

# To Our Shareholders

**63rd Business Year Business Report**

April 1, 2008 ▶ March 31, 2009



***Minebea***

**Minebea Co., Ltd.**

# Greetings from the President

**As the 63rd Business Year (April 1, 2008-March 31, 2009) has ended, we would like to report out business summary.**

## ■ Overview of the year

During the current consolidated fiscal year, the Japanese economy slid into its worst-ever recession. This was due to increases in the prices of crude oil and raw materials during the first half of the year, followed by the Japanese economy rapidly deteriorating principally due to a rapid deterioration of the global economy in the second half of the year resulting from the worldwide spread of the financial crisis originating in the United States, a significant decline in exports due to the continued appreciation of the yen, and significant decreases in capital investment and personal consumption. The U.S. economy substantially declined in the second half of the year causing severe turmoil mainly owing to significantly worsened earnings in the automotive industry and other industries, and deterioration in employment and personal consumption amid the expansion of the financial crisis and deepening adjustments in the housing market. The European economy also faced the advance of a rapid economic slowdown. In Asia, the Chinese economy's past high growth tendencies began to decline and there was also evidence in other Asian countries that the economies generally decelerated principally owing to a slowdown in exports resulting from the worsened U.S. economy and deterioration of the financial condition.

Under these management circumstances, in order to further increase earnings, we made an aggressive effort to implement sweeping cost reduction measures, develop new technologies and high value-added products, promote sales expansion activities and carry out M&A (business acquisitions and mergers) for the purpose of business extension. However, sales fell mainly due to a rapid deterioration in market conditions seen in the second half of the year alongside the effects of customers' inventory adjustments and currency fluctuations (the appreciation of the yen). Earnings continued to be severe due to the fluctuations of Asian currencies and soaring raw material prices seen in the first half of the year as well as major production cutbacks carried out in an effort to make up for the slowing sales observed in the second half of the year. As a result, net sales decreased ¥78,267 million (-23.4%) year on year, to ¥256,163 million and operating income also fell to ¥13,406 million, a decline of ¥17,356 million (-56.4%) year on year. Ordinary income declined to ¥11,555 million, a decrease of ¥16,136 million (-58.3%) year on year. In addition, net

income also fell ¥13,861 million (-85.0%) year on year to ¥2,441 million.

## ■ Basic policy for profit sharing

By considering our management condition from a comprehensive standpoint and maintaining stable profit sharing on an ongoing basis, our basic policy is to provide improved equity capital efficiency and better profit sharing to shareholders first aiming for profit distribution to shareholders at levels reflecting operating results.

Under our basic policy described above, reflecting a considerable drop in business performance due to the deteriorated economic environment, we regretfully announce that the year-end dividend for the current fiscal year will be ¥2 per share. As we have already paid an interim dividend of ¥5 per share, the annual dividend will amount to ¥7 per share.

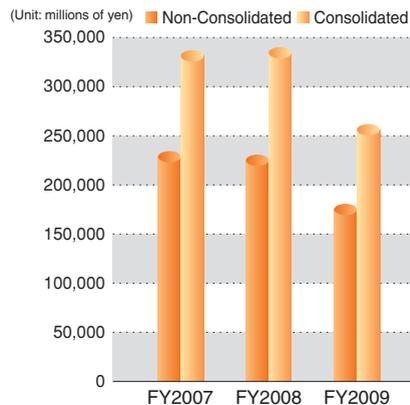
Regarding the dividends for the next fiscal year, despite great uncertainties about future developments, we plan to pay an interim dividend of ¥3 per share and a year-end dividend of ¥4 per share, making the annual dividend ¥7 per share, which is the same amount of dividend as we shall pay for the current year.

## ■ Outlook for the next fiscal year

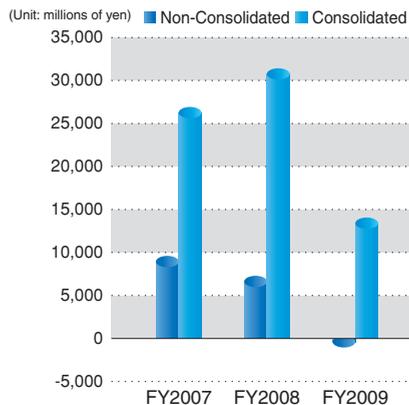
As the world economy continues in recession, we expect that the Japanese economy will slow in the first half of the year, owing to weak corporate earnings as well as decreases in employment and personal consumption stemming from continuously decreased exports, the current rise of the yen and sluggish sales. However, in the second half of the year, the economy is expected to embark upon a moderate recovery trend with improved exports in line with recovery of the U.S. economy. In Asia, we expect that the Chinese economy will recover. Meanwhile, in the U.S., recession might become aggravated over a longer period of time due mainly to the protracted adjustments in corporate production, inventory and employment, as well as the slowdown of personal consumption stemming from the degradation of financial conditions. However, triggered mainly by the financial reconstruction plans and large-scale financial stimulus packages, it is expected that the economy will gradually be heading toward recovery in the second half of the year.

Under these circumstances, we are predicting our sales and profits with broad upper and lower limits due to the difficulty we are facing in predicting accurate results. As we expect a decline in sales is unavoidable due to the severe global economic circumstances, we expect sales of roughly ¥200,000 million to ¥230,000 million, operating income of ¥10,000 million to ¥14,000 million, ordinary income of ¥7,600 million to ¥11,300 million and net income of ¥3,500 million

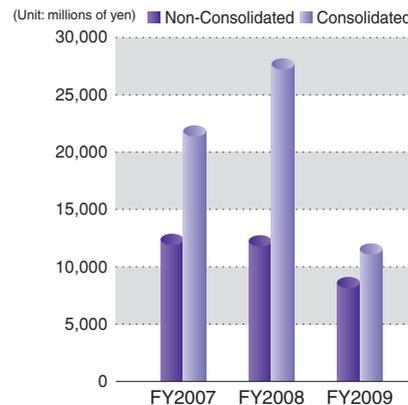
### ■ Net Sales



### ■ Operating Income



### ■ Ordinary Income



lion to ¥6,500 million.

While being fully aware of the difficulty to bring about a dramatic improvement of business performance under the current economic climate, we will make preparations to make a dramatic improvement when the global economy recovers from the downturn by concentrating our efforts on further cost reductions, development of high-value added products and cultivation of new markets.

