

To Our Shareholders

The 68th Business Year Interim Business Report

April 1, 2013 ► September 30, 2013

Minebea
Passion to Exceed Precision

Minebea Co., Ltd.

Business Summary

As the interim period of the 68th Business Year (April 1, 2013 - September 30, 2013) has ended, we would like to report our business summary.

■ Overview of the interim period

The Japanese economy continued on an upward trajectory during the current interim period (April 1, 2013 to September 30, 2013) as government initiatives coupled with the weak yen boosted corporate earnings, capital expenditures, and employment, while consumer spending remained steady. The U.S. economy also remained on the road to recovery, fueled by strong domestic demand as well as growth in new housing construction due to the US government's monetary easing policy. There were signs of bottoming out in the Eurozone as the economies of Germany and the U.K. started picking up despite the lingering sovereign debt crisis which kept unemployment rates high. In Asia, economic growth became more gradual as ASEAN countries were affected by the depreciation of currencies and falling stock and bond

prices while the Chinese economy enjoyed steady growth.

Working against this backdrop, the Minebea Group has been focusing on cutting costs, creating high-value-added products, developing new technologies, and honing its marketing approach to boost profitability further.

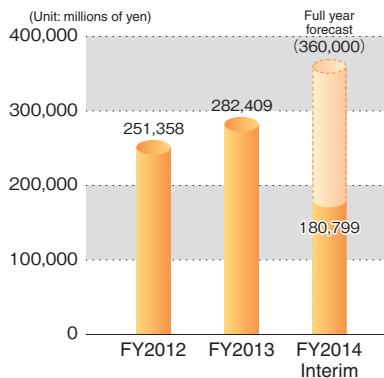
As a result, net sales increased substantially by 41,698 million yen (30.0%) year on year to reach 180,799 million yen due partly to the yen's depreciation. There were also substantial increases in operating income, ordinary income and net income. Operating income rose 5,303 million yen (68.9%) year on year to total 13,003 million yen, and ordinary income was up 4,809 million yen (69.3%) year on year at 11,751 million yen. Net income increased 5,052 million yen (135.8%) year on year to reach 8,772 million yen.

■ Outlook for the current fiscal year

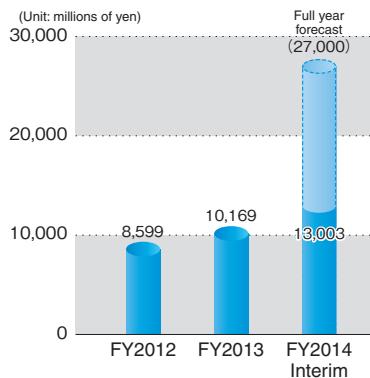
Our operations made significant headway as the Japanese economy continued to recover and the U.S. economy gradually improved during the current interim period. We expect the global

■ Financial Highlights (Consolidated)

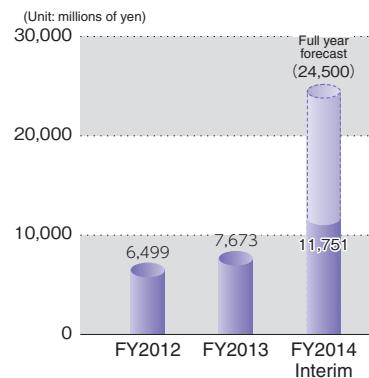
■ Net Sales



■ Operating Income



■ Ordinary Income



economy to remain on the path to recovery for the rest of this fiscal year despite potential pitfalls that may lie along the way. Working against this backdrop and in light of our projection that steady orders will keep overall performance up during the second half of the fiscal year, we have decided to revise our consolidated forecast for this fiscal year based on our best estimate at this stage. The revised consolidated forecast for the fiscal year ending March 31, 2014 is as shown below.

Net sales	360,000 million yen	(127.5%)
Operating income	27,000 million yen	(265.5%)
Ordinary income	24,500 million yen	(319.3%)
Net income	17,000 million yen	(942.3%)

(Year on year)

The interim dividend is 3 yen per share.

The Company plans to pay a 7 yen per share annual dividend (3 yen for interim dividend and 4 yen for fiscal year-end dividend).

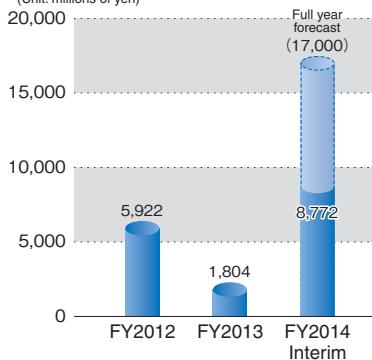
We look forward to your continuous support and guidance.



