiaries per the Company’s credit management policies.

As for bonds categorized as available-for-sale securities according to the fund management policy, these are U.S. Treasury securities held and corporate bonds held by the Korean subsidiary. The credit risks for U.S. Treasury securities are not considered significant and the value of the corporate bonds, etc. held by the Korean subsidiary is minor.

Derivative transactions are deemed to have only a remote credit risk since the Company limits such transactions to be only with counterparties it considers to be highly rated and reliable financial institutions.

• Management of market risks (fluctuation risks in exchange rates and interest rates, etc.)
In principle, the Company uses forward exchange contracts to hedge against fluctuation risks in foreign currency exchange rates by month and by currency for trade receivables and payables in foreign currencies. The Company also enters into forward exchange contracts for foreign currency-denominated receivables and payables that are certain to arise from anticipated export transactions. The Company enters into interest rate swap transactions to reduce risks of interest rate fluctuations from the repayment of its borrowings and bonds.

For securities and investment securities, fair values and the financial condition of issuing entities (client firms) are periodically reviewed.

Based on the approval of authorized personnel, the relevant department executes and manages derivative transactions according to the marketability risk management policies that specify transaction authorizations and transaction amount limits. The monthly transaction results are reported to the Company's executive officer in charge of Finance and Compliance Promotion Division.

Consolidated subsidiaries are also managed pursuant to the Company's market risk management policies.

• Management of liquidity risks in financing (risks of failure to pay by payment due date)
The Company manages liquidity risks through the maintenance of short-term liquidity. The relevant departments of the Company create and update cash flow plans as necessary based on reports from each department. Similar management is also implemented at consolidated subsidiaries.

Supplemental information on fair values of financial instruments
The fair values of financial instruments are based on market prices, and when market prices are not available, reasonably calculated amounts. Fluctuating factors are incorporated upon calculation of such amounts, therefore the amounts may vary when different assumptions are applied. The contracted amounts for derivative transactions mentioned in note "12. Derivatives" do not, in themselves, represent the market risks for the derivative transactions.

b) Fair values of financial instruments
The reported amounts in the consolidated balance sheet, fair values and their differences as of March 31, 2014 and 2013 are as follows, which does not contain items whose fair value was extremely difficult to measure.

Millions of yen

	2014			2013		
	Reported amount in balance sheet	*Fair value*	*Difference*	*Reported amount in balance sheet*	*Fair value*	*Difference*
Cash and cash equivalents	**¥ 29,031**	**¥ 29,031**	**¥ —**	¥ 28,223	¥ 28,223	¥ —
Time deposits	**9,685**	**9,685**	**—**	6,041	6,041	—
Notes and accounts receivable—trade	**74,340**	**74,340**	**—**	62,646	62,646	—
Securities and investment securities	**9,121**	**9,605**	**484**	6,771	6,771	—
Long-term loans receivable	**368**	**358**	**(10)**	122	122	—
Total assets	**¥122,545**	**¥123,019**	**¥474**	¥103,803	¥103,803	¥ —
Notes and accounts payable—trade	**29,898**	**29,898**	**—**	20,398	20,398	—
Short-term debt	**48,794**	**48,794**	**—**	65,966	65,966	—
Current portion of long-term debt	**15,250**	**15,357**	**107**	19,237	19,347	110
Long-term debt	**84,454**	**85,072**	**618**	85,209	86,014	805
Total liabilities	**¥178,396**	**¥179,121**	**¥725**	¥190,810	¥191,725	¥915
Derivative transactions*	**¥ (46)**	**¥ (46)**	**¥ —**	¥ (18)	¥ (18)	¥ —

* Net receivables and payables derived from derivative transactions are offset.

Calculation of fair values of financial instruments and matters related to securities and derivative transactions are as follows.

Assets
• Cash and cash equivalents • Time deposits • Notes and accounts receivable—trade
Book values are applied since these items are settled in a short period of time and their book values approximate fair values.
• Securities and investment securities
Fair values for equity securities are based on market prices while fair values for bonds are based on market prices or prices provided by financial institutions. Please refer to note "2. Summary of Significant Accounting Policies g) Investment securities" for the details of securities by each holding purpose.
• Long-term loans receivable
The sum of the principal and interest are discounted using the rate assumed when a similar loan is provided. Book values are applied for immaterial loans.

Liabilities
• Notes and accounts payable—trade • Short-term debt
Book values are applied since these items are settled in a short period of time and their book values approximate fair values.
• Current portion of long-term debt • Long-term debt
As for loans payable, book values are applied for those with floating interest rates since they are settled in a short period of time and their book values approximate fair values. For those with fixed interest rates, the sum of the principal and interest are discounted using the rate assumed when a similar borrowing is made.

As for bonds payable, convertible-bond-type bonds payable with stock acquisition rights, and bonds with subscription rights to shares with market prices are based on such market prices, and for those with no market prices, the sum of the principal and interest are discounted using the rate assumed when a similar issuance is made.

Derivative transactions
Please refer to note "12. Derivatives."

