



Business Results

Third Quarter of Fiscal Year Ending March 31, 2006

**February 2, 2006
Minebea Co., Ltd.**

Summary of Consolidated Business Results

(Millions of yen)	Year ended Mar. '05	Year ending Mar. '06		Change yoy
	Q3	Q2	Q3	
Net sales	75,180	80,049	80,948	+7.7%
Operating income	4,165	4,214	6,043	+45.1%
Ordinary income	2,950	3,159	4,694	+59.1%
Income before income taxes	2,445	3,595	4,474	+83.0%
Net income	1,575	1,441	2,400	+52.4%

Net sales were almost unchanged yoy in real term. Operating income increased 45% yoy, improved ¥1.8 billion compared to Q2.

Effect of FX Fluctuations
 Q3 of FY Mar. '05 → Q3 of FY Mar. '06
 US\$ ¥106.80 → ¥116.21
 Thai Baht ¥2.62 → ¥2.83
 Net sales + ¥4.6 billion
 Operating income + ¥0.3 billion

February 2, 2006

1



In the third quarter of fiscal year ending March 31, 2006, we produced sales of 80.9 billion yen, operating income of 6.0 billion yen and net income of 2.4 billion yen. Compared to the same period of the last fiscal year, sales increased 8%, operating income increased 45% and net income increased 52%, giving increase both in sales and profit. Compared to the second quarter, the previous quarter, sales were unchanged but income improved by 1.8 billion yen, exceeding our internal plan.

Our principal markets, such as PC and HDD, remained strong in the third quarter and pricing were relatively stable on the back of solid worldwide economic conditions.

There were some effects of yen depreciation. Compared to the same quarter of the last fiscal year, impact of weaker yen on sales was an addition of 4.6 billion yen, thus sales growth in real term was +1.5% year-on-year. As for the operating income, because costs and SGA expenses also impacted in the same direction, net impact of yen depreciation on operating income was an addition of 0.3 billion yen.

Net Sales and Operating Income by Segment

(Millions of yen)	Year ended	Year ending Mar. '06			Change	Change
	Mar. '05	Q1	Q2	Q3	yoy	qoq
[Net sales]						
Machined components business	28,927	30,573	31,631	32,938	+13.9%	+4.1%
Bearing-related products	24,491	25,982	26,402	27,837	+13.7%	+5.4%
Other machined components	4,436	4,591	5,229	5,101	+15.0%	-2.4%
Electronic devices and components business						
Rotary components	46,254	45,116	48,419	48,009	+3.8%	-0.8%
Other electronic devices	27,350	26,443	27,880	27,724	+1.4%	-0.6%
Other electronic devices	18,903	18,673	20,539	20,285	+7.3%	-1.2%
Total net sales	75,180	75,690	80,049	80,948	+7.7%	+1.1%
[Operating income]						
Machined components business	5,952	5,067	6,045	6,972	+17.1%	+15.3%
Electronic devices and components business	-1,786	-2,056	-1,831	-930	-	-
Total operating income	4,165	3,010	4,214	6,043	+45.1%	+43.4%