Outlook by business segment for the full year is as follows:

#### ◆ Machined components business

We will continue to aggressively expand sales of mainstay ball bearings to the automobile and information & telecommunications equipment industries. By achieving economies of scale in manufacturing from this sales expansion and further reducing costs, we aim to improve business results further. In addition, the aircraft market for rod-end bearings is comparatively strong, particularly in the U.S. and Europe and we can expect benefits from this strong aircraft market. An increase in sales of rod-end bearings is also expected as a result of the introduction of special bearings designed for medical equipment provided by a new controlled firm resulting from M&A we carried out during the current consolidated fiscal year. In pivot assemblies, we expect to see a strong demand in the second half of the year due to customers nearly completing inventory adjustments.

#### ◆ Electronic devices and components business

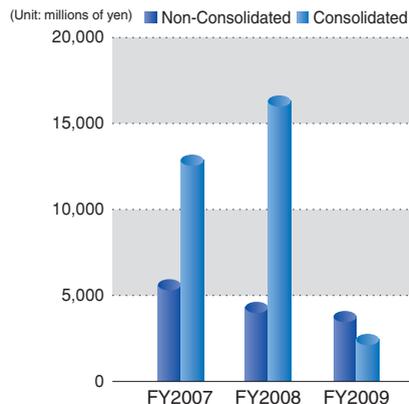
In the information motor business, we will strive to further enhance results by continuing to improve production efficiency and to make product mix reviews and we expect to see a strong demand in the second half of the year. An increase in sales is expected due to the launch of a new business segment to sell micro actuators as a result of M&A we carried out during the current consolidated fiscal year. In the spindle motor business, we will strive to improve results mainly by making cost reduction efforts and boosting sales of 2.5" motors. Also, in the PC keyboard business, we can expect stable results by focusing mainly on high-quality, high-priced models. In the speaker business, positive effects derived from business structural reform are expected. We will endeavor to improve the sales of LCD backlight assemblies, inverters, measuring components and other products and positive effects are expected to be seen in the second half of the year.

We look forward to your continuous support and guidance.

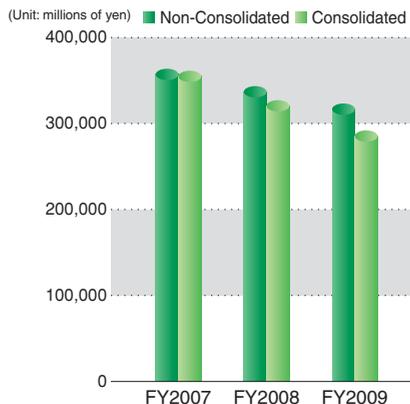


Yoshihisa Kainuma  
Representative Director  
June 2009

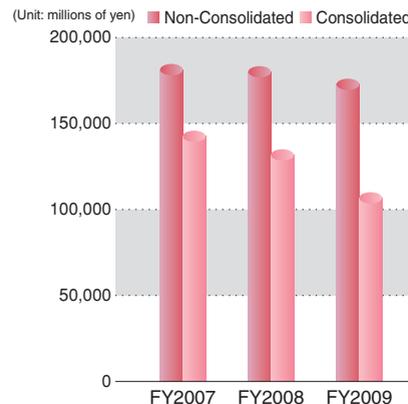
#### ■ Net Income



#### ■ Total Assets



#### ■ Net Assets



# Performance by Business Segment (on a Consolidated Basis)

## Machined Components Business

Net sales and income decreased significantly due to currency impacts, higher raw material costs and global recession.

Net sales fell ¥28,163 million(-19.6%) year on year, to ¥115,871 million. Our products in the machined components business segment include ball bearings, which are our mainstay product; mechanical components such as rod-end bearings primarily for use in aircraft and pivot assemblies for use in hard disk drives (HDDs); screws for automobiles and aircraft; and defense-related devices and equipment. Compared with a year ago, in mainstay ball bearings and rod-end bearings, although the sales were comparatively stable in the first half of the year, they continued to fall every month in the second half due to worsening market conditions triggered as a result of the economic slowdown as well as the effects of the strong yen. In pivot assemblies, sales fell due to growing inventory adjustments rapidly in the second half of the year in the HDD industry, our main customer base, and the effects of the strong yen.

Although continued cost reduction measures were implemented, in addition to efforts to pursue basic technologies, product technologies and manufacturing techniques, operating income also decreased ¥10,282 million(-37.1%) year on year, to ¥17,468 million. This was due to decreased profits not being able to be recovered owing to the effects of decreased sales along with aggravated market conditions.

## Electronic Devices and Components Business

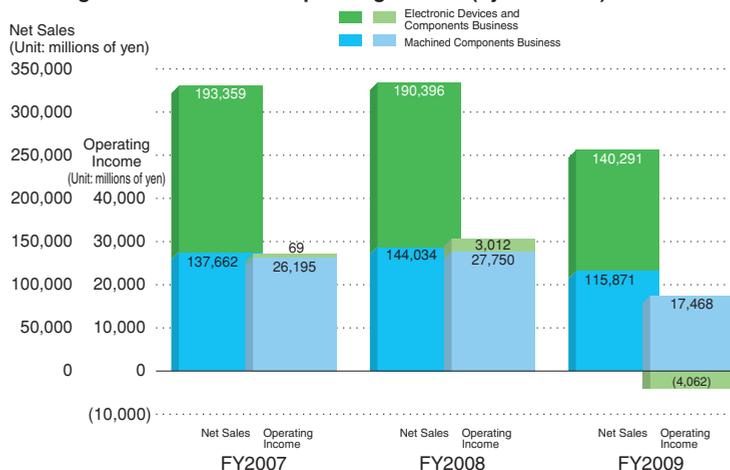
Despite of our cultivation of new markets, net sales and operating income decreased significantly due to currency impacts and global recession.

Net sales fell ¥50,105 million(-26.3%) year on year, to ¥140,291 million. Our core products in the electronic devices and components business segment include information motors (fan motors, stepping motors, vibration motors and DC brush motors); HDD spindle motors; PC keyboards; speakers; LCD backlights; as well as inverter and measuring instruments.