Financial instruments whose fair value is deemed extremely difficult to measure

	Millions of yen	
	2014	2013
	Reported amount in balance sheet	*Reported amount in balance sheet*
Unlisted stocks	**¥2,302**	¥2,302
Investments in subsidiaries	**19**	19
Investments in affiliates	**606**	—
Investments in capital of subsidiaries	**85**	85
Total	**¥3,012**	¥2,406

The above items are not included in "Securities and investment securities" as they do not have market prices and are deemed extremely difficult to measure their fair value.

Expected redemption amounts for monetary receivables and securities with maturities

	Millions of yen			
	2014			
	Within 1 year	*Over 1 year Within 5 years*	*Over 5 years Within 10 years*	*Over 10 years*
Cash and cash equivalents	**¥ 29,031**	**¥ —**	**¥—**	**¥—**
Time deposits	**9,685**	**—**	**—**	**—**
Notes and accounts receivable–trade	**74,340**	**—**	**—**	**—**
Securities and investment securities				
Available-for-sale securities with maturities	**1,184**	**2,610**	**—**	**—**
Long-term loans receivable	**—**	**347**	**21**	**0**
Total	**¥114,240**	**¥2,957**	**¥21**	**¥ 0**

	Millions of yen			
	2013			
	Within 1 year	*Over 1 year Within 5 years*	*Over 5 years Within 10 years*	*Over 10 years*
Cash and cash equivalents	¥28,223	¥ —	¥—	¥—
Time deposits	6,041	—	—	—
Notes and accounts receivable–trade	62,646	—	—	—
Securities and investment securities				
Available-for-sale securities with maturities	1,334	1,779	5	—
Long-term loans receivable	—	113	8	0
Total	¥98,244	¥1,892	¥13	¥ 0

Expected repayment and redemption for debt
Please refer to note "3. Short-Term and Long-Term Debt."

12. Derivatives

Derivative transactions for which hedge accounting is not applied as of March 31, 2014 are as follows:

Currency related

Off market trading

Type of transactions	Contracted amount (2014, Millions of yen)	Contracted amount exceeding 1 year	Fair value	Valuation gains and losses
Forward exchange transaction				
Sell				
U.S. dollars	¥4,972	—	¥(6)	¥(6)
Japanese yen	939	—	(8)	(8)
Forward exchange transaction				
Buy				
Chinese yuan	264	—	(0)	(0)

Note: Calculation of fair values
Fair values are calculated based on the prices provided by financial institutions.

Instruments related

Off market trading

Type of transactions	Contracted amount (2014, Millions of yen)	Contracted amount exceeding 1 year	Fair value	Valuation gains and losses
Swap transaction of copper prices				
Floating/fixed rate cash flow	¥96	¥—	¥(10)	¥(10)

Note: Calculation of fair values
Fair values are calculated based on the prices provided by financial institutions.

Derivative transactions for which hedge accounting is applied as of March 31, 2014 and 2013, are as follows:

Currency related

Allocation method of forward exchange contracts

Type of transactions	Major hedged items	Contracted amount (2014, Millions of yen)	Contracted amount exceeding 1 year	Fair value
Forward exchange transaction	Short-term loans receivable			
Sell				
U.S. dollars		¥ 5,912	¥—	¥ (35)
Forward exchange transaction	Short-term loans payable			
Buy				
Japanese yen		23,694	—	(234)
Forward exchange transaction	Accounts receivable–trade			
Sell				
U.S. dollars		3,479	—	(19)
Euro		558	—	(5)
Sterling pounds		24	—	(0)
Forward exchange transaction	Accounts payable–trade			
Buy				
U.S. dollars		1,019	—	10

Allocation method of forward exchange contracts

		Millions of yen		
		2013		
Type of transactions	*Major hedged items*	*Contracted amount*	*Contracted amount exceeding 1 year*	*Fair value*
Forward exchange transaction	Short-term loans payable			
Buy				
U.S. dollars		¥ 5,819	¥ —	¥ (78)
Japanese yen		33,412	—	(1,897)
Forward exchange transaction	Accounts receivable–trade			
Sell				
U.S. dollars		12,588	—	95
Euro		2,054	—	93
Sterling pounds		43	—	(0)
Japanese yen		692	—	21
Forward exchange transaction	Accounts payable–trade			
Buy				
U.S. dollars		2,061	—	(13)
Euro		75	—	(3)
Thai baht		273	—	(4)
Japanese yen		420	—	(22)

General accounting method

		Millions of yen		
		2014		
Type of transactions	*Major hedged items*	*Contracted amount*	*Contracted amount exceeding 1 year*	*Fair value*
Forward exchange transaction	Accounts receivable–trade			
Sell				
U.S. dollars		**¥16,540**	**¥—**	**¥9**
Euro		**2,862**	**—**	**2**
Sterling pounds		**57**	**—**	**0**
Japanese yen		**906**	**—**	**0**
Forward exchange transaction	Accounts payable–trade			
Buy				
U.S. dollars		**8,142**	**—**	**(42)**
Euro		**81**	**—**	**(1)**
Sterling pounds		**27**	**—**	**0**
Singapore dollars		**788**	**—**	**5**
Hong Kong dollars		**133**	**—**	**(0)**
Chinese yuan		**55**	**—**	**(0)**
Thai baht		**0**	**—**	**0**
Japanese yen		**657**	**—**	**(11)**