February 2, 2006

2



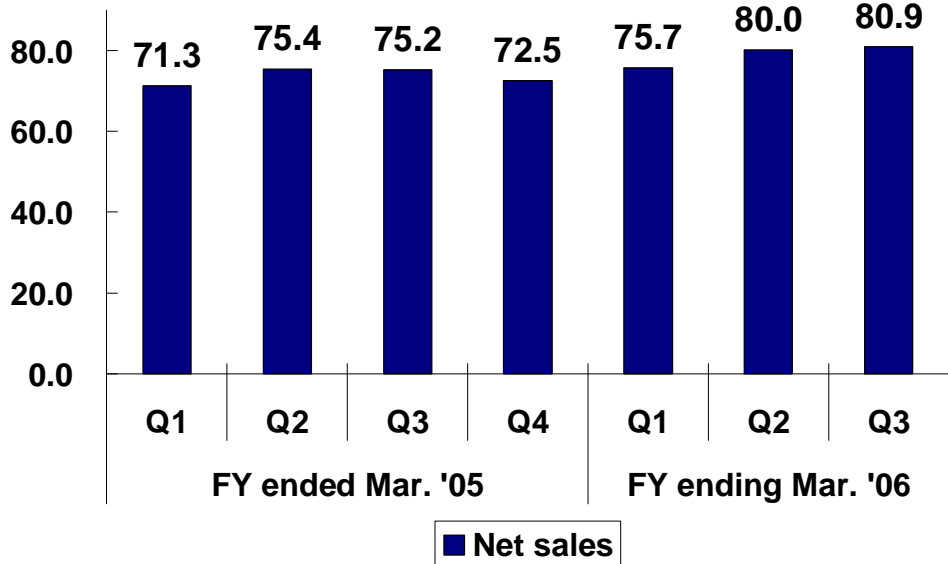
By segment, the third quarter sales of machined components segment increased from the second quarter, led by growth in ball bearing and pivot assembly businesses. The two businesses also produced higher profit, resulting in a 0.9 billion yen improvement for the machined components segment overall.

For the electronic devices and components segment, sales were flat from the second quarter but operating income improved by 0.9 billion yen. HDD spindle motor and keyboard businesses were the main contributors to the improvement.

Net Sales

Sales increased qoq in bearings, pivot assemblies and spindle motors for HDD and keyboards for PC.
Increased 7.7% yoy
Increased 1.1% qoq

(Billions of yen)



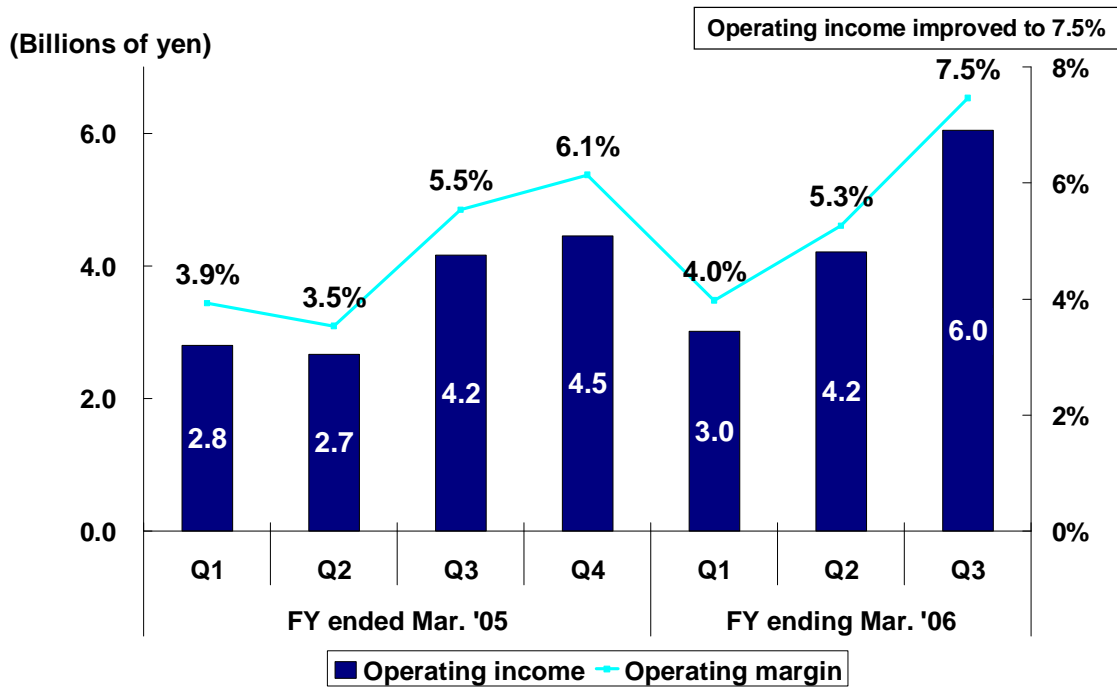
February 2, 2006

3



Sales continue to be on an increasing trend. Sales of mainstay products, such as bearings, are steadily increasing.

Operating Income



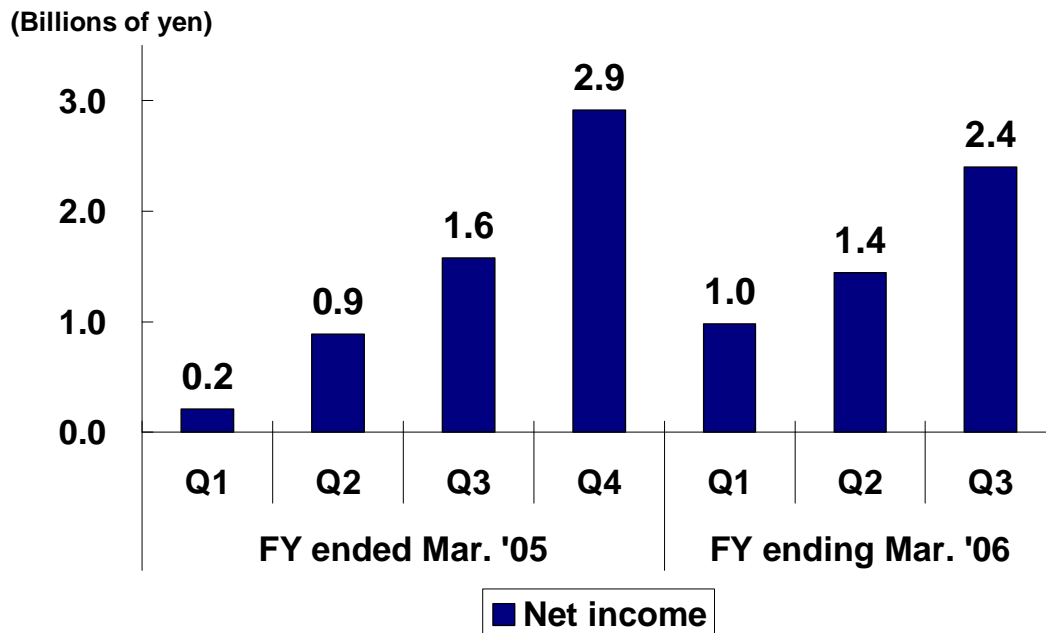
February 2, 2006

4



Operating income in the third quarter improved to 6.0 billion yen and operating margin reached 7.5%.

Net Income



February 2, 2006

5



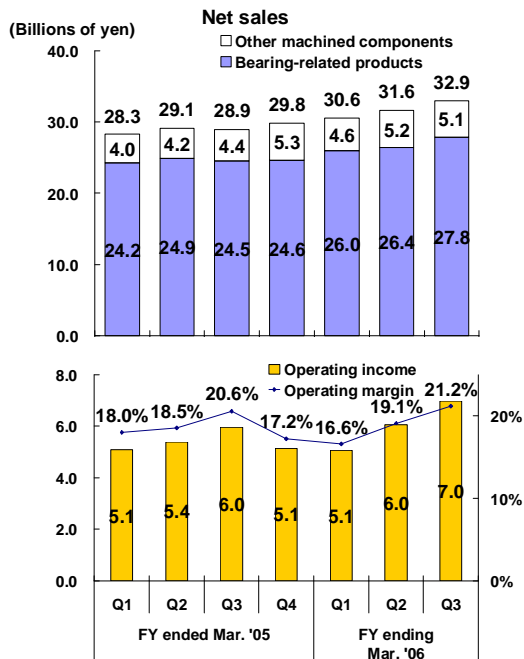
Net income in the third quarter was 2.4 billion yen.

Non-operating expenses increased. Interest expenses in the third quarter were 1.3 billion yen, an increase by 0.15 billion yen from the second quarter.

Extraordinary income and loss items included impairment loss of 0.1 billion yen, reflecting decline in land price of unutilized assets. 0.3 billion yen of loss on disposal of fixed assets was in relation to end of keyboard production in Thailand.

Total income taxes amounted to 2.6 billion yen, which implies income tax rate of 58%. Tax rate remains high.

Machined Components Business



Miniature & Small Sized Ball Bearings

Increased for fan motors in Q3.
Promoting further cost reduction.