Yoshihisa Kainuma
Representative Director
December 2013

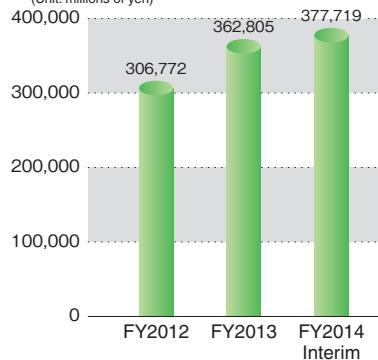
■ Net Income

(Unit: millions of yen)



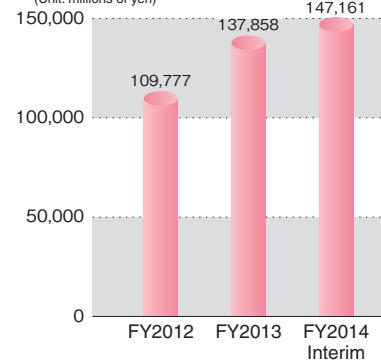
■ Total Assets

(Unit: millions of yen)



■ Net Assets

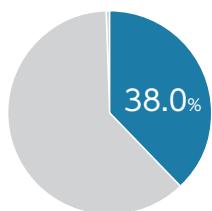
(Unit: millions of yen)



Overview by Business Segment

Machined Components Business

Net Sales 68,690 million yen  20.6%up

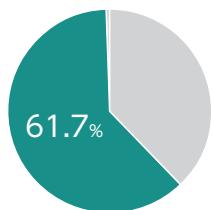


Net Sales Composition
38.0%

Our products in the Machined components business segment include our mainstay product, ball bearings, in addition to mechanical components such as rod-end bearings used primarily in aircraft and hard disk drive (HDD) pivot assemblies, as well as fasteners for automobiles and aircraft. Sales of our anchor product, ball bearings, soared due to our sales expansion efforts and rebounding demand in the automobile market, where they are primarily used, as well as for information-related devices and other markets. Sales remained strong with the sales volume hitting a record high in September. Both sales and profits for rod-end bearings increased due to the weak yen as well as high demand in the civil aviation market which was fueled by growing demand from carriers, etc. Sales and profits of pivot assemblies were up thanks to an increase in market share, particularly for high-end products despite a sluggish personal computer market. As a result, net sales for the current interim period were up 11,746 million yen (20.6%) year on year to total 68,690 million yen while operating income increased 956 million yen (6.6%) year on year to total 15,427 million yen.

Electronic Devices and Components Business

Net Sales 111,628 million yen  36.6%up

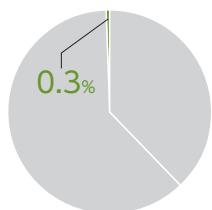


Net Sales Composition
61.7%

The core products of our Electronic devices and components business include electronic devices (liquid crystal display backlights and measuring components), HDD spindle motors, information motors (stepping motors, brushless motors, DC brush motors, and fan motors), precision motors, and special devices. Our liquid crystal display (LCD) backlight business improved significantly thanks to a huge jump in sales. The increase was largely due to a technological edge that enables us to produce ultra-thin light guide plates and the like, resulting in sales growth in line with growth in demand for smartphones. The business was also buoyed by increased sales in the automobile market as well as a growing customer base in the smartphone market. HDD spindle motors and information motors saw increases in both sales and profit reflecting the positive impact of structural reforms implemented toward the end of last fiscal year, with both businesses showing improvements. Performance for the information motor business, in particular, significantly improved. We worked to enhance production efficiency as well as cost competitiveness by transferring manufacturing operations to our Cambodian plant. Thanks to the growing demand driven by the global economic recovery, all our efforts paid off and the business improved significantly, returning to profitability in the second quarter. All these factors combined brought net sales for the current interim period up a huge 29,919 million yen (36.6%) year on year to total 111,628 million yen. Operating income also jumped 3,410 million yen year on year to total 3,093 million yen.

Other Business

Net Sales 480 million yen  7.4%up



Net Sales Composition
0.3%

Net sales for the current interim period in our Other business segment, which includes dies and parts produced in-house, were up 33 million yen (7.4%) year on year to total 480 million yen. Operating income increased 324 million yen (413.1%) year on year to total 402 million yen.