General accounting method

		Millions of yen		
		2013		
Type of transactions	*Major hedged items*	*Contracted amount*	*Contracted amount exceeding 1 year*	*Fair value*
Forward exchange transaction	Accounts receivable–trade			
Sell				
U.S. dollars		¥2,210	¥—	¥(23)
Euro		540	—	14
Sterling pounds		12	—	(0)
Japanese yen		387	—	4
Forward exchange transaction	Accounts payable–trade			
Buy				
U.S. dollars		874	—	0
Euro		58	—	(0)
Singapore dollars		610	—	(4)
Thai baht		0	—	0
Japanese yen		60	—	(1)

Millions of yen

Deferred hedge accounting

Type of transactions	Major hedged items	2014 Contracted amount	2014 Contracted amount exceeding 1 year	2014 Fair value
Forward exchange transaction	Anticipated transactions in foreign currencies (Accounts receivable–trade)			
Sell				
U.S. dollars		**¥7,949**	**¥—**	**¥(6)**
Euro		**1,147**	**—**	**(3)**
Sterling pounds		**53**	**—**	**(0)**
Japanese yen		**65**	**—**	**(0)**
Forward exchange transaction	Anticipated transactions in foreign currencies (Accounts payable–trade)			
Buy				
U.S. dollars		**755**	**—**	**1**
Sterling pounds		**21**	**—**	**(0)**
Singapore dollars		**515**	**—**	**(0)**
Japanese yen		**475**	**—**	**0**

Millions of yen

Deferred hedge accounting

Type of transactions	Major hedged items	2013 Contracted amount	2013 Contracted amount exceeding 1 year	2013 Fair value
Forward exchange transaction	Anticipated transactions in foreign currencies (Accounts receivable–trade)			
Sell				
U.S. dollars		¥6,990	¥—	¥(5)
Euro		1,017	—	(2)
Sterling pounds		33	—	(0)
Japanese yen		182	—	(0)
Forward exchange transaction	Anticipated transactions in foreign currencies (Accounts payable–trade)			
Buy				
U.S. dollars		459	—	0
Sterling pounds		2	—	(0)
Singapore dollars		363	—	0
Hong Kong dollars		66	—	(0)
Chinese yuan		51	—	(1)
Japanese yen		199	—	(0)

Note: Calculation of fair values

Fair values are calculated based on the prices provided by financial institutions.

Fair values of derivatives to which the allocation method of forward exchange contracts are applied are included in the fair values of short-term loans receivable, short-term loans payable, accounts receivable–trade, accounts payable–trade and others as they are accounted for as a single unit with their hedging vehicles.

Interest rate related

Special accounting for interest rate swaps

Type of transactions	Major hedged items	Millions of yen 2014 Contracted amount	Contracted amount exceeding 1 year	Fair value
Interest rate swap transaction Floating/fixed rate cash flow	Long-term loans payable	**¥60,600**	**¥52,850**	**¥(523)**

Special accounting for interest rate swaps

Type of transactions	Major hedged items	Millions of yen 2013 Contracted amount	Contracted amount exceeding 1 year	Fair value
Interest rate swap transaction Floating/fixed rate cash flow	Long-term loans payable	¥64,763	¥46,600	¥(651)

Note: Calculation of fair values
Fair values are calculated based on the prices provided by financial institutions.
Fair values of derivatives to which special accounting for interest rate swaps are applied are included in the fair values of long-term loans payable as they are accounted for as a single unit with their hedging vehicles.

13. Research and Development Expenses

Research and development expenses incurred by the Company and its consolidated subsidiaries are included in selling, general and administrative expenses and manufacturing costs.

Research and development expenses for the years ended March 31, 2014, 2013 and 2012, amounted to ¥8,561 million, ¥7,743 million and ¥7,490 million, respectively.

14. Shareholders' Equity

The Companies Act of Japan requires that an amount equivalent to 10% of cash dividends be appropriated as a legal reserve or as additional paid-in capital upon the payment of said cash dividends until the aggregate of the legal reserve and additional paid-in capital equals 25% of common stock. Under the Companies Act, the legal reserve and additional paid-in capital may be reversed without restriction on amount.

The Companies Act also provides that common stock, legal reserve, additional paid-in capital, other capital surplus and retained earnings may be transferred among the accounts under certain conditions by resolution of the ordinary general meeting of shareholders.

The maximum amount that the Company can distribute as dividends is calculated based on the non-consolidated financial statements of the Company in accordance with the Companies Act.

Dividends are not accrued in the consolidated financial statements for the corresponding period, but are recorded in the subsequent accounting period after shareholders' approval has been obtained.

As of March 31, 2014, retained earnings included year-end dividends of ¥1,868 million or ¥5 per share, which was approved at the ordinary general meeting of shareholders held on June 27, 2014.