Compared with a year ago, sales of measuring equipment increased mainly owing to cultivation of new markets. On the other hand, sales of information motors, HDD spindle motors and PC keyboards decreased, principally owing to rapidly deteriorating market conditions and customers' rapid inventory adjustments in addition to the effects of the appreciation of the yen in the second half of the year. In particular, sales of HDD spindle motors decreased significantly, due to customers' inventory adjustments. There were no sales of FDD heads and MODs owing to their business termination.

Operating income deteriorated by ¥7,074 million year on year, to a loss of ¥4,062 million, mainly owing to sharply decreased sales.

### Changes in Net Sales and Operating Income (by Business)



# Performance by Geographical Segment (on a Consolidated Basis)

## Japan

In Japan, except certain motors and electronics devices, sales were generally weak. Net sales fell ¥16,224 million (-21.5%) year on year, to ¥59,154 million, while operating income fell ¥7,835 million (-86.1%), to ¥1,261 million.

## Asia excluding Japan

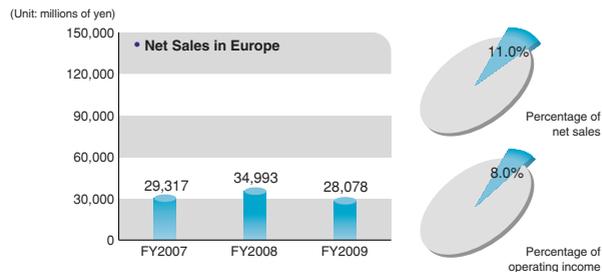
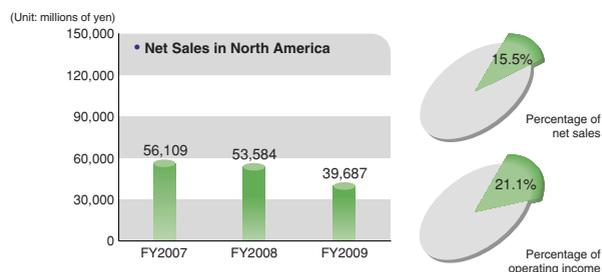
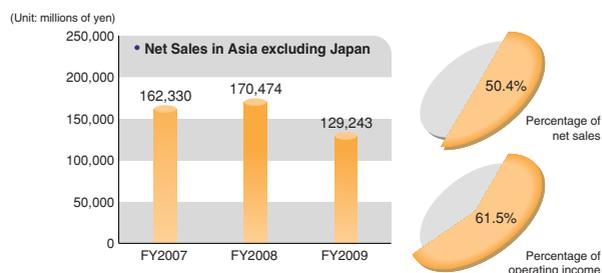
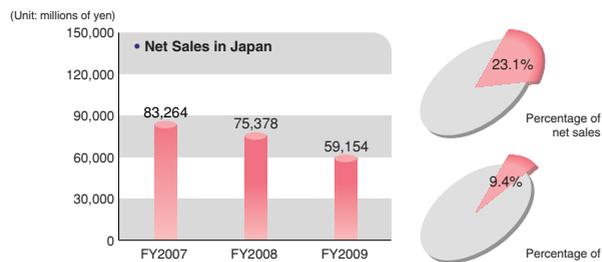
Asia, excluding Japan, including the Greater China region, is an important manufacturing base for many manufacturers of Japan, Europe, America and other countries. Sales, excluding those of measuring components, were generally sluggish, principally owing to the effects of the appreciation of the yen, decreased sales of HDD spindle motors and pivot assemblies as a result of customers' rapid inventory adjustments. As a result, net sales decreased ¥41,231 million (-24.2%) year on year, to ¥129,243 million, and operating income also fell ¥7,325 million (-47.0%) year on year, to ¥8,248 million.

## North America

In North America, sales of U.S.-made ball bearings and rod-end bearings for use mainly in the aircraft-related industries fell year on year, due to the effects of the strong yen, although the business remained stable, led by both solid order placements from and supply to the industries. Sales of PC keyboards, specialized in high value-added products, were also weak owing to deterioration of market conditions. As a result, net sales fell ¥13,897 million (-25.9%) year on year, to ¥39,687 million, and operating income declined ¥1,642 million (-36.7%), to ¥2,833 million.

## Europe

In Europe, the segments of ball bearings, rod-end bearings, etc. were comparatively firm amid the current economic slowdown, but sales fell owing to the effects of the appreciation of the yen. As a result, net sales decreased ¥6,915 million (-19.8%) year on year, to ¥28,078 million, and operating income declined ¥553 million (-34.2%), to ¥1,063 million.



## Toward Further Reinforcement and Development of Small Motor Business and Ball Bearing Business

Minebea acquired the stepping motor operations of FDK Corporation (FDK) in January 2009. In March 2009, the company took control of myonic Holding GmbH (myonic) in Germany, which has a high share and technology in the miniature bearings market in Europe. We expect both acquisitions will drive us forward to develop high value-added products.



New manufacturing site of stepping motors  
(Nava Nakorn Plant, Thailand, transferred from FDK)



Signing ceremony in Frankfurt, Germany  
(Acquisition of ownership in myonic)

## Commercialization of the World's Smallest Ball Bearings with Outside Diameter of 1.5mm

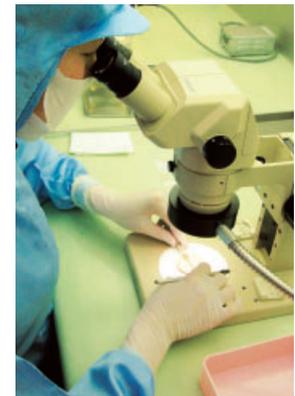
Successfully developing the world's smallest bearings with the same structure as ordinary miniature bearings, Minebea began delivering samples in January 2009. We aim for this bearing to be adopted in driving sections, etc. for micro medical equipment, micro motors and micro machines—the applications that we were unable to adapt to with conventional bearings.