Note: 1. As a result of organizational restructuring, commencing in the current business year, the Company has changed its reporting criteria for reportable business segments from the former one consisting of "Machined components business," "Rotary components business" and "Electronic devices and components business" to the current one consisting of "Machined components business" and "Electronic devices and components business." Figures for the same period of the previous fiscal year were recalculated for the new segment classification in the year on year comparisons.

2. Operating income on the consolidated statements of income for the current interim period includes 5,919 million yen of corporate expenses, etc. not belonging to any particular segment as adjustments. Adjustments for the first half of last fiscal year amounted to 6,532 million yen.

Enhancement of Competitiveness through Bearing Product Line-up Expansion

Minebea's subsidiary in the U.S.A., New Hampshire Ball Bearings, Inc. ("NHBB"), acquired all shares of CEROBEAR GmbH (Head office: Herzogenrath, Germany, "CEROBEAR"), which manufactures and markets ceramic bearings and hybrid bearings to be used in a wide variety of industries such as aerospace, medical equipment, semiconductor manufacturing equipment and machine tools. Implementing CEROBEAR's innovative ceramic technologies is expected to lead to synergies allowing Minebea to offer new products to aerospace industries and broaden its product line-ups.

Furthermore, Minebea's subsidiary in Germany, myonic GmbH (myonic), purchased the business assets of APB Service GmbH (APB), an Austrian company that manufactures and sells bearings. APB's manufacturing capabilities bring new bearing manufacturing technology to myonic in the form of high precision axial/radial roller bearings and larger sizes (up to 800 mm diameter) as well as new processes. This strategic acquisition of APB is expected to expand myonic's product mix and open up an entirely new market to the German manufacturer.



A ceramic bearing made by CEROBEAR



A bearing made by APB for use in machine tools

Business and Capital Alliance with Leading Korean Manufacturer of Backlights for LCD

The Company entered into a business and capital alliance agreement with KJ Pretech Co., Ltd. of Korea, one of the leading manufacturers of backlights for LCD. The Company intends to enhance its competitive edge through this alliance by way of improving its product quality, technological expertise and supply capabilities as well as to solidify a position as a market leader in the backlight business, where competition is intensifying. By so doing, Minebea will ensure future business development and improved profitability.

Establishment of Sales Company in India

The Company established a wholly-owned subsidiary in India, NMB-Minebea India Private Limited (located in Gurgaon, Haryana) for the purpose of strengthening its business operations and expanding its sales activities for new customers in the Indian market. To date, Minebea has been carrying out its marketing activities in India through the representative office located in Chennai. The establishment of its subsidiary in India marks the start of full-fledged business operation for Minebea in the country. Minebea strives to boost its sales activities, which will be tailored to the various needs of local users and customers, by way of gaining recognition and enhancing the visibility of Minebea products in the growing Indian market as well as strengthening its sales promotion in a proactive manner in collaboration with its distributors, agencies and subcontractors through the creation of a robust network with them.

Disaster Support Agreement (Emergency Heliport) Signed with Miyota Town, Nagano Prefecture

The Company owns one helicopter for the transportation of customers and employees. Recently, the Company signed an "Agreement on Heliport Use in Times of Disaster" with Miyota Town, Kitasaku District, Nagano Prefecture, where the Company's Karuizawa Plant is located. The agreement allows Miyota Town to use the heliport at the Karuizawa Plant during times of disaster as an emergency heliport for the transportation of emergency materials and the provision of helicopter medical assistance. Minebea will continue to strengthen its cooperative ties with Miyota and work to benefit the local area.



Heliport (Karuizawa Plant)

Consolidated Financial Statements

● Consolidated Balance Sheets (unit: millions of yen)

Assets	Fiscal year 2013 Interim (as of September 30, 2012)	Fiscal year 2014 Interim (as of September 30, 2013)	Fiscal year 2013 (as of March 31, 2013)
Current assets	162,322	186,785	170,976
Cash and cash equivalents	25,393	34,723	34,182
Notes and accounts receivable	63,348	77,675	62,645
Marketable securities	989	965	1,415
Finished goods	20,905	21,077	21,430
Work in process	14,641	16,395	15,714
Raw materials	10,871	11,593	11,354
Supplies	3,391	4,466	4,023
Goods in transit	4,967	6,963	5,711
Deferred tax assets	5,231	5,595	5,648
Others	12,709	7,505	8,991
Allowance for doubtful receivables	(127)	(177)	(141)
Fixed assets	155,619	190,889	191,777
Tangible fixed assets	135,583	167,564	170,762
Intangible fixed assets	5,477	6,049	4,868
Investments and other assets	14,557	17,276	16,146
Deferred charges	58	44	51
Total assets	317,999	377,719	362,805