15. Stock Options, etc.

a) Amounts expensed and account related to stock options

The amounts expensed and account related to stock options for the years ended March 31, 2014, 2013 and 2012, are as follows:

	Millions of yen 2014	2013	2012
Selling, general and administrative expenses (Share-based compensation expenses)	**¥9**	¥9	¥—

b) Contents, scale and changes in stock options
Contents of the stock options

	1st Stock Acquisition Rights Issued by Minebea Co., Ltd. in 2012
Classification and number of people to which stock acquisition rights were granted	Eight directors of the Company
Number of stock options by type of stock (Note)	47,000 shares of common stock
Grant date	July 17, 2012
Vesting conditions	No vesting conditions have been prescribed.
Service period	—
Exercise period	From July 18, 2012 to July 16, 2042

Note: Numbers indicated are converted into number of shares.

	2nd Stock Acquisition Rights Issued by Minebea Co., Ltd. in 2013
Classification and number of people to which stock acquisition rights were granted	Seven directors of the Company
Number of stock options by type of stock (Note)	42,000 shares of common stock
Grant date	July 16, 2013
Vesting conditions	No vesting conditions have been prescribed.
Service period	—
Exercise period	From July 17, 2013 to July 15, 2043

Note: Numbers indicated are converted into number of shares.

Scale and changes in stock options

Stock options outstanding during the year ended March 31, 2014 are covered, and the number of stock options are converted into number of shares.

①Number of stock option

	1st Stock Acquisition Rights Issued by Minebea Co., Ltd. in 2012	2nd Stock Acquisition Rights Issued by Minebea Co., Ltd. in 2013
Before vesting (shares)		
At the end of previous fiscal year	—	**—**
Granted	—	**42,000**
Lapsed	—	**—**
Vested	—	**42,000**
Not vested	—	**—**
Vested (shares)		
At the end of previous fiscal year	47,000	**—**
Vested	—	**42,000**
Exercised	15,000	**—**
Lapsed	—	**—**
Not exercised	32,000	**42,000**

②Unit price information

	1st Stock Acquisition Rights Issued by Minebea Co., Ltd. in 2012	2nd Stock Acquisition Rights Issued by Minebea Co., Ltd. in 2013
Exercise price (Yen)	1	**1**
Average stock price at the time of exercise (Yen)	367	**—**
Fair value as of the grant date (Yen)	251	**366**

c) Evaluation method of fair value per unit of stock options

Fair value per unit of the 2nd Stock Acquisition Rights Issued by Minebea Co., Ltd. in 2013 that were granted during the year ended March 31, 2014, was evaluated as follows:

①Appraisal method used: Black-Scholes model

②Major underlying figures and estimates

	2nd Stock Acquisition Rights Issued by Minebea Co., Ltd. in 2013
Volatility (Note 1)	**38.075%**
Expected residual period (Note 2)	**4.6 years**
Expected dividends (Note 3)	**¥7 per share**
Risk-free interest rate (Note 4)	**0.264%**

Notes: 1. Calculated based on the stock price performance in 4.6 years (from December 9, 2008 to July 16, 2013).
2. Estimate is based on the average expected length of service from the grant date to the retirement date as prescribed by the internal rules.
3. Based on the dividend paid for the year ended March 31, 2013.
4. Based on the transaction statistics of long-term interest-bearing government bonds announced by the Japan Securities Dealers Association, adopting the average of compound interest yields of issuances with redemption dates within three months before or after the expected residual period.

d) Method of estimating the number of vested stock options
As it is difficult to reasonably estimate the number of stock options forfeited in the future, the Company adopts the method that reflects the actual number of forfeitures.

16. Other Comprehensive Income

The amounts of reclassification adjustments and related tax effects included in other comprehensive income for the years ended March 31, 2014, 2013 and 2012, are as follows:

	Millions of yen		
	2014	2013	2012
Differences on revaluation of available-for-sale securities:			
Incurred in the current year	**¥ 161**	¥ 1,097	¥ (2)
Reclassification adjustment	**(54)**	—	600
Amount before tax effect adjustment	**107**	1,097	598
Amount of tax effect	**(42)**	(98)	(11)
Differences on revaluation of available-for-sale securities	**65**	999	587
Deferred gains or losses on hedges:			
Incurred in the current year	**(22)**	(20)	(4)
Reclassification adjustment	**21**	20	(4)
Amount before tax effect adjustment	**(1)**	(0)	(8)
Amount of tax effect	**0**	(0)	2
Deferred gains or losses on hedges	**(1)**	(0)	(6)
Foreign currency translation adjustments:			
Incurred in the current year	**9,954**	24,692	(793)
Reclassification adjustment	**—**	—	—
Amount before tax effect adjustment	**9,954**	24,692	(793)
Amount of tax effect	**387**	—	—
Foreign currency translation adjustments	**10,341**	24,692	(793)
Unfunded retirement benefit obligations of foreign subsidiaries:			
Incurred in the current year	**1,455**	(1,970)	(54)
Reclassification adjustment	**—**	1,642	—
Amount before tax effect adjustment	**1,455**	(328)	(54)
Amount of tax effect	**(415)**	114	19
Unfunded retirement benefit obligations of foreign subsidiaries	**1,040**	(214)	(35)
Shares of other comprehensive income of associates accounted for using equity method			
Incurred in the current year	**152**	—	—
Total other comprehensive income	**¥11,597**	¥25,477	¥(247)

17. 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 after the fiscal year-end but applicable to the fiscal year.

