

BRIEF REPORT OF NON-CONSOLIDATED INTERIM FINANCIAL RESULTS
(Half year ended September 30, 2002)

November 14, 2002

Registered
Company Name: **MINEBEA CO., LTD.** Common Stock Listings: Tokyo, Osaka, and Nagoya
Headquarters: Nagano-ken
Code No: 6479
(URL <http://www.minebea.co.jp>)
Representative : Tsugio Yamamoto Representative Director -President
Contact: Sadahiko Oki Director-Accounting
Board of Directors' Meeting for Tel. (03)5434-8611
Non-consolidated interim Financial Interim Dividend Plan: None
Results held on : November 14, 2002 Unit Share Method: Yes (1 unit = 1,000 shares)

1. Business performance (April 1, 2002 through September 30, 2002)

(1) Results of Operations (Amounts less than one million yen are omitted.)

| | Net sales (millions of yen) | % Change | Operating income (millions of yen) | % Change | Ordinary income (millions of yen) | % Change |
|----------------|--------------------------------|-------------|---------------------------------------|-------------|--------------------------------------|-------------|
| FY2003 Interim | 83,402 | (6.9) | 2,775 | 121.6 | 4,828 | 45.1 |
| FY2002 Interim | 89,558 | (10.0) | 1,252 | (82.1) | 3,327 | (44.7) |
| FY2002 Annual | 175,218 | | 1,848 | | 10,033 | |

| | Net income (millions of yen) | % Change | Net income per share (yen) |
|----------------|---------------------------------|-------------|----------------------------|
| FY2003 Interim | 2,122 | 32.7 | 5.32 |
| FY2002 Interim | 1,600 | (46.5) | 4.01 |
| FY2002 Annual | 4,351 | | 10.90 |

(Notes) 1. Weighted average number of shares outstanding during the respective years: 399,150,108 shares at September 30, 2002
399,167,695 shares at September 30, 2001
399,165,043 shares at March 31, 2002

2. Changes in accounting method: None

3. The percentages of net sales, operating income, ordinary income and net income show variance against previous interim period.

(2) Dividends

| | Interim dividends per share (yen) | Annual dividends per share (yen) |
|----------------|--------------------------------------|-------------------------------------|
| FY2003 Interim | — | — |
| FY2002 Interim | — | — |
| FY2002 Annual | — | 7.00 |

(Note) Detail of current interim dividends Not applicable.

(3) Financial Position

| | Total assets (millions of yen) | Shareholders' equity (millions of yen) | Shareholders' equity ratio (%) | Shareholder's equity per share (yen) |
|----------------|-----------------------------------|---|-----------------------------------|---|
| FY2003 Interim | 371,735 | 180,906 | 48.7 | 453.24 |
| FY2002 Interim | 374,710 | 178,744 | 47.7 | 447.79 |
| FY2002 Annual | 376,880 | 181,222 | 48.1 | 454.01 |

(Notes) 1. Number of shares outstanding at end of term: 399,142,282 shares at September 30, 2002
399,167,589 shares at September 30, 2001
399,159,121 shares at March 31, 2002

2. Number of treasury stock at end of term: 25,413 shares at September 30, 2002
106 shares at September 30, 2001
8,574 shares at March 31, 2002

2. Prospect for current fiscal year (April 1, 2002 through March 31, 2003)

| | Net sales (millions of yen) | Ordinary income (millions of yen) | Net income (millions of yen) | Dividends per share | |
|--------|--------------------------------|--------------------------------------|---------------------------------|---------------------|-------------|
| | | | | Year-end(yen) | Annual(yen) |
| Annual | 165,000 | 10,500 | 5,100 | 7.00 | 7.00 |

(Reference) Projected net income per share(Annual): 12.78 yen

(Note) The above-mentioned forecasts are based on the information available as of the date when this information is disclosed, as well as on the assumptions as of the disclosing date of this information related with unpredictable parameters that are probable to affect our future business performances in the end. In other words, our actual performances are likely to differ greatly from these estimates depending on various factors that will take shape from now on. As for the assumptions used for these forecasts and other related items, please refer to page six and seven of the documents attached hereunder.