Bearings for Aircrafts

Strong demand continued.

Pivot Assemblies

Expanding business on the back of growing HDD demand.

Continued to improve profitability.

- Improving assembly yield and reducing production costs of components.

February 2, 2006

6



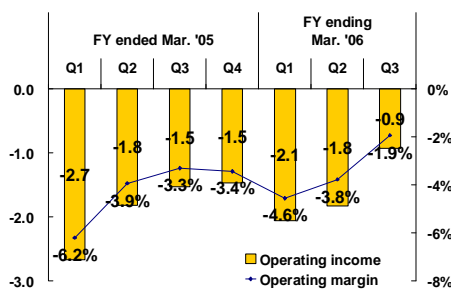
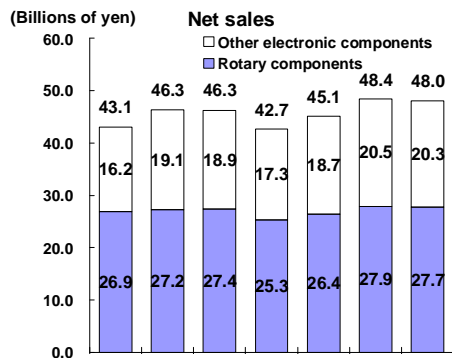
In the machined components segment, sales of ball bearings increased 5% in the third quarter compared to the second quarter. Monthly shipment volume of miniature and small-sized ball bearings were 110 million on average in the third quarter (7% increase from the second quarter), and including internal usage, total monthly shipments were 180 million (3% increase from the second quarter), which was a record high. We are currently in the process of expanding production capacity to monthly 200 million, while working to further improve productivity.

Business of rod-end bearings and other bearings for aircraft continued to be robust.

Pivot assembly business had another strong quarter. Shipment volume in the third quarter reached above 22 million on monthly average, an increase of 2% from the second quarter, on the back of growth in 2.5-inch and 1.8-inch type. Lower production cost led to further profit improvement from the second quarter.

For the machined components segment overall, operating income reached almost 7.0 billion yen. Operating income margin exceeded 21%.

Electronic Devices and Components Business



The figures for the fiscal year ended March 2005 reflect revised royalty rate. They are recalculated by redistributing reversed expense of Q4.

February 2, 2006

HDD Spindle Motors

Shipments increased in Q3.

On track to become profitable business as a result of cost reduction measures.

Minebea-Matsushita Motor JV

Structural reorganization led to some improvement in Q3.

Keyboards

Completed production transfer from Thailand.

In process of verifying profit improvement.

Lighting Devices

Sales decreased affected by market adjustment. Sales are expected to recover from March.

7



Within the electronic devices and components segment, shipments of HDD spindle motors increased, owing to favorable business at our customers. Monthly volume was 4.5 million, an increase of 3% from the second quarter. Production costs are steadily declining, reflecting successful outcome of cost reduction measures launched in July last year. As a result, the loss was reduced to almost none, giving us a better outlook for the business to generate profit. We will aim to generate profit on a constant basis.

As for Minebea-Matsushita Motor joint venture, sales declined in the third quarter. Fan motor business had a weak quarter because of seasonal factors and our new initiative to review details of our order intake. For DC brush motor and vibration motor businesses, the new policy to emphasize profitability rather than volume is being applied. Losses were partially reduced after the completion of structural reform in September last year. We are promoting further improvement through review of order intake and production processes.

Sales of keyboards increased, led by an increase in desktop type. The completion of production transfer from Thailand to Shanghai, brought an end to the double cost structure, leading to reduction in loss.

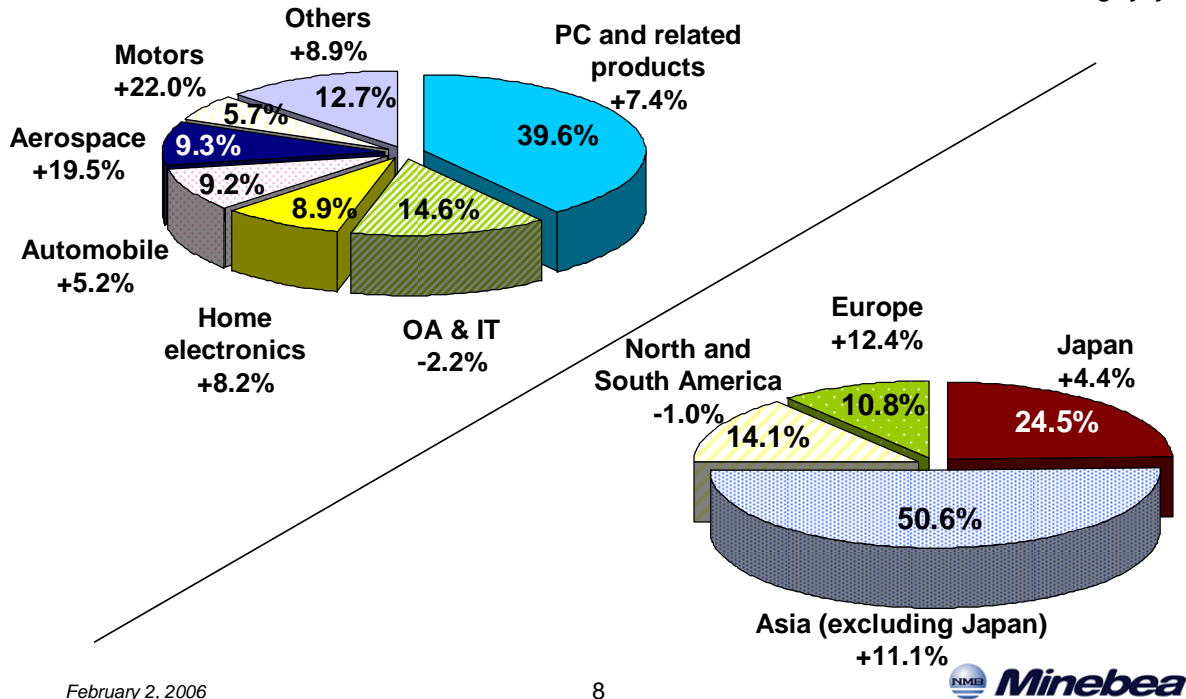
Sales of lighting devices fell sharply in the third quarter due to customers' seasonal adjustment in production. We look for December to mark the bottom and recover fully from March.

Operating loss of the overall electronic devices and components segment was 0.9 billion yen in the third quarter, an improvement by 0.9 billion yen from the second quarter.

Sales by User Industry and by Region

Q3 Results

The number inside the circle is sales %.
The number outside the circle is the change yoy.