Basic net income per share is based on the weighted average number of shares of common stock outstanding during each fiscal year.

Diluted net income per share is calculated based on the weighted average number of shares of common stocks outstanding reflecting the increase in number of shares outstanding assuming that all the outstanding convertible bond-type bonds payable with stock acquisition rights and stock acquisition rights that have dilutive effects on net income per share are converted into common stock. When calculating diluted net income per share, net income is adjusted by the bond interest after deducting corporate income taxes.

The number of shares used in calculating net income per share for the years ended March 31, 2014, 2013 and 2012, is as follows:

	Thousands of shares		
	2014	2013	2012
Basic	**373,226**	373,699	379,014
Diluted	**393,448**	393,890	381,272

18. Cash Flow Information

In the year ended March 31, 2014, CEROBEAR GmbH was included in the scope of consolidation. The composition of assets and liabilities at acquisition, and the relation between acquisition cost and payments for/proceeds from acquisition are as follows:

	Millions of yen
	2014
Current Assets	**¥ 825**
Fixed Assets	**1,575**
Goodwill	**396**
Current Liabilities	**(424)**
Long-term Liabilities	**(464)**
Acquisition cost of CEROBEAR GmbH	**1,908**
Cash and cash equivalents of CEROBEAR GmbH	**20**
Less: payments for acquisition of CEROBEAR GmbH	**¥1,888**

In the year ended March 31, 2013, Moatech Co., Ltd. and its 7 consolidated subsidiaries were included in the scope of consolidation. The composition of assets and liabilities at acquisition, and the relation between acquisition cost and proceeds from acquisition are as follows:

	Millions of yen
	2013
Current Assets	¥ 9,354
Fixed Assets	3,620
Goodwill	10
Current Liabilities	(2,334)
Long-term Liabilities	(406)
Stock acquisition rights	(45)
Minority interests in consolidated subsidiaries	(5,730)
Acquisition cost of Moatech Co., Ltd.	4,469
Cash and cash equivalents of Moatech Co., Ltd.	4,825
Less: proceeds from acquisition of Moatech Co., Ltd.	¥ 356

19. Litigation

As of March 31, 2014, NMB-Minebea Thai Ltd., consolidated subsidiary located in Thailand, received (1) a revised assessment of income tax liability in the amount of 502 million baht on August 25, 2008; (2) another revised assessment of income tax liability in the amount of 125 million baht on August 25, 2010; (3) a third revised assessment of income tax liability in the amount of 101 million baht on August 11 and 22, 2011; (4) a fourth revised assessment of income tax liability in the amount of 71 million baht on July 2, August 8 and 17, 2012; (5) a fifth revised assessment of income tax liability in the amount of 366 million baht on April 5, 2013; and (6) a sixth revised assessment of income tax liability in the amount of 14 million baht on August 26, 2013 from the Revenue Department of the Kingdom of Thailand. The Company has not accepted these revised assessments, believing them to be unjust and without legal grounds, and regarding item (1), the Company took the case to the Tax Court of Thailand on August 25, 2009 following the petition to the Revenue Department, and regarding items (2), (3), (4), (5) and (6), the Company has petitioned the Revenue Department for redress.

Regarding item (1), the Company has substantially won the case as a result of the decision at the Tax Court of the Kingdom of Thailand on October 13, 2010, however the Revenue Department disagreed with this decision and appealed the case to the Supreme Court on December 9, 2010.

Payment of these amounts was made in subrogation on (1) September 22, 2008, (2) September 23, 2010, (3) August 16, 2011, (4) August 23, 2012, (5) April 26, 2013 and (6) September 16, 2013, respectively, using a surety bond from a bank with which the Company does business.

20. Contingent Liabilities

The Company and its consolidated subsidiaries had no material contingent liabilities as of March 31, 2014 and March 31, 2013.

21. Business Combination, etc.

Business Combination through Acquisitions

1. Outline of the business combination
   (1) Name of the acquired company and its business activities
   Name of the acquired company: CEROBEAR GmbH ("CEROBEAR")
   Business activities: Manufacture and sales of ceramic bearings and hybrid bearings for use in the aerospace industries, medical equipment, semiconductor manufacturing equipment and machine tools, etc.

   (2) Major reasons for the business combination
   A renowned world leader in the design, manufacturing and marketing of ceramic bearings incorporating highly advanced ceramic material technology and hybrid bearings employing high performance steel materials, CEROBEAR has gained a wealth of experience during the more than two decades it has been in business. CEROBEAR manufactures and markets special ceramic bearings and hybrid bearings in a host of sizes ranging from internal diameters of 5 mm to external diameters of 420 mm. Boasting outstanding high-speed, low-friction, and advanced anti-corrosive performance, these bearings have what it takes to excel under the toughest circumstances such as high temperatures and arid conditions. They can be found in everything from applications for the U.S., and European aerospace industries, medical equipment, semiconductor manufacturing equipment, machine tools, as well as food and beverage packaging devices to motorsport vehicles.
   Like CEROBEAR, New Hampshire Ball Bearings, Inc., a consolidated subsidiary in the U.S., has a unique advantage in supplying bearing products to the aerospace and medical industries while the European subsidiary, myonic GmbH, enjoys a competitive edge in providing special bearings used in dental and medical equipment as well as the aerospace industry. Once CEROBEAR's innovative ceramic technologies are put to work on the production line, the Company will be able to create new products targeted to the aerospace industry and broaden its product line-up. The Company is forging ahead with further development of its signature miniature and small-sized bearings as well as bearings designed especially for the aerospace industry with an eye to supplying products that will provide customers with the perfect solution while sharpening the Company's competitive edge.
   Since booming market demand is expected to fuel the growth of the U.S. and European aerospace industries, the Company decided to execute the business combination in order to enhance profitability as sales of the Company's aerospace products rise.

   (3) Effective date of the business combination
   July 1, 2013

   (4) Legal structure of the business combination
   Stock acquisition with cash consideration

   (5) Name of the company subsequent to the business combination
   CEROBEAR GmbH

   (6) Percentage of voting rights acquired

Percentage of voting rights immediately before the stock acquisition	—%
Percentage of voting rights to be acquired on the effective date of the business combination	100.0%
Percentage of voting rights subsequent to the stock acquisition	100.0%

   (7) Primary basis for determining the acquirer
   Due to the fact that the consolidated subsidiary, New Hampshire Ball Bearings, Inc., has acquired all of the voting rights of the acquired company through stock acquisition with cash considerations.

2. Period of result of operations of the acquired company to be included in the consolidated financial statements
   The result of operations from July 1, 2013 through March 31, 2014 have been included in the consolidated financial statements.

3. Acquisition cost of the acquired company and its details

	Millions of yen
Consideration for the acquisition	
Purchase price of shares (cash)	**¥1,908**
Acquisition cost	**¥1,908**

4. Amount of goodwill, source, amortization method and period
   (1) Amount of goodwill
   ¥396 million
   (2) Source of goodwill
   Primarily due to the excess earning power to be expected on account of the development capability of CEROBEAR.
   (3) Method and period of amortization
   Goodwill is equally amortized over a period of 10 years.

5. Amount of assets and liabilities received at the effective date of business combination and its details

	Millions of yen
Current Assets	¥ 825
Fixed Assets	1,575
Goodwill	396
Total assets	¥2,796
Current Liabilities	¥ 424
Long-term Liabilities	464
Total liabilities	¥ 888

6. Pro-forma information of effects on the consolidated statement of income assuming the business combination had been completed at the beginning of the current fiscal year, and the calculation method

	Millions of yen
Net sales	¥478
Operating income	29
Income before income taxes and minority interests	30

(Method for calculating pro-forma information)
The pro-forma information of effects on the consolidated statement of income was calculated as differences between net sales and income assuming the business combination had been completed as of the beginning of the current fiscal year, and net sales and income included in the consolidated statement of income. Pro-forma information is unaudited.

Transaction under common control, etc.

1. Outline of transactions, including details on the combining company and its lines of business, the business combination date, the legal form of business combination, the trade name of the combined company, and the purpose of the transactions
   (1) Combining company
   Minebea Motor Manufacturing Corporation
   (2) Lines of business activities
   Development, manufacturing, and sales of small motors for electrical appliances and information communication devices, and applied equipment and components
   (3) Business combination date
   April 2, 2013
   (4) Legal form of business combination
   Minebea Motor Manufacturing Corporation was dissolved in an absorption-type merger in which the Company became the surviving company.
   (5) Name of the company
   Minebea Co.,Ltd.

(6) Outline of transactions including the purpose of transactions

Minebea Motor Manufacturing Corporation was founded as a joint venture between the Company and Panasonic Corporation ("Panasonic") in the information motor business in April 2004, with 60% equity held by the Company and 40% equity held by Panasonic. When the joint venture terminated in February 2013, Minebea Motor Manufacturing Corporation became a wholly-owned subsidiary of the Company. The Company effected the absorption-type merger with a view to improving the efficient allocation of management resources and enhancing business efficiency in order to establish more robust management bases and further expanding businesses.

As the absorption-type merger was carried out for a wholly owned subsidiary of the Company, no new shares were issued and no common stock was added.

The size of the combining business as of March 31, 2013 is as follows.

	Millions of yen
Net sales	¥50,181
Net loss	(2,733)
Capital stock	11,500
Net assets	347
Total assets	13,183

2. Outline of accounting treatment

The Company accounted for the transaction as a transaction under common control in accordance with the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, revised on December 26, 2008) and the "Guidance on the Accounting Standard for Business Combinations and the Accounting Standard for Business Divestures" (ASBJ Guidance No.10, revised on December 26, 2008).

22. Segment Information, etc.

a) Segment information

Outline of reportable segments

The Company's reportable segments are components for which separate financial information is available and subject to periodic reviews in order for the Company's Board of Directors to determine the distribution of management resources and evaluate performance.

The Company establishes business divisions by product in key business centers, therein Machined Component Manufacturing Headquarters supervises the production of machined components, while Electronic Device and Component Manufacturing Headquarters oversees the manufacture of small-sized motors, electronic devices and components and optical products, etc. Each of such manufacturing headquarters formulates comprehensive domestic and overseas strategies regarding products in order to deploy its business activities. Therefore, the Company identifies two reportable segments consisting of "Machined components segment" and "Electronic devices and components segment."

Our core products in the "Machined components segment" are mechanical parts, such as ball bearings, rod-end bearings, pivot assemblies of HDDs, fasteners for automobile and aircraft, etc. The "Electronic devices and components segment" includes electronic devices and components (LCD backlights and measuring instruments, etc.) and a wide variety of motors such as spindle motors for HDDs, information motors (stepping motors, DC brushless motors, DC brush motors and fan motors), and precision motors as well as special components, etc. From the year ended March 31, 2014, due to organizational changes aimed at enhancing management efficiency and improving the speed of business judgment, our reportable segments consist of two segments including "Machined components segment" and "Electronic devices and components segment", in place of three segments consisting of "Machined components segment", "Rotary components segment" and "Electronic devices and components segment."

For the segment information for the year ended March 31, 2013, the Company has disclosed such information based on the reportable segments subsequent to the organizational changes mentioned above.

However, for the segment information for the year ended March 31, 2012, the Company has not disclosed the information based on the reportable segments subsequent to the organizational changes, as it is practically difficult to retrospectively extract the necessary financial data. Furthermore, for the segment information for the year ended March 31, 2014, the Company has not disclosed the information based on the reportable segments prior to the organizational changes, as it is practically difficult to extract the necessary financial data.

Basis of calculation for amounts of net sales, profit or loss, assets, liabilities and other items by reportable segment

The accounting method for the reportable segments is basically the same as those in note "2. Summary of Significant Accounting Policies."

Income of each reportable segment is based on operating income (before amortization of goodwill). Internal sales are calculated based on distribution prices determined by comprehensive judgment considering market prices, manufacturing costs and other factors.

Information on amounts of net sales, profit or loss, assets, liabilities and other items by reportable segment

Information related to the reportable segments of the Company and its consolidated subsidiaries as of March 31, 2014 and 2013, and for the years then ended are as follows:

Millions of yen

	Reportable segments						
Year ended March 31, 2014	*Machined components*	*Electronic devices and components*	*Total*	*Other*	*Total*	*Adjustments*	*Consolidated financial statement amounts*
Sales to external customers	**¥140,033**	**¥230,514**	**¥370,547**	**¥ 996**	**¥371,543**	**¥ —**	**¥371,543**
Internal sales	**3,635**	**1,471**	**5,106**	**23,831**	**28,937**	**(28,937)**	**—**
Total sales	**143,668**	**231,985**	**375,653**	**24,827**	**400,480**	**(28,937)**	**371,543**
Segment income	**33,551**	**9,582**	**43,133**	**866**	**43,999**	**(11,800)**	**32,199**
Segment assets	**99,300**	**118,118**	**217,418**	**8,081**	**225,499**	**155,779**	**381,278**
Other items							
Depreciation and amortization	**9,378**	**8,070**	**17,448**	**2,090**	**19,538**	**4,202**	**23,740**
Increase in tangible and intangible fixed assets	**3,867**	**8,646**	**12,513**	**1,393**	**13,906**	**6,773**	**20,679**

Millions of yen

	Reportable segments						
Year ended March 31, 2013	*Machined components*	*Electronic devices and components*	*Total*	*Other*	*Total*	*Adjustments*	*Consolidated financial statement amounts*
Sales to external customers	¥113,573	¥167,911	¥281,484	¥ 925	¥282,409	¥ —	¥282,409
Internal sales	2,565	635	3,200	19,327	22,527	(22,527)	—
Total sales	116,138	168,546	284,684	20,252	304,936	(22,527)	282,409
Segment income (loss)	25,459	(2,452)	23,007	167	23,174	(13,005)	10,169
Segment assets	97,632	106,008	203,640	8,556	212,196	150,609	362,805
Other items							
Depreciation and amortization	8,020	7,468	15,488	1,910	17,398	3,402	20,800
Increase in tangible and intangible fixed assets	9,100	13,580	22,680	1,272	23,952	19,735	43,687

Notes: 1. The classification of "Others" is the business segment, which is not included in the reportable segments, and its products are mainly dies and parts produced in-house.

2. The contents of the adjustments are as follows:
   (i) Adjustments to segment income or loss are amortization of goodwill (–¥618 million for the year ended March 31, 2014, –¥1,148 million for the year ended March 31, 2013), and corporate expenses such as general & administrative expenses and research and development expenses that do not belong to the reportable segments (–¥11,182 million for the year ended March 31, 2014, –¥11,857 million for the year ended March 31 2013).
   (ii) Adjustments to segment assets are unamortized goodwill (¥2,999 million as of March 31, 2014, ¥3,502 million as of March 31, 2013), and assets related to administrative divisions that do not belong to the reportable segments (¥152,780 million as of March 31, 2014, ¥147,107 million as of March 31, 2013).
   (iii) The primary adjustment to depreciation and amortization is depreciation and amortization of equipment related to administrative divisions that do not belong to the reportable segments.
   (iv) The primary adjustment to increase in tangible and intangible fixed assets is capital investments in equipment related to administrative divisions that do not belong to the reportable segments.

3. Segment income (loss) is reconciled to operating income in the consolidated financial statements.

Information related to the reportable segments (prior to the change) of the Company and its consolidated subsidiaries as of March 31, 2012, and for the year then ended are as follows:

Millions of yen

Year ended March 31, 2012	*Reportable segments*							
	Machined components	*Rotary components*	*Electronic devices and components*	*Total*	*Other*	*Total*	*Adjustments*	*Consolidated financial statement amounts*
Sales to external customers	¥107,038	¥91,364	¥37,887	¥236,289	¥15,069	¥251,358	¥ —	¥251,358
Internal sales	2,684	1,280	2,339	6,303	5,653	11,956	(11,956)	—
Total sales	109,722	92,644	40,226	242,592	20,722	263,314	(11,956)	251,358
Segment income (loss)	25,611	(4,119)	(959)	20,533	(339)	20,194	(11,595)	8,599
Segment assets	82,614	70,753	22,491	175,858	10,065	185,923	120,849	306,772
Other items								
Depreciation and amortization	7,520	6,824	1,163	15,507	1,101	16,608	2,980	19,588
Increase in tangible and intangible fixed assets	8,501	7,462	2,647	18,610	471	19,081	8,225	27,306

Notes: 1. The classification “Other” is the operating segment which is not included in the reportable segments. Its products are mainly PC keyboards, speakers and special devices.
2. The contents of the adjustments are as follows:
(i) The primary adjustments to segment income or loss are amortization of goodwill –¥1,332 million, and corporate expenses such as general & administrative expenses and research and development expenses that do not belong to the reportable segments –¥10,221 million.
(ii) Adjustments to segment assets are unamortized goodwill ¥4,223 million, and assets related to administrative divisions that do not belong to the reportable segments ¥116,626 million.
(iii) The primary adjustment to depreciation and amortization is depreciation and amortization of equipment related to administrative divisions that do not belong to the reportable segments.
(iv) The primary adjustment to increase in tangible and intangible fixed assets is capital investments in equipment related to administrative divisions that do not belong to the reportable segments.
3. Segment income (loss) is reconciled to operating income in the consolidated financial statements.

b) Related information
Information by geographical area

Millions of yen

Year ended March 31, 2014	*China*	*Japan*	*Thailand*	*Europe*	*U.S.A.*	*Others*	*Total*
Net sales	**¥119,829**	**¥69,798**	**¥48,048**	**¥40,258**	**¥37,014**	**¥56,596**	**¥371,543**

Millions of yen

Year ended March 31, 2013	*China*	*Japan*	*Thailand*	*Europe*	*U.S.A.*	*Others*	*Total*
Net sales	¥81,999	¥56,854	¥36,413	¥28,688	¥28,542	¥49,913	¥282,409

Millions of yen

Year ended March 31, 2012	*China*	*Japan*	*Thailand*	*Europe*	*U.S.A.*	*Others*	*Total*
Net sales	¥61,308	¥58,994	¥33,546	¥26,500	¥24,849	¥46,161	¥251,358

Millions of yen

As of March 31, 2014	*Thailand*	*Japan*	*China*	*Others*	*Total*
Tangible fixed assets	**¥83,768**	**¥40,090**	**¥16,095**	**¥26,947**	**¥166,900**

Millions of yen

As of March 31, 2013	*Thailand*	*Japan*	*China*	*Others*	*Total*
Tangible fixed assets	¥90,007	¥37,889	¥17,404	¥25,463	¥170,763

Millions of yen

As of March 31, 2012	*Thailand*	*Japan*	*China*	*Others*	*Total*
Tangible fixed assets	¥68,219	¥24,501	¥16,352	¥17,967	¥127,039

c) Information related to impairment losses of fixed assets by reportable segments

Millions of yen

Year ended March 31, 2014	Reportable segments: Machined components	Reportable segments: Electronic devices and components	Reportable segments: Total	Other	Corporate	Total
Impairment losses	**¥—**	**¥1,096**	**¥1,096**	**¥—**	**¥12**	**¥1,108**

Millions of yen

Year ended March 31, 2013	Reportable segments: Machined components	Reportable segments: Electronic devices and components	Reportable segments: Total	Other	Corporate	Total
Impairment losses	¥—	¥2,386	¥2,386	¥503	¥12	¥2,901

Millions of yen

Year ended March 31, 2012	Reportable segments: Machined components	Reportable segments: Rotary components	Reportable segments: Electronic devices and components	Reportable segments: Total	Other	Corporate	Total
Impairment losses	¥—	¥230	¥—	¥230	¥531	¥14	¥775

23. Subsequent Events

There were no significant events subsequent to March 31, 2014.