Non-Consolidated Interim Financial Statements and Notes

1. Non-Consolidated Interim Balance Sheets

| | As of Sept. 30, 2002 | | As of Sept. 30, 2001 | | Increase or (decrease) (2002-2001) | | As of March 31, 2002 | |
|---|-------------------------|------------|-------------------------|------------|--|--------|-------------------------|------------|
| | Millions of yen | % Comp. | Millions of yen | % Comp. | Millions of yen | % | Millions of yen | % Comp. |
| ASSETS | | | | | | | | |
| Current assets..... | 133,885 | 36.0 | 140,779 | 37.6 | (6,894) | (4.9) | 136,349 | 36.2 |
| Cash and cash equivalents..... | 6,280 | | 7,353 | | (1,072) | | 4,421 | |
| Notes receivable..... | 2,648 | | 3,260 | | (612) | | 1,952 | |
| Accounts receivable..... | 40,674 | | 45,051 | | (4,376) | | 41,533 | |
| Inventories..... | 10,779 | | 12,857 | | (2,077) | | 11,377 | |
| Short-term loans receivable from affiliates..... | 60,949 | | 57,725 | | 3,223 | | 64,632 | |
| Deferred tax assets..... | 4,151 | | 4,601 | | (450) | | 3,641 | |
| Others..... | 8,520 | | 10,188 | | (1,667) | | 9,024 | |
| Allowance for doubtful receivable..... | (118) | | (256) | | 138 | | (233) | |
| Fixed assets..... | 237,841 | 64.0 | 233,904 | 62.4 | 3,936 | 1.7 | 240,513 | 63.8 |
| Tangible fixed assets..... | 32,854 | | 34,661 | | (1,806) | | 33,435 | |
| Intangible fixed assets..... | 887 | | 860 | | 26 | | 844 | |
| Investments and other assets..... | 204,098 | | 198,382 | | 5,715 | | 206,233 | |
| Investments in securities..... | 6,269 | | 6,920 | | (650) | | 5,488 | |
| Investments securities in affiliates | 156,246 | | 149,479 | | 6,767 | | 156,813 | |
| Investments in partnerships with affiliates..... | 27,608 | | 25,069 | | 2,539 | | 27,608 | |
| Long-term loans receivable from affiliates..... | 7,700 | | 6,952 | | 748 | | 7,425 | |
| Deferred tax assets..... | 8,240 | | 11,333 | | (3,093) | | 10,862 | |
| Others..... | 1,733 | | 2,027 | | (294) | | 1,738 | |
| Allowance for doubtful receivable..... | (3,701) | | (3,400) | | (301) | | (3,705) | |
| Deferred assets..... | 8 | 0.0 | 26 | 0.0 | (17) | (66.7) | 17 | 0.0 |
| Total Assets..... | 371,735 | 100.0 | 374,710 | 100.0 | (2,975) | (0.8) | 376,880 | 100.0 |

| (Notes) | Millions of yen | | |
|--|-----------------|---------------|---------------|
| | Sept. 30 2002 | Sept. 30 2001 | March 31 2002 |
| 1. Accumulated depreciation of tangible fixed assets..... | 47,967 | 54,350 | 47,175 |
| 2. Guaranteed liabilities..... | 29,193 | 47,974 | 47,076 |
| 3. Issuance of common stock upon conversion of convertible bonds... Increase on conversion of convertible bonds..... | - | - | - |
| Transferred to common stock..... | - | - | - |
| 4. Issuance of common stock upon conversion of bond with warrants Increase of shares on conversion of bond with warrants..... | - | - | - |
| Transferred to common stock..... | - | - | - |