February 2, 2006

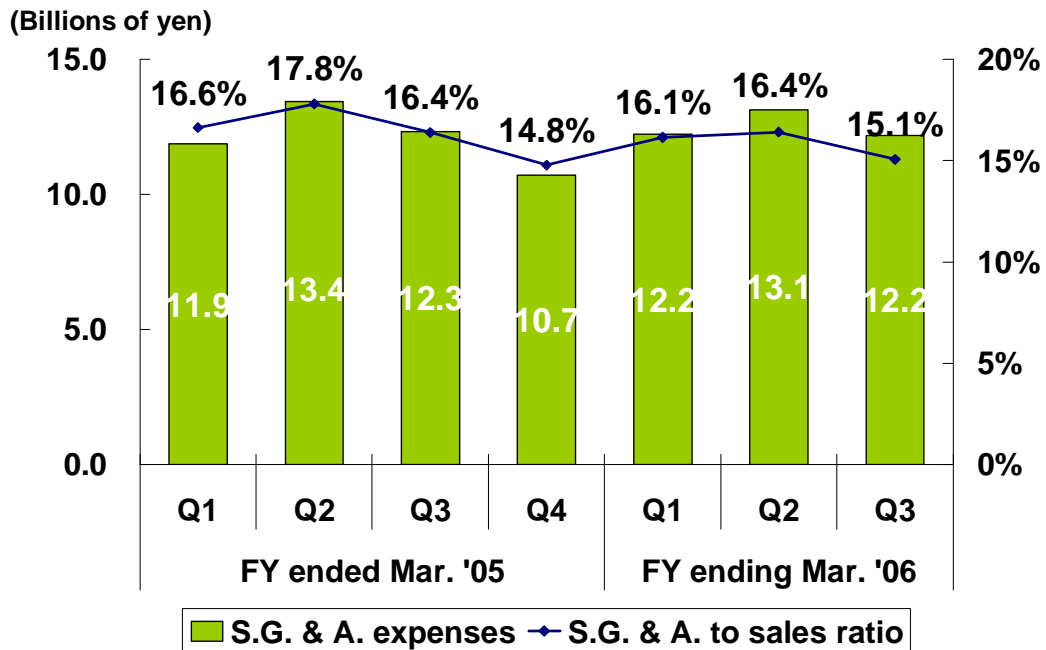
8



By user industry, sales for aircraft application posted a large growth from a year ago. Sales for home electrical appliances, PC and related equipment, and automobile also grew.

By region, sales in Asia (excluding Japan) and Europe increased. Excluding impact of yen depreciation, the growth in Europe was the largest with double digit growth, driven by growing rod-end bearing business.

S.G. & A. Expenses



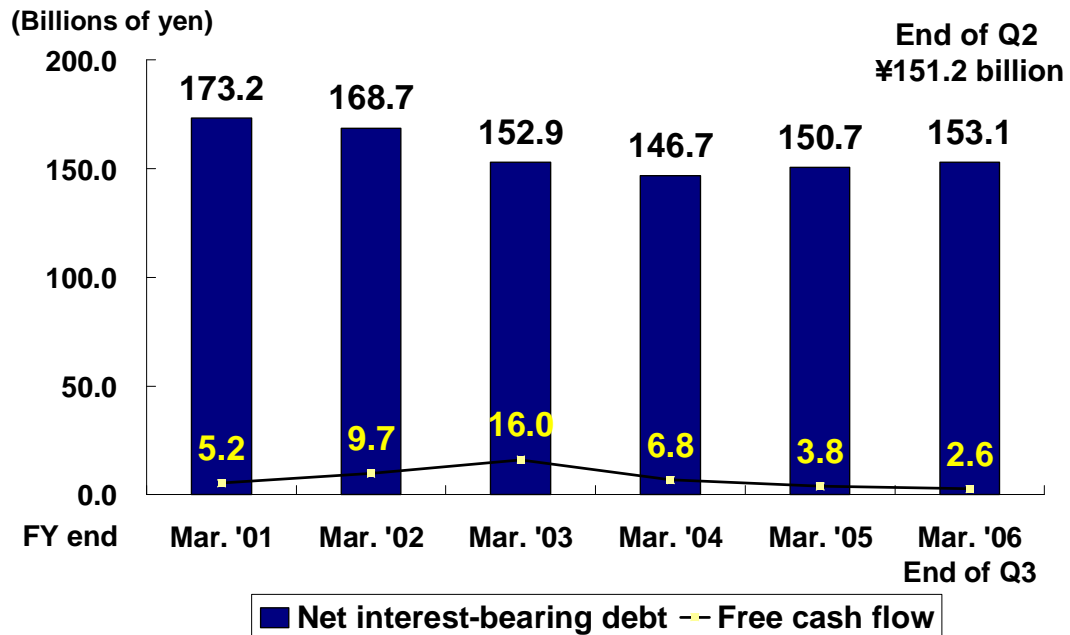
February 2, 2006

9



SG&A in the third quarter was under 12.3 billion yen, despite effects of yen depreciation. With the increase in sales, SG&A to sales ratio was reduced to 15.1%. This reflects company-wide activities to reduce all expenses.

Interest-Bearing Debt



Note: Net interest-bearing debt: Sum of interest-bearing debt – Cash and cash equivalents
Cash flow: Cash flow from operating activities – Cash flow from investing activities

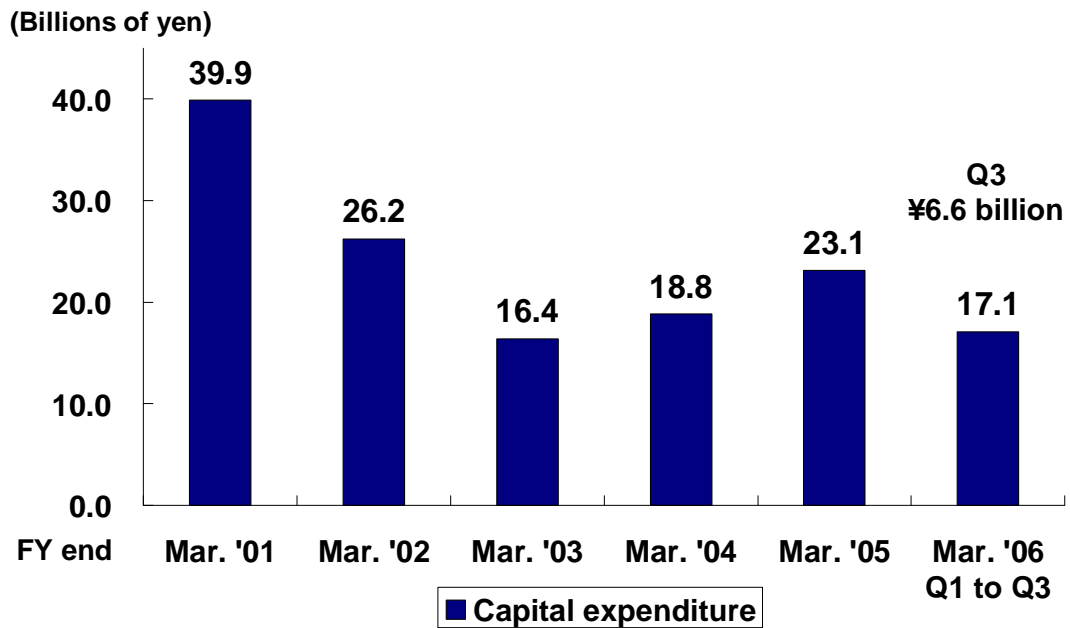
February 2, 2006

10



Net interest-bearing debt was 153.1 billion yen at the end of the third quarter. This was an increase by 1.8 billion yen from the second quarter end's 151.2 billion yen. Excluding the weaker yen effect of an addition of 1.0 billion yen, the increase was 0.8 billion yen in real term. Payment of year-end bonuses and increase in inventory worsened the cashflow.

Capital Expenditure



February 2, 2006

11



Capex in the third quarter amounted to 6.6 billion yen. Currently, other than die casts for motors and keyboards, main areas of investment are: capacity expansion of ball bearings, expansion in overall capacity and capacity of components in order to bring previously outsourced parts in-house, and machinery and equipment to improve productivity of automobile motor parts.

Forecast for Q4 of Fiscal Year Ending March 31, 2006

No revision of full year forecast.

February 2, 2006

12



In the fourth quarter, we look for sales to decline from the third quarter due to seasonal factors. Key to profit will be improvement by the loss making businesses. As an extraordinary item, we estimate an additional 0.3 billion yen in loss on disposal of fixed assets of keyboard production equipment in Thailand.

There are no changes to our full year forecasts.

Minebea Co., Ltd.

Business Results

<http://www.minebea.co.jp/>

Any statements in the presentation which are not an historical fact are future projections made based on certain assumptions and our management's judgment drawn from currently available information.

Please note that actual performance may vary significantly from any particular projection, due to various factors.

Factors affecting our actual performance include: (i) changes in economic indicators surrounding us or demand trends; (ii) fluctuation of foreign exchange rates or interest rates; and (iii) our ability to continue R&D, manufacturing and marketing in a timely manner in the electronics business sector, where technological innovations are rapid and new products are launched continuously. However, this is not a complete list of the factors affecting actual performance.

All the information in this document are the property of Minebea Co., Ltd. You are prohibited for whatever purpose to copy, modify, reproduce, transmit, etc. those information regardless of ways and means without our prior written permission.

February 2, 2006