Liabilities	Fiscal year 2013 Interim (as of September 30, 2012)	Fiscal year 2014 Interim (as of September 30, 2013)	Fiscal year 2013 (as of March 31, 2013)
Current liabilities	131,401	130,048	128,484
Notes and accounts payable	26,391	31,975	20,397
Short-term loans payable	63,182	57,355	65,966
Current portion of long-term loans payable	19,003	14,550	19,237
Lease obligations	248	241	244
Accrued income taxes	1,563	2,036	821
Accrued bonuses	5,811	6,706	4,138
Allowance for bonuses to directors	60	60	—
Allowance for after-care of products	11	—	—
Allowance for environmental remediation expenses	88	224	164
Allowance for business restructuring losses	7	38	465
Asset retirement obligations	135	—	—
Others	14,898	16,859	17,048
Long-term liabilities	81,313	100,509	96,463
Bonds	10,000	10,000	10,000
Convertible bond-type bonds with subscription rights to shares	7,700	7,700	7,700
Bonds with subscription rights to shares	174	15	203
Long-term loans payable	56,077	71,585	67,305
Lease obligations	398	330	345
Allowance for retirement benefits	4,806	7,686	8,147
Allowance for retirement benefits to executive officers	157	143	178
Allowance for environmental remediation expenses	849	943	1,060
Others	1,148	2,103	1,521
Total liabilities	212,715	230,557	224,947
Net Assets			
Shareholders' equity	197,243	201,650	194,419
Common stock	68,258	68,258	68,258
Capital surplus	94,756	94,775	94,756
Retained earnings	43,980	48,204	40,925
Treasury stock	(9,752)	(9,588)	(9,521)
Total accumulated other comprehensive income	(97,504)	(61,205)	(63,092)
Difference on revaluation of available-for-sale securities	(193)	1,337	1,088
Deferred gains or losses on hedges	(8)	(2)	(6)
Foreign currency translation adjustments	(94,984)	(60,168)	(61,643)
Unfunded retirement benefit obligation of foreign subsidiaries	(2,318)	(2,370)	(2,531)
Subscription rights to shares	45	94	51
Minority interests in consolidated subsidiaries	5,500	6,622	6,479
Total net assets	105,284	147,161	137,858
Total liabilities and net assets	317,999	377,719	362,805

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

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

	Fiscal year 2013 Interim (Apr. 2012 thru Sept. 2012)	Fiscal year 2014 Interim (Apr. 2013 thru Sept. 2013)	Fiscal year 2013 (Apr. 2012 thru Mar. 2013)
Net sales	139,101	180,799	282,409
Cost of sales	107,878	141,624	225,113
Gross profit	31,222	39,175	57,295
Selling, general and administrative expenses	23,522	26,171	47,125
Operating income	7,700	13,003	10,169
Other income	770	902	1,489
Interest income	189	253	425
Dividends income	72	79	162
Foreign currency exchange gains	51	—	—
Dividends income of insurance	178	189	178
Others	278	379	722
Other expenses	1,528	2,154	3,985
Interest expenses	1,234	1,157	2,651
Foreign currency exchange losses	—	24	83
Others	294	971	1,250
Ordinary income	6,942	11,751	7,673
Extraordinary income	245	79	7,143
Gain on sales of fixed assets	245	25	4,571
Insurance income	—	—	2,572
Gain on sales of investments in securities	—	53	—
Extraordinary loss	2,225	1,180	9,934
Loss on sales of fixed assets	12	22	22
Loss on disposal of fixed assets	69	24	150
Impairment loss	—	963	1,948
Amortization of goodwill	—	—	620
Loss on disaster	1,461	—	1,980
Business restructuring losses	4	157	2,626
Loss on abolishment of retirement benefit plan	—	—	1,641
Provision of allowance for doubtful accounts	669	—	573
Bad debts written off	—	—	135
Allowance for environmental remediation expenses	7	12	235
Income before income taxes and minority interests	4,962	10,650	4,882
Income taxes (including enterprise tax)	2,103	1,889	4,057
Adjustment of income taxes	(611)	290	(408)
Total income taxes	1,491	2,179	3,649
Income before minority interests	3,470	8,471	1,232
Minority interests in loss	(249)	(301)	(571)
Net income	3,720	8,772	1,804