| | As of Sept. 30, 2002 | | As of Sept. 30,2001 | | Increase or (decrease) (2002-2001) | | As of March 31,2002 | |
|--|-------------------------|------------|------------------------|------------|--|--------|------------------------|------------|
| | Millions of yen | % Comp. | Millions of yen | % Comp. | Millions of yen | % | Millions of yen | % Comp. |
| LIABILITIES | | | | | | | | |
| Current liabilities..... | 119,204 | 32.0 | 82,783 | 22.1 | 36,421 | 44.0 | 124,025 | 32.9 |
| Notes payable..... | 3,362 | | 4,641 | | (1,279) | | 3,986 | |
| Accounts payable..... | 28,052 | | 28,151 | | (99) | | 28,820 | |
| Short-term loans payable..... | 38,001 | | 37,009 | | 992 | | 39,875 | |
| Current portion of long-term loans payable. | 27,700 | | 1,326 | | 26,373 | | 27,700 | |
| Current portion of convertible bonds... | 13,823 | | - | | 13,823 | | 13,823 | |
| Accrued income taxes..... | 45 | | 23 | | 21 | | 65 | |
| Accrued bonuses..... | 2,116 | | 2,284 | | (168) | | 2,090 | |
| Allowance for loss on the liquidation of the automotive wheel business..... | - | | 1,732 | | (1,732) | | - | |
| Others..... | 6,104 | | 7,614 | | (1,510) | | 7,664 | |
| Long-term liabilities..... | 71,623 | 19.3 | 113,183 | 30.2 | (41,559) | (36.7) | 71,632 | 19.0 |
| Bonds..... | 35,000 | | 35,000 | | - | | 35,000 | |
| Convertible bonds..... | 27,080 | | 40,903 | | (13,823) | | 27,080 | |
| Bond with warrant..... | 4,000 | | 4,000 | | - | | 4,000 | |
| Long-term loans payable..... | 5,500 | | 33,200 | | (27,700) | | 5,500 | |
| Allowance for retirement benefits..... | 43 | | 80 | | (36) | | 52 | |
| Total Liabilities..... | 190,828 | 51.3 | 195,966 | 52.3 | (5,137) | (2.6) | 195,657 | 51.9 |
| SHAREHOLDERS' EQUITY | | | | | | | | |
| Common stock..... | 68,258 | 18.4 | 68,258 | 18.2 | - | - | 68,258 | 18.1 |
| Additional paid-in capital..... | 94,756 | 25.5 | 94,756 | 25.3 | - | - | 94,756 | 25.1 |
| Capital reserve..... | 94,756 | | 94,756 | | - | | 94,756 | |
| Retained earnings..... | 19,194 | 5.2 | 17,180 | 4.6 | 2,013 | 11.7 | 19,932 | 5.3 |
| Earned surplus..... | 2,085 | | 2,085 | | - | | 2,085 | |
| Voluntary reserve..... | 11,500 | | 10,000 | | 1,500 | | 10,000 | |
| Unappropriated retained earnings.. | 5,609 | | 5,095 | | 513 | | 7,847 | |
| Difference on revaluation of other marketable securities | (1,285) | (0.4) | (1,451) | (0.4) | 166 | 11.5 | (1,718) | (0.4) |
| Treasury stock | 180,924 | 48.7 | 178,744 | 47.7 | 2,180 | 1.2 | 181,229 | 48.1 |
| Total Shareholders' Equity..... | 180,906 | 48.7 | 178,744 | 47.7 | 2,162 | 1.2 | 181,222 | 48.1 |
| Total Liabilities and Shareholders' Equity.. | 371,735 | 100.0 | 374,710 | 100.0 | (2,975) | (0.8) | 376,880 | 100.0 |

(Note) In accordance with the revised rules concerning financial statements, financial items under Assets in Condensed Balance Sheet at the end of the interim period and at the end of the previous term are reclassified for easy comparison with fiscal years before the previous year.

2. Non-Consolidated Interim Statements of Income

| | Half year ended Sept. 30, 2002 | | Half year ended Sept. 30, 2001 | | Increase or (decrease) (2002-2001) | | Full year ended March 31, 2002 | |
|---|-----------------------------------|-------|-----------------------------------|-------|--|--------|-----------------------------------|-------|
| | Millions | | Millions | | Millions | | Millions | |
| | of yen | % | of yen | % | of yen | % | of yen | % |
| Net sales..... | 83,402 | 100.0 | 89,558 | 100.0 | (6,155) | (6.9) | 175,218 | 100.0 |
| Cost of sales..... | 70,426 | 84.4 | 76,934 | 85.9 | (6,508) | (8.5) | 150,915 | 86.1 |
| Gross profit..... | 12,976 | 15.6 | 12,624 | 14.1 | 352 | 2.8 | 24,302 | 13.9 |
| Selling, general and administrative expenses..... | 10,201 | 12.3 | 11,371 | 12.7 | (1,170) | (10.3) | 22,454 | 12.8 |
| Operating income..... | 2,775 | 3.3 | 1,252 | 1.4 | 1,523 | 121.6 | 1,848 | 1.1 |
| Other income..... | 3,792 | 4.6 | 3,894 | 4.3 | (101) | (2.6) | 11,530 | 6.5 |
| Interest income..... | 490 | | 482 | | 8 | | 942 | |
| Dividends received..... | 2,958 | | 3,033 | | (75) | | 9,828 | |
| Rent income of fixed assets..... | 250 | | 240 | | 10 | | 487 | |
| Others..... | 92 | | 137 | | (44) | | 271 | |
| Other expenses..... | 1,739 | 2.1 | 1,819 | 2.0 | (79) | (4.4) | 3,345 | 1.9 |
| Interest and discount charge..... | 701 | | 741 | | (39) | | 1,455 | |
| Interest on bonds..... | 632 | | 645 | | (13) | | 1,270 | |
| Foreign currency exchange loss.... | 226 | | 238 | | (12) | | 187 | |
| Others..... | 179 | | 193 | | (13) | | 431 | |
| Ordinary income..... | 4,828 | 5.8 | 3,327 | 3.7 | 1,501 | 45.1 | 10,033 | 5.7 |
| Extraordinary income..... | 427 | 0.5 | 1,812 | 2.1 | (1,384) | (76.4) | 2,192 | 1.3 |
| Gain from discharge of debts..... | - | | 682 | | (682) | | 682 | |
| Gain on sales of fixed assets..... | 103 | | 329 | | (225) | | 365 | |
| Gain on sales of investments securities in affiliates | - | | - | | - | | 250 | |
| Liquidation dividend from affiliated company..... | 205 | | - | | 205 | | - | |
| Reversal of allowance for doubtful receivable..... | 118 | | 387 | | (268) | | 398 | |
| Reversal of allowance for loss on the liquidation of the automotive wheel business .. | - | | 413 | | (413) | | 496 | |
| Extraordinary loss..... | 884 | 1.1 | 1,767 | 2.0 | (883) | (50.0) | 3,969 | 2.3 |
| Loss on disposal of inventories..... | - | | 709 | | (709) | | 965 | |
| Loss on sales of fixed assets..... | 59 | | 96 | | (36) | | 209 | |
| Loss on sales of investments in securities | - | | - | | - | | 6 | |
| Loss on revaluation of investments securities | 27 | | 713 | | (686) | | 1,466 | |
| Allowance for doubtful receivables..... | - | | - | | - | | 292 | |
| Loss on revaluation of investments securities in affiliates..... | 550 | | - | | 550 | | 527 | |
| Loss on liquidation of affiliated companies..... | - | | - | | - | | 7 | |
| Retirement benefit expense..... | 247 | | 247 | | - | | 494 | |
| Income before income taxes..... | 4,371 | 5.2 | 3,372 | 3.8 | 999 | 29.6 | 8,257 | 4.7 |
| Income taxes (including enterprise tax) | 426 | 0.5 | 277 | 0.3 | 148 | 53.6 | 801 | 0.4 |
| Adjustment of income taxes..... | 1,823 | 2.2 | 1,495 | 1.7 | 328 | 21.9 | 3,104 | 1.8 |
| Total income taxes..... | 2,249 | 2.7 | 1,772 | 2.0 | 476 | 26.9 | 3,905 | 2.2 |
| Net income..... | 2,122 | 2.5 | 1,600 | 1.8 | 522 | 32.7 | 4,351 | 2.5 |
| Retained earnings brought forward from the previous period..... | 3,486 | | 3,495 | | (8) | | 3,495 | |
| Unappropriated retained earnings at end of half year..... | 5,609 | | 5,095 | | 513 | | 7,847 | |

