



Takayuki Yamagishi
 Representative Director,
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The discovery of a celestial body in the outer reaches of our solar system that rivaled Pluto in size first made the news in August 2005. At the time, this raised the possibility that the number of bodies classified as planets would be increased to 10. The matter seemed to quickly disappear from public consciousness, though. Until this August, that is, when the International Astronomical Union (IAU) General Assembly sought to resolve differences between scientists seeking to have several new bodies classified as planets, which prompted a proposal to raise the total number to 12, and scientists campaigning for Pluto's planetary status to be revoked and the total number reduced to eight. In the end, the IAU General Assembly voted in favor of Pluto's relegation, as a result of which our solar system now officially has only eight planets.

The exact number of planets existing in our solar system thus seems to depend on how one defines "planet," and whether we decide there are nine or eight or 12, the fact still remains that the only celestial body that has water—and thus the only planet that allows life to flourish—is the Earth.

This is important when one considers the many problems that threaten the Earth's natural environment. Of the billions of celestial bodies visible in a clear night sky, only the Earth, a planet of rare beauty, sustains countless life forms. I believe strongly that as long as humans inhabit the Earth, we have a profound obligation to use our knowledge and wisdom to ensure its preservation. As I stated in last year's report, Minebea has always approached environmental protection as a key management goal, and continues

to implement a variety of initiatives aimed at minimizing the environmental impact of our various corporate activities. We have also formulated an internal organization and an environmental policy, based on an unwavering basic philosophy, to govern our efforts to address crucial environmental issues and ensure the consistency of such efforts regardless of location or country.

There is an old saying that "perseverance will accomplish all things." Efforts to address crucial environmental issues will not yield results overnight. As a company, Minebea will continue to approach environmental stewardship as an ongoing, long-term commitment. At the same time, we will continue to strive, as a global group of companies, to cooperate with our customers, suppliers and subcontractors, and communities to implement a variety of carefully planned, coordinated efforts. We look forward to your ongoing support.

August 2006

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Ryusuke Mizukami
 Director, Senior Managing Officer,
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Since first appearing on the Earth some 150,000 years ago, *Homo sapiens* has overcome famine, disease, toxic substances and other threats to its existence. Guided by instinct, the species has fought for survival, along the way acquiring a broad range of knowledge regarding health and safety that has been passed down from generation to generation.

As human society matures, our desire grows to make our living environment more pleasant and comfortable, and to enhance our own health and safety. As a species, this desire has been our ultimate defining characteristic through the ages, an uninterrupted legacy that continues to this day.

The industrial revolution, which began in the 18th century, brought about not only the mechanization of industry, but also sparked sharp advances in the chemicals industry, including the production of a great number of chemicals. These chemicals have greatly benefited recent generations by contributing to advances in medicine and manufacturing. At the same time, they have negatively impacted the ecosystem and human health, thus constituting yet another threat to our species.

Today, greater awareness of this reality is spurring people to take steps to ensure the problems facing us today are not passed on to subsequent generations. These include such legal measures as the Restriction of Hazardous Substances (RoHS) directive, which went into effect July 1, 2006, that reflects a basic European Union (EU) policy aimed at protecting the health and safety of people in the region. In addition, there are efforts, designed to appeal to our logical, rational side, to ensure health and

safety by implementing restrictions on the use of harmful substances.

Surely this movement to create a secure, sustainable human society can be seen as our generation's industrial revolution.

Minebea views the RoHS directive as an alarm bell, warning us of the importance of taking an inclusive approach to environmental preservation that encompasses the health and safety of people. Thanks to the cooperation of our customers, suppliers and contractors, we achieved full compliance with the directive in March 2006. In line with our basic commitment to enriching rather than harming the Earth, we will continue striving to remain a corporate group deserving of your trust. We look forward to your ongoing guidance in all our efforts.

August 2006

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