Miniature bearing smaller than rice grain



with 25 ¢ coin



Assembly at Karuizawa Plant

# Consolidated Financial Statements

## ● Consolidated Balance Sheets (unit: millions of yen)

|                                    | Fiscal year 2008<br>(as of<br>March 31, 2008) | Fiscal year 2009<br>(as of<br>March 31, 2009) |
|------------------------------------|---|---|
| <b>Assets</b>                      |   |   |
| <b>Current assets</b>              | <b>148,117</b>                                | <b>121,699</b>                                |
| Cash and cash equivalents          | 23,281  | 27,895  |
| Notes and accounts receivable      | 64,835  | 43,355  |
| Marketable securities              | 1,511   | 780   |
| Inventories                        | 42,400  | –   |
| Finished goods                     | –   | 14,298  |
| Work in process                    | –   | 11,506  |
| Raw materials                      | –   | 7,245   |
| Supplies                           | –   | 3,144   |
| Goods in transit                   | –   | 2,542   |
| Deferred tax assets                | 8,498   | 3,143   |
| Others                             | 7,791   | 7,939   |
| Allowance for doubtful receivables | (202)   | (151)   |
| <b>Fixed assets</b>                | <b>172,411</b>                                | <b>163,697</b>                                |
| Tangible fixed assets              | 150,609                                       | 135,406                                       |
| Intangible fixed assets            | 9,846   | 11,881  |
| Investments and other assets       | 11,956  | 16,408  |
| <b>Deferred charges</b>            | <b>15</b>                                     | <b>0</b>                                      |
| <b>Total assets</b>                | <b>320,544</b>                                | <b>285,396</b>                                |

|   | Fiscal year 2008<br>(as of<br>March 31, 2008) | Fiscal year 2009<br>(as of<br>March 31, 2009) |
|---|---|---|
| <b>Liabilities</b>  |   |   |
| <b>Current liabilities</b>                                | <b>118,321</b>                                | <b>112,311</b>                                |
| Notes and accounts payable                                | 24,054  | 9,663   |
| Short-term loans payable                                  | 50,352  | 58,890  |
| Current portion of long-term loans payable                | –   | 22,100  |
| Current portion of bonds                                  | 15,000  | –   |
| Lease obligations   | –   | 857   |
| Accrued income taxes                                      | 3,517   | 418   |
| Accrued bonuses   | 3,871   | 3,806   |
| Allowance for bonuses to directors and corporate auditors | 117   | –   |
| Allowance for environmental remediation expenses          | –   | 267   |
| Allowance for business restructuring losses               | 347   | 633   |
| Others  | 21,060  | 15,673  |
| <b>Long-term liabilities</b>                              | <b>70,492</b>                                 | <b>66,322</b>                                 |
| Bonds   | 21,500  | 21,500  |
| Long-term loans payable                                   | 46,000  | 35,400  |
| Lease obligations   | –   | 1,130   |
| Allowance for retirement benefits                         | 1,707   | 5,121   |
| Allowance for retirement benefits to executive officers   | 95  | 136   |
| Allowance for environmental remediation expenses          | –   | 939   |
| Allowance for business restructuring losses               | –   | 299   |
| Others  | 1,189   | 1,794   |
| <b>Total liabilities</b>                                  | <b>188,814</b>                                | <b>178,633</b>                                |
| <b>Net assets</b>   |   |   |
| <b>Shareholders' equity</b>                               | <b>191,087</b>                                | <b>180,579</b>                                |
| <b>Common stock</b>                                       | <b>68,258</b>                                 | <b>68,258</b>                                 |
| <b>Capital surplus</b>                                    | <b>94,756</b>                                 | <b>94,756</b>                                 |
| <b>Retained earnings</b>                                  | <b>28,169</b>                                 | <b>20,819</b>                                 |
| <b>Treasury stock</b>                                     | <b>(97)</b>                                   | <b>(3,255)</b>                                |
| Revaluation / Translation differences                     | (60,512)                                      | (74,802)                                      |
| Difference on revaluation of other marketable securities  | 1,755   | (189)   |
| Deferred hedge gains or losses                            | (0)   | 2   |
| Foreign currency translation adjustments                  | (62,268)                                      | (74,615)                                      |
| <b>Minority interests in consolidated subsidiaries</b>    | <b>1,155</b>                                  | <b>986</b>                                    |
| <b>Total net assets</b>                                   | <b>131,730</b>                                | <b>106,762</b>                                |
| <b>Total liabilities and net assets</b>                   | <b>320,544</b>                                | <b>285,396</b>                                |

Note: Amounts less than one million yen have been omitted.

● **Consolidated Statements of Income** (unit: millions of yen)

|   | Fiscal year 2008<br>(Apr. 2007 thru Mar. 2008) | Fiscal year 2009<br>(Apr. 2008 thru Mar. 2009) |
|---|--|--|
| <b>Net sales</b>  | 334,431  | 256,163  |
| <b>Cost of sales</b>  | 253,709  | 197,137  |
| <b>Gross profit</b>   | 80,721   | 59,025   |
| <b>Selling, general and administrative expenses</b>         | 49,959   | 45,619   |
| <b>Operating income</b>                                     | 30,762   | 13,406   |
| <b>Other income</b>   | 2,388  | 1,487  |
| Interest income   | 687  | 418  |
| Dividends income  | 107  | 113  |
| Equity in net income of affiliate                           | 14   | —  |
| Income from scrap sales                                     | —  | 527  |
| Others  | 1,578  | 428  |
| <b>Other expenses</b>                                       | 5,458  | 3,338  |
| Interest expenses   | 4,402  | 2,645  |
| Foreign currency exchange loss                              | 474  | 264  |
| Equity in net loss of affiliate                             | —  | 2  |
| Others  | 582  | 426  |
| <b>Ordinary income</b>                                      | 27,691   | 11,555   |
| <b>Extraordinary income</b>                                 | 395  | 396  |
| Gain on sales of fixed assets                               | 182  | 37   |
| Reversal of allowance for doubtful receivables              | 11   | —  |
| Gain on liquidation of affiliates                           | —  | 310  |
| Reversal of allowance for business restructuring losses     | 201  | 48   |
| <b>Extraordinary loss</b>                                   | 2,833  | 5,117  |
| Loss on disposal of inventories                             | —  | 590  |
| Loss on sales of fixed assets                               | 150  | 29   |
| Loss on disposal of fixed assets                            | 562  | 432  |
| Impairment loss   | 71   | 23   |
| Loss on liquidation of affiliates                           | 998  | —  |
| Loss for after-care of products                             | 236  | 146  |
| Allowance for environmental remediation expenses            | —  | 743  |
| Business restructuring loss                                 | —  | 1,792  |
| Loss on transition of retirement benefit plan               | —  | 374  |
| Special severance payment                                   | 165  | 984  |
| Retirement benefit expenses for overseas subsidiaries       | 116  | —  |
| Retirement benefits to directors and corporate auditors     | 531  | —  |
| <b>Income before income taxes and minority interests</b>    | 25,254   | 6,834  |
| Income taxes current (including enterprise tax)             | 8,496  | 4,433  |
| Reversal of income taxes for prior year                     | —  | (1,028)  |
| Adjustment of income taxes                                  | (591)  | 817  |
| Total income taxes  | 7,905  | 4,223  |
| Minority interests in earnings of consolidated subsidiaries | 1,045  | 169  |
| <b>Net income</b>   | 16,303   | 2,441  |

Note: Amounts less than one million yen have been omitted.

● **Consolidated Statement of Changes in Net Assets** (unit: millions of yen)

|   | Shareholders' equity |                    |                      |                   |                                 | Revaluation / Translation differences                          |                                   |  |  | Minority interests<br>in consolidated<br>subsidiaries | Total net<br>assets |
|---|----------------------|--------------------|----------------------|-------------------|---------------------------------|--|-----------------------------------|--|--|---|---------------------|
|   | Common<br>stock      | Capital<br>surplus | Retained<br>earnings | Treasury<br>stock | Total sharehold-<br>ers' equity | Difference on<br>revaluation of other<br>marketable securities | Deferred hedge<br>gains or losses | Foreign currency<br>translation<br>adjustments | Total revaluation<br>/translation<br>differences |   |                     |
| <b>Balance at March 31, 2008</b>  | 68,258               | 94,756             | 28,169               | (97)              | 191,087                         | 1,755  | (0)                               | (62,268)                                       | (60,512)   | 1,155   | 131,730             |
| <b>Changes</b>  |                      |                    |                      |                   |                                 |  |                                   |  |  |   |                     |
| Decrease in earning surplus due to application<br>of Business Response Report No. 18                        |                      |                    | (6,442)              |                   | (6,442)                         |  |                                   |  |  |   | (6,442)             |
| <b>Cash dividend from<br/>retained earnings</b>   |                      |                    | (1,994)              |                   | (1,994)                         |  |                                   |  |  |   | (1,994)             |
| <b>Net income</b>   |                      |                    | 2,441                |                   | 2,441                           |  |                                   |  |  |   | 2,441               |
| Decrease due to increased unfunded liabilities related<br>to overseas subsidiaries' accounting for pensions |                      |                    | (1,353)              |                   | (1,353)                         |  |                                   |  |  |   | (1,353)             |
| <b>Purchase of own shares</b>   |                      |                    |                      | (3,161)           | (3,161)                         |  |                                   |  |  |   | (3,161)             |
| <b>Sales of own shares</b>  |                      | (0)                | (1)                  | 2                 | 1                               |  |                                   |  |  |   | 1                   |
| <b>Changes (net) in non-<br/>shareholders' equity items</b>   |                      |                    |                      |                   |                                 | (1,945)  | 2                                 | (12,347)                                       | (14,289)   | (169)   | (14,459)            |
| <b>Total changes</b>  | –                    | (0)                | (7,349)              | (3,158)           | (10,508)                        | (1,945)  | 2                                 | (12,347)                                       | (14,289)   | (169)   | (24,967)            |
| <b>Balance at March 31, 2009</b>  | 68,258               | 94,756             | 20,819               | (3,255)           | 180,579                         | (189)  | 2                                 | (74,615)                                       | (74,802)   | 986   | 106,762             |

Note: Amounts less than one million yen have been omitted.

● **Consolidated Statements of Cash Flows** (unit: millions of yen)

|   | Fiscal year 2008<br>(Apr. 2007 thru Mar. 2008) | Fiscal year 2009<br>(Apr. 2008 thru Mar. 2009) |
|---|--|--|
| <b>Cash Flows from Operating Activities</b>                         | 46,893   | 37,063   |
| <b>Cash Flows from Investing Activities</b>                         | (23,461)                                       | (24,554)                                       |
| <b>Cash Flows from Financing Activities</b>                         | (20,604)                                       | (6,974)  |
| <b>Effect of Exchange Rate Changes on Cash and Cash Equivalents</b> | (1,277)  | (920)  |
| <b>Net increase (decrease) in Cash and Cash Equivalents</b>         | 1,550  | 4,614  |
| <b>Cash and Cash Equivalents at Beginning of Year</b>               | 21,731   | 23,281   |
| <b>Cash and Cash Equivalents at End of Year</b>                     | 23,281   | 27,895   |

Note: Amounts less than one million yen have been omitted.

# Non-Consolidated Financial Statements

## ● Non-Consolidated Balance Sheets (unit: millions of yen)

|   | Fiscal year 2008<br>(as of<br>March 31, 2008) | Fiscal year 2009<br>(as of<br>March 31, 2009) |
|---|---|---|
| <b>Assets</b>                               |   |   |
| <b>Current assets</b>                       | <b>101,684</b>                                | <b>73,441</b>                                 |
| Cash and cash equivalents                   | 9,580   | 11,783  |
| Notes receivable                            | 2,220   | 1,415   |
| Accounts receivable                         | 46,179  | 28,217  |
| Purchased goods                             | 2,220   | 1,810   |
| Finished goods                              | 779   | 562   |
| Work in process                             | 2,555   | 2,884   |
| Raw materials                               | 1,483   | 1,373   |
| Supplies                                    | 102   | 99  |
| Goods in transit                            | 1,010   | 545   |
| Short-term loans receivable from affiliates | 27,600  | 21,045  |
| Deferred tax assets                         | 5,690   | 1,188   |
| Others                                      | 2,286   | 2,521   |
| Allowance for doubtful receivables          | (24)  | (5)   |
| <b>Fixed assets</b>                         | <b>235,186</b>                                | <b>243,246</b>                                |
| <b>Tangible fixed assets</b>                | <b>25,422</b>                                 | <b>26,846</b>                                 |
| <b>Intangible fixed assets</b>              | <b>2,786</b>                                  | <b>2,395</b>                                  |
| <b>Investments and other assets</b>         | <b>206,976</b>                                | <b>214,004</b>                                |
| Investments in securities                   | 5,646   | 4,416   |
| Investments securities in affiliates        | 162,255                                       | 162,364                                       |
| Investments in partnerships with affiliates | 36,152  | 41,838  |
| Long-term loans receivable from affiliates  | 375   | 432   |
| Deferred tax assets                         | 901   | 4,111   |
| Others                                      | 1,942   | 1,173   |
| Allowance for doubtful receivables          | (297)   | (332)   |
| <b>Total assets</b>                         | <b>336,870</b>                                | <b>316,688</b>                                |

|   | Fiscal year 2008<br>(as of<br>March 31, 2008) | Fiscal year 2009<br>(as of<br>March 31, 2009) |
|---|---|---|
| <b>Liabilities</b>  |   |   |
| <b>Current liabilities</b>                                      | <b>88,844</b>                                 | <b>85,828</b>                                 |
| Notes payable   | 2,084   | 448   |
| Accounts payable  | 27,671  | 15,309  |
| Short-term loans payable  | 36,300  | 41,300  |
| Current portion of long-term loans payable                      | –   | 22,100  |
| Current portion of bonds  | 15,000  | –   |
| Lease obligations   | –   | 498   |
| Accrued income taxes  | 1,105   | 53  |
| Accrued bonuses   | 2,156   | 2,187   |
| Allowance for bonuses to directors and corporate auditors       | 117   | –   |
| Others  | 4,408   | 3,931   |
| <b>Long-term liabilities</b>                                    | <b>67,967</b>                                 | <b>58,105</b>                                 |
| Bonds   | 21,500  | 21,500  |
| Long-term loans payable   | 46,000  | 35,400  |
| Lease obligations   | –   | 693   |
| Allowance for retirement benefits                               | –   | 54  |
| Allowance for retirement benefits to executive officers         | 95  | 130   |
| Others  | 371   | 327   |
| <b>Total liabilities</b>  | <b>156,812</b>                                | <b>143,934</b>                                |
| <b>Net Assets</b>   |   |   |
| <b>Shareholders' equity</b>                                     | <b>178,348</b>                                | <b>172,974</b>                                |
| <b>Common stock</b>   | <b>68,258</b>                                 | <b>68,258</b>                                 |
| <b>Capital surplus</b>  | <b>94,756</b>                                 | <b>94,756</b>                                 |
| <b>Capital reserve</b>  | <b>94,756</b>                                 | <b>94,756</b>                                 |
| <b>Others</b>   | <b>0</b>                                      | <b>–</b>                                      |
| <b>Retained earnings</b>  | <b>15,426</b>                                 | <b>13,210</b>                                 |
| <b>Earned surplus</b>   | <b>2,085</b>                                  | <b>2,085</b>                                  |
| <b>Others</b>   | <b>13,341</b>                                 | <b>11,125</b>                                 |
| Reserve for general purpose                                     | 6,500   | 6,500   |
| Retained earnings carried forward                               | 6,841   | 4,625   |
| <b>Treasury stock</b>   | <b>(93)</b>                                   | <b>(3,251)</b>                                |
| <b>Revaluation / Translation differences</b>                    | <b>1,710</b>                                  | <b>(219)</b>                                  |
| <b>Difference on revaluation of other marketable securities</b> | <b>1,710</b>                                  | <b>(219)</b>                                  |
| <b>Deferred hedge gains or losses</b>                           | <b>(0)</b>                                    | <b>(0)</b>                                    |
| <b>Total net assets</b>   | <b>180,058</b>                                | <b>172,754</b>                                |
| <b>Total liabilities and net assets</b>                         | <b>336,870</b>                                | <b>316,688</b>                                |

Note: Amounts less than one million yen have been omitted.

● **Non-Consolidated Statements of Income** (unit: millions of yen)

|   | Fiscal year 2008<br>(Apr. 2007 thru Mar. 2008) | Fiscal year 2009<br>(Apr. 2008 thru Mar. 2009) |
|---|--|--|
| <b>Net sales</b>  | 225,071  | 175,066  |
| <b>Cost of sales</b>  | 198,426  | 155,672  |
| <b>Gross profit</b>   | 26,645   | 19,394   |
| <b>Selling, general and administrative expenses</b>         | 20,014   | 19,780   |
| <b>Operating income (loss)</b>                              | 6,630  | (386)  |
| <b>Other income</b>   | 7,730  | 11,152   |
| Interest income   | 778  | 424  |
| Dividends income  | 6,269  | 10,176   |
| Foreign currency exchange gain                              | 78   | -  |
| Rent income of fixed assets                                 | 152  | 182  |
| Others  | 452  | 369  |
| <b>Other expenses</b>                                       | 2,096  | 2,138  |
| Interest expenses   | 1,103  | 1,189  |
| Interest on bonds   | 761  | 468  |
| Foreign currency exchange loss                              | -  | 333  |
| Others  | 231  | 146  |
| <b>Ordinary income</b>                                      | 12,265   | 8,627  |
| <b>Extraordinary income</b>                                 | 276  | 441  |
| Gain on sales of fixed assets                               | 112  | 54   |
| Liquidation dividend from affiliated company                | -  | 387  |
| Reversal of allowance for doubtful receivables              | 125  | -  |
| Reversal of allowance for business restructuring losses     | 38   | -  |
| <b>Extraordinary loss</b>                                   | 5,397  | 3,592  |
| Loss on sales of fixed assets                               | 12   | 1  |
| Loss on disposal of fixed assets                            | 293  | 129  |
| Impairment loss   | 71   | 4  |
| Loss on revaluation of investments securities in affiliates | -  | 2,787  |
| Bad debt loss   | 4,445  | -  |
| Plant closure loss  | 42   | -  |
| Loss for after-care of products                             | -  | 134  |
| Loss on transition of retirement benefit plan               | -  | 344  |
| Special severance payment                                   | -  | 168  |
| Retirement benefits to directors and corporate auditors     | 531  | -  |
| Allowance for doubtful receivables                          | -  | 23   |
| <b>Income before income taxes</b>                           | 7,144  | 5,476  |
| Income taxes (including enterprise tax)                     | 2,803  | 1,084  |
| Reversal of income taxes for prior year                     | -  | (1,028)  |
| Adjustment of income taxes                                  | 37   | 1,649  |
| Total income taxes  | 2,840  | 1,705  |
| <b>Net income</b>   | 4,304  | 3,770  |

Note: Amounts less than one million yen have been omitted.

## ■ Corporate Data

|                         |   |
|-------------------------|---|
| Trade Name              | Minebea Co., Ltd.   |
| Established             | July 16, 1951   |
| Capital                 | ¥ 68,258 million  |
| Number of Employees     | 2,721 (as of March 31, 2009)  |
| Registered Headquarters | 4106-73, Oaza Miyota, Miyota-Machi, Kitasaku-Gun, Nagano 389-0293, Japan<br>Tel: 81-267-32-2200 |
| Head Office and Plants  | Tokyo Head Office, Karuizawa Plant, Hamamatsu Plant,<br>Fujisawa Plant, Omori Plant             |

## ■ Board of Directors

### Representative Director,

### President and Chief Executive Officer

Yoshihisa Kainuma

### Director, Executive Vice President Officer

Koichi Dosho

### Director, Senior Managing Executive Officers

Hiroharu Katogi

Akihiro Hirao

Eiichi Kobayashi

Hiroyuki Yajima

Masayoshi Yamanaka

Hiroataka Fujita

### Outside Directors

Kohshi Murakami

Takashi Matsuoka

## ■ Corporate Auditors

### Standing Corporate Auditors

Tosei Takenaka

Akifumi Kamoi

### Standing Outside Corporate Auditor

Kazuaki Tanahashi

### Outside Corporate Auditors

Isao Hiraide

Hiroataka Fujiwara

## ■ Executive Officers

### Senior Managing Executive Officer

Sakae Yashiro

### Managing Executive Officers

Susumu Fujisawa

Motoyuki Nijima

Junichi Mochizuki

Tsugihiko Musha

Gary Yomantas

### Executive Officers

Morihiro Iijima

Takashi Aiba

Daishiro Konomi

Tatsuo Matsuda

Motoharu Akiyama

Tamio Uchibori

Koichi Takeshita

Tetsuya Tsuruta

Shuji Uehara

Shigeru None

Kunio Shimba

Hiromi Yoda

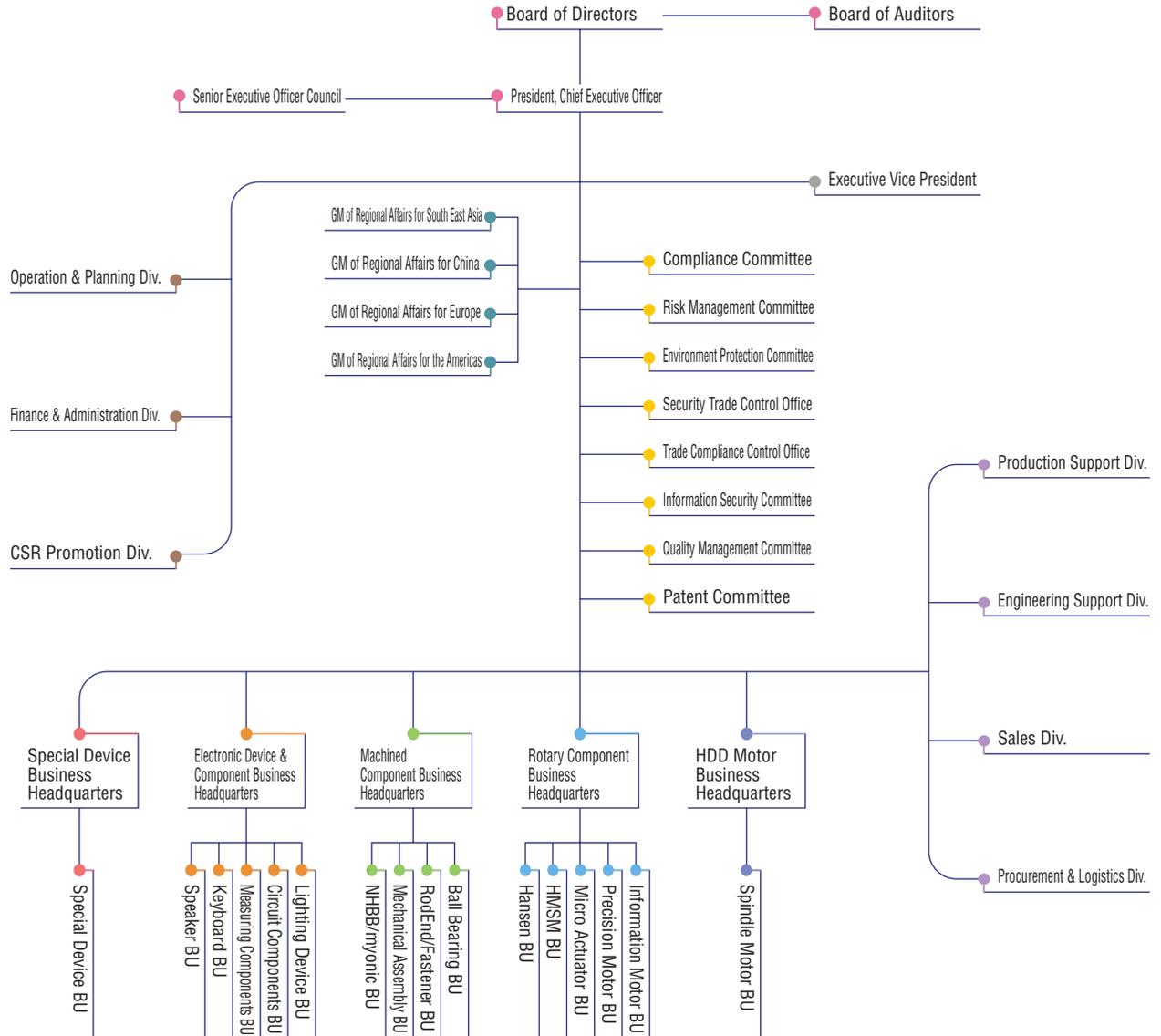
Miyuki Furuya

Harukazu Hase

Kazunori Sawayama

Ryozo Iwaya

## ■ Organization Chart



## Share Information (as of March 31, 2009)

|                                   |               |        |
|-----------------------------------|---------------|--------|
| Total Number of Shares Authorized | 1,000,000,000 | shares |
| Number of Shares Issued           | 399,167,695   | shares |
| Number of Shareholders            | 22,078        |        |

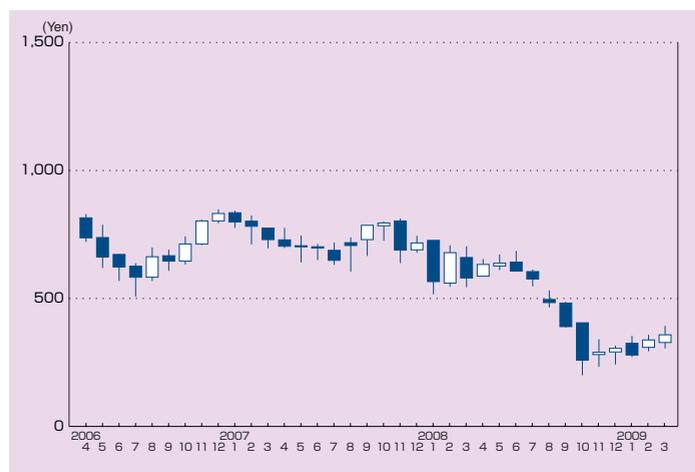
### Major Shareholders (Top 10)

|   | Number of Shares<br>(shares) | Shareholding Ratio<br>(%) |
|---|------------------------------|---------------------------|
| Japan Trustee Services Bank, Ltd. (Trust Account)         | 37,645,000                   | 9.43                      |
| Japan Trustee Services Bank, Ltd. (Trust Account 4G)      | 25,971,000                   | 6.51                      |
| The Master Trust Bank of Japan, Co., Ltd. (Trust Account) | 25,636,000                   | 6.42                      |
| Japan Trustee Services Bank, Ltd. (Trust Account 4)       | 20,010,000                   | 5.01                      |
| The Sumitomo Trust & Banking Co., Ltd.                    | 15,349,000                   | 3.85                      |
| Keiaisha Co., Ltd.  | 15,000,000                   | 3.76                      |
| Takahashi Industrial and Economic Research Foundation     | 12,347,330                   | 3.09                      |
| The Bank of Tokyo-Mitsubishi UFJ, Ltd.                    | 10,057,839                   | 2.52                      |
| Sumitomo Mitsui Banking Corporation                       | 10,000,475                   | 2.51                      |
| NikkoCiti Trust and Banking Corporation (Trust Account)   | 5,501,000                    | 1.38                      |

Note:

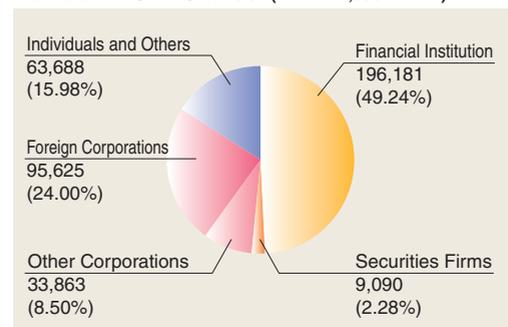
The Company holds 10,182,931 shares of treasury stock which are excluded from the major shareholders.

### Stock Price on Tokyo Stock Exchange

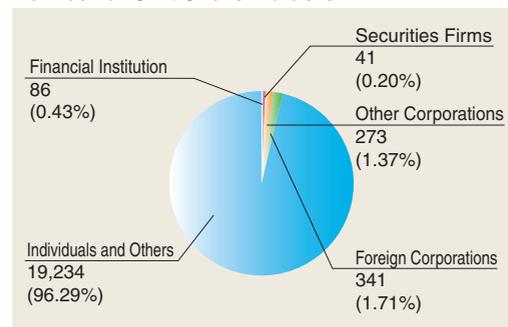


### Shareholder Distribution by Unit Shares

Number of Unit Shares (1 unit = 1,000 shares)



### Number of Unit Share Holders



## Information for Shareholders

|   |   |                         |
|---|---|-------------------------|
| Business Year   | From April 1 to March 31 of next year   |                         |
| Ordinary General Meeting of Shareholders  | June every year   |                         |
| Record Date   | Ordinary General Meeting of Shareholders  | March 31 every year     |
|   | Year-end Dividends  | March 31 every year     |
|   | Interim Dividends   | September 30 every year |
| Agent to Manage Shareholders Registry and Special Accounts Management Institution | 5-33, Kitahama 4-chome, Chuo-ku, Osaka<br>The Sumitomo Trust & Banking Co., Ltd.  |                         |
| Handling Office of Agent to Manage Shareholders Registry                          | 3-1 Yaesu 2-chome, Chuo-ku, Tokyo<br>The Sumitomo Trust & Banking Co., Ltd.<br>Stock Transfer Agency Department                                     |                         |
| (Delivery Address for Postal Matters)   | 1-10, Nikko-cho, Fuchu-shi, Tokyo 183-8701<br>The Sumitomo Trust & Banking Co., Ltd.<br>Stock Transfer Agency Department                            |                         |
| (Telephone Inquiries)   |  0120-176-417  |                         |
| (Web Site)  | <a href="http://www.sumitomotrust.co.jp/STA/retail/service/daiko/index.html">http://www.sumitomotrust.co.jp/STA/retail/service/daiko/index.html</a> |                         |
| Public Notice   | The Nihon Keizai Shimbun  |                         |
| Common Stock Listings   | Tokyo, Osaka and Nagoya   |                         |

### <Shareholders' Inquiries and Notifications Concerning Matters Such as Change of Address>

Please notify inquiries or notifications concerning procedures related to shares (such as change of registered address or name, change of the method or place to receive dividends, request to sell or buy shares less than one unit [for holders of shares less than one unit]) as follows.

- **Shareholders who hold accounts at securities companies** are requested to notify your securities companies.
- **Shareholders who do not hold accounts at securities companies** are requested to notify The Sumitomo Trust & Banking Co., Ltd. (Please also refer to the notice of "Special Accounts" below.)

### <Special Accounts>

Shares of such shareholders that was yet to have used Japan Securities Depository Center, Inc. (JASDEC) by the date of the enforcement of share certificate dematerialization (January 5, 2009) are recorded on the accounts (called "special accounts") opened at the agent to manage shareholders registry, The Sumitomo Trust & Banking Co., Ltd. For details of special accounts, you are requested to use the above telephone number of The Sumitomo Trust & Banking Co., Ltd.



Recognizing the importance of utilizing domestic wood products and nurturing domestic forests, Minebea Co., Ltd., supports the KIZUKAI-UNDŌH ("Wood Products Utilization Campaign"), which is being promoted by Japan's Forestry Agency. The 3.9 GREENSTYLE mark is one of the campaign's logos. The production of reports such as this contributes to the use of domestic wood in papermaking materials, and thus to the increased absorption of CO<sub>2</sub> by trees grown in Japan.



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