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

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

	Fiscal year 2013 Interim (Apr. 2012 thru Sept. 2012)	Fiscal year 2014 Interim (Apr. 2013 thru Sept. 2013)	Fiscal year 2013 (Apr. 2012 thru Mar. 2013)
Cash flows from operating activities	7,874	22,967	22,990
Cash flows from investing activities	(21,125)	(13,959)	(37,813)
Cash flows from financing activities	10,103	(11,445)	17,409
Effect of exchange rate changes on cash and cash equivalents	(793)	959	2,157
Net increase (decrease) in cash and cash equivalents	(3,941)	(1,477)	4,744
Cash and cash equivalents at beginning of period	23,365	28,223	23,365
Increase in cash and cash equivalents from newly consolidated subsidiaries	112	—	112
Cash and cash equivalents at end of period	19,537	26,745	28,223

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 yen
Number of Employees	: 3,363
Registered Headquarters	: 4106-73, Oaza Miyota, Miyota-machi, Kitasaku-gun, Nagano 389-0293, Japan Tel: 81-267-32-2200
Tokyo Head Office	: 3-9-6 Mita, Minato-ku, Tokyo 108-8330, Japan Tel: 81-3-6758-6711
Head Office and Plants	: Tokyo Head Office, Karuizawa Plant, Hamamatsu Plant, Fujisawa Plant, Omori Plant, Yonago Plant



Tokyo Head Office

■ Minebea's Website <http://www.minebea.co.jp/english/>

Information on Minebea can be found on our website. Contents including press release, product information, company information, information for investors, recruitment information, procurement and CSR/environmental activity are updated as needed. We also offer our Minebea news delivery service, sending you the latest press releases by e-mail. (The Minebea news delivery service can be subscribed to on the “Press Release” page. The service is managed and operated by the Corporate Communications Office and is available in both Japanese and English.)

Homepage



Information for Investors

The “Investors” page contains various IR information, including management policy, stock and bond information, IR library documents, financial data and investor meeting presentations.

CSR/Environmental Activity

The “CSR/Environment” page centers on information on the Minebea Group's commitment to CSR, corporate governance and environmental activities. Past issues of our CSR reports published every year, can also be downloaded from this page.

Share Information

Total Number of Shares Authorized	1,000,000,000	shares
Number of Shares Issued	399,167,695	shares
Number of Shareholders	20,738	

Major Shareholders (Top 10)

	Number of Shares (shares)	Shareholding Ratio (%)
Japan Trustee Services Bank, Ltd. (Trust Account)	31,364,000	8.29
The Master Trust Bank of Japan, Ltd. (Trust Account)	27,583,000	7.29
National Mutual Insurance Federation of Agricultural Cooperatives	15,761,000	4.17
Takahashi Industrial and Economic Research Foundation	15,447,330	4.08
Sumitomo Mitsui Trust Bank, Limited	15,349,000	4.06
Keiaisha Co., Ltd.	15,000,000	3.97
Japan Trustee Services Bank, Ltd. (Trust Account 4)	13,081,000	3.46
Japan Trustee Services Bank, Ltd. (Trust Account 9)	11,501,000	3.04
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	10,057,839	2.66
Sumitomo Mitsui Banking Corporation	10,000,475	2.64

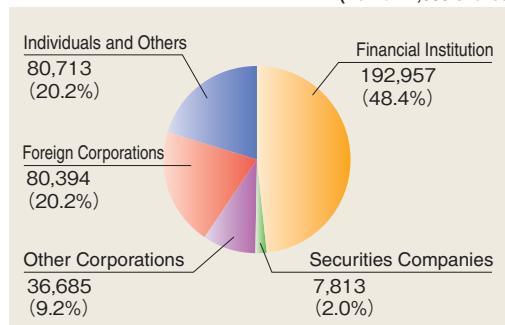
Note: 1. The Company holds 21,010,781 shares of treasury stock, which are excluded from the major shareholders.
2. Shareholding ratio is calculated exclusive of treasury stock.