3. Significant Accounting Policies

(a) Valuation basis and method of significant assets

(1) Marketable securities

Investments securities in
subsidiary and affiliates:
Other marketable securities:

Stated at cost determined by the moving average method.

Securities with Market Value

Market value method based on market prices and other conditions at the end of the interim term. (The revaluation differences are accounted for based on the direct capitalization method and the sales costs are calculated by the moving average method.)

Securities without Market Value

Non listed marketable securities are stated at cost determined by the moving average method.

(2) Inventories

Purchased goods: Stated at cost determined by the moving average method.
Finish goods: Stated at cost determined by the moving average method.
Raw materials: Stated at cost determined by the moving average method for bearings, fasteners, measuring equipment, motors and special machinery components.
Work in process: Stated at cost determined by the moving average method for bearings, fasteners, and motors.
Stated at cost determined respectively for measuring equipment, special motors and special machinery components.
Supplies: Stated at cost determined by the moving average method for manufacturing bearings, fasteners, measuring equipment, motors and special machinery components.

(b) Depreciation

Tangible fixed assets:

Depreciation of tangible fixed assets is made on the declining balance method based on estimated useful lives of the assets.

Useful lives and residual values are computed on the basis of the same method that is stipulated in the Corporation tax law.

The depreciation method of depreciation assets whose acquisition values are not less than 100,000 yen and less than 200,000 yen has been changed to a method by which those assets are equally depreciated in lump sum for three years.

Intangible fixed assets:

Depreciation of intangible fixed assets is made on the straight-line method.

Useful lives are computed on the basis of the same method that is stipulated in the Corporation tax law.

However, the depreciation method of software (for internal use) is computed on the straight-line method based on our expected useful period (5 years).

(c) Allowances

Allowance for doubtful receivables:

In order to prepare against losses resulting from irrecoverable receivables, an allowance has been reserved in the amount required for estimated uncollectible receivables based on actual losses of trade receivables and on collectibility of specific receivables with loss possibilities.

Accrued bonuses:

To make preparations for the payment of bonuses to employees, accrued bonuses are shown based on the anticipated amounts of payment in the current term.

Allowance for retirement benefits:

Based on estimated retirement benefit debts and pension assets at the end of the current term, the Company reported an amount estimated to accrue at the end of the current interim term to provide for employee retirement benefits.

Regarding the difference of 2,474 million yen arising at the time of changing accounting standards, the Company charged prorated amounts to expenses over five years and stated this extraordinary loss as retirement benefit expense.

Over the five years from the following term after the differences accrue, the Company will charge differences in mathematical calculation to expenses in accordance with the straight-line method.

(d) Translation of foreign currency assