

**The 57<sup>th</sup> Ordinary General Meeting of Shareholders**  
**Briefing on items on the agenda by Chairman of the Meeting**

**1. Business Report**

We gave a brief explanation in line with what is stated on pages from 3 to 6 of the Business Report for the 57th Business Term.

**2. Balance Sheet**

We gave a brief explanation as follows with regard to Balance Sheet shown on page 12 of the Business Report for the 57th Business Term.

Items under current assets that allowed major fluctuations compared with the previous term are cash and cash equivalents an increase of 3,066 million yen, accounts receivable a decrease of 4,853 million yen, short-term loans receivable from subsidiaries a decrease of 4,430 million yen, accounts receivable-other a decrease of 1,414 million yen.

Accounts receivable decreased 4,853 million yen owing mainly to a decline in sales.

Short-term loans receivable from subsidiaries decreased 4,430 million yen due mainly to repayment from NMB Singapore Ltd. 2,659 million yen, repayment from NMB Thai Ltd. 2,800 million yen.

Accounts receivable-other fell 1,414 million yen due mainly to decreases in the following accounts Minebea Onkyo Co., Ltd. 348 million yen, Minebea Electronics Co., Ltd. 881 million yen.

As a result, total current assets fell 7,985 million yen from the previous term to 128,363 million yen.

With regard to fixed assets, tangible fixed assets fell 1,362 million yen due mainly to decrease in depreciation 3,228 million yen, increase in machinery and equipment 1,401 million yen.

Under investments and other assets, investments in securities fell 1,767 million yen. This is mainly because of revaluation loss on shares in five banks 4,914 million yen, positive effect by decrease in revaluation loss on stocks 2,803 million yen, increase in stocks purchased in the current term 378 million yen.

Investments in subsidiaries and affiliates decreased 1,446 million yen. This is because of losses in revaluation of shares in Minebea Electronics Co., Ltd. 1,543 million yen, Kuen Dar (M) Sdn. Bhd. in Malaysia 737 million yen.

Acquisition of shares in Minebea (Hong Kong) Ltd. 606 million yen, SHENG DING (Pte) Ltd. 244 million yen.

Owing mainly to an increase in loans to Minebea Electronics Co., Ltd. amounting to 1,368 million yen, long-term loans receivable from subsidiaries rose 1,141 million yen.

As a result, fixed assets fell 6,207 million yen year on year to 234,305 million yen.

Total assets decreased 14,197 million yen from the previous year to 362,682 million yen.

Let us move on to liabilities. Items under current liabilities that recorded primary fluctuations compared with the previous year are accounts payable a decrease of 5,002 million yen, accounts payable-other a decrease of 1,097 million yen.

When balances of loans payable under current liabilities and fixed liabilities were put together, the total balance of short-term and long-term loans payable, commercial paper, bonds, and others fell 6,365 million yen year on year to 146,613 million yen.

As a result, total liabilities fell 14,215 million yen year on year to 181,442 million yen.

Under shareholders' equity, current net income recorded 1,227 million yen, while 2,794 million yen dividends and 66 million yen bonus to directors in the previous term were paid.

With (i) these payments, (ii) a decrease of 1,682 million yen in difference on revaluation of marketable securities and (iii) a decrease of 31 million yen in shareholders' equity owing to increased treasury stocks, total shareholders' equity rose 17 million yen compared with the previous term, to 181,240 million yen.

As a result, total liabilities and shareholders' equity fell 14,197 million yen year on year to 362,682 million yen.

### **3. Profit and Loss Statement**

We gave a brief explanation as follows with regard to Profit and Loss Statement shown on page 13 of the Business Report for the 57th Business Term.

Net sales stood at 162,952 million yen, down 12,266 million yen from the previous term.

With regard to cost of sales, we had several changes in overseas purchase prices. As a result, gross profit was 26,054 million yen, up 1,751 million yen from the previous term.

Selling, general and administrative expenses decreased 1,417 million yen compared with the previous term, to 21,036 million yen. This decrease was largely attributable to a decline of 1,185 million yen in packing and freight charges.

As a result, operating income rose 3,169 million yen year on year to 5,018 million yen.

The net balance of other income and expenses after deducting other expenses from other income was an income of 6,044 million yen. This income was a decrease of 2,140 million yen from the preceding term's income of 8,185 million yen.

This is mainly because dividends from overseas subsidiaries fell 2,041 million yen over the previous year.

As a result, ordinary income rose 1,029 million yen year on year to 11,062 million yen.

Total extraordinary income was 450 million yen.

Of this income, the gain on sales of fixed assets in the amount of 123 million yen was our Karuizawa Plant's gain on sales of fixed assets, including machinery and equipment.

The liquidation dividends from subsidiary companies amounting to 205 million yen were received as a result of liquidation of Minebea Investment (Pte) Ltd. in Singapore.

The reversal of allowance for doubtful receivables in the amount of 118 million yen arose mainly from reversing 126 million yen as a result of a reduction in the legal provision.

Total extraordinary loss was 8,117 million yen.

We posted a loss of 4,945 million yen on revaluation of investment securities whose market value became 50% or less of their book value. This loss includes a total loss of 4,914 million yen on revaluation of stocks in five banks and other losses.

The loss of 2,280 million yen on revaluation of investment securities in subsidiaries reflected: (i) a revaluation loss of 1,543 million yen arising from a decline in results at Minebea Electronics Co., Ltd. in Japan, and (ii) that of 737 million yen resulting from a performance deterioration at Kuen Dar (M) Sdn. Bhd. in Malaysia.

The loss of 256 million yen on liquidation of affiliated companies reflected a provision for losses arising as a result of liquidating Kuen Dar (M) Sdn. Bhd. in Malaysia.

In addition to this extraordinary loss, we posted 2,167 million yen in total income taxes.

As a consequence, net income was 1,227 million yen.

With the addition of returned earnings carried forward amounting to 3,486 million yen to net income, unappropriated retained earnings at the end of the period stood at 4,714 million yen.