Stock Price on Tokyo Stock Exchange



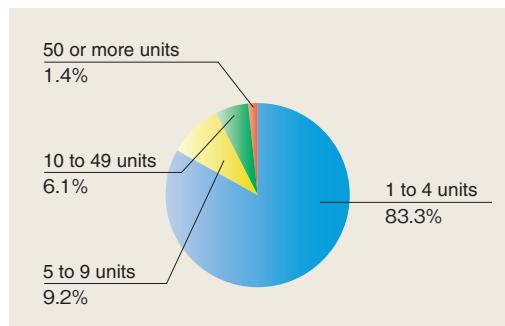
Distribution of Shareholding by Investor Type

(1 unit = 1,000 shares)



※The figure in () indicates the shareholding ratio.

Distribution of Number of Shareholders by Number of Shares Held



[Payment of Interim Stock Dividends for the 68th Business Term]

The Interim stock dividends for the 68th Business Year will be paid by the enclosed “Interim Stock Dividend Warrant for the 68th Business Year.” Please take this Warrant to any office or post office of Japan Post Bank and Japan Post Network (banking agency) within the specified payment period (from December 4, 2013 to January 9, 2014) to receive your dividends.

We have enclosed forms of “Statement of Interim Dividends” and “Where to Transfer Dividends” for those who have designated a transfer account(s), and forms of “Statement of Interim Dividends” and “How to Receive Dividends” for those who have chosen the method of share number pro-rata distribution in plural securities company accounts for your confirmation.

(With respect to where to transfer dividends in the case you have chosen the method of share number pro-rata distribution in plural securities company accounts, please contact the securities company with which you deal.)

[Special Accounts]

What is a special account?

In line with share certificate dematerialization, all our shares are electronically registered at Japan Securities Depository Center, Inc. (JASDEC). As a general rule, such an account is managed through a shareholder's account at a securities company. Shares of such shareholders that have not notified us of their accounts at securities companies are managed at special accounts we opened at Sumitomo Mitsui Trust Bank in order to protect the shareholders' rights.

Shares registered in our special accounts cannot be traded except for selling or buying shares less than one unit (1,000 shares). To sell or buy shares in a special account, shareholders are requested to open an account with a securities company and transfer such shares from our special account to their account. For details of the procedures, please contact Sumitomo Mitsui Trust Bank, the special account management institution.

[Shareholders' Inquiries and Notifications Concerning Matters Such as Change of Address]

Please direct inquiries or notifications concerning procedures related to shares (such as change of registered address, change of the method or place to receive dividends, and request to sell or buy shares less than one unit [for holders of shares less than one unit]) to the following, depending on your account type.

Shareholders whose shares are recorded in the account at a securities company	Please contact the securities company.
Shareholders whose shares are recorded in the special account	Please contact the Stock Transfer Agency Business Planning Department of Sumitomo Mitsui Trust Bank.

Contact for All Inquiries

Sumitomo Mitsui Trust Bank
Stock Transfer Agency Business
Planning Department

 0120-782-031 (Weekdays 9 a.m. to 5 p.m.)
(Mailing Address) 2-8-4, Izumi, Suginami-ku, Tokyo, 168-0063

● Business Year

From April 1 to March 31 of next year

● Ordinary General Meeting of Shareholders

June every year

● Shares per Unit

1,000 shares

● Record Date

Ordinary General Meeting of Shareholders
March 31 every year

● To Be Eligible to Receive a Dividend

Year-end Dividends March 31 every year
Interim Dividends September 30 every year

● Stock Transfer Agent and Account Management

Institution for Special Accounts
Sumitomo Mitsui Trust Bank, Limited
1-4-1, Marunouchi, Chiyoda-ku, Tokyo

● Handling Office

Sumitomo Mitsui Trust Bank, Limited
Stock Transfer Agency Business Planning Department
1-4-1, Marunouchi, Chiyoda-ku, Tokyo
(Mailing Address)
Sumitomo Mitsui Trust Bank, Limited
Stock Transfer Agency Business Planning Department
2-8-4, Izumi, Suginami-ku, Tokyo, 168-0063
(Telephone Inquiries)
 0120-782-031 (Weekdays 9 a.m. to 5 p.m.)

● Public Notice

Public notice by the Company shall be carried out by way of electronic public notice. (<http://www.minebea.co.jp/>)
Provided, however, when the Company is unable to carry out public notice by way of electronic public notice due to accident or unavoidable reason, it shall be given in the Nihon Keizai Shinbun.

● Common Stock Listings

Tokyo and Nagoya

Minebea Co., Ltd.

Tokyo Head Office

3-9-6 Mita, Minato-ku, Tokyo 108-8330, Japan

Tel: 81-3-6758-6711 Fax: 81-3-6758-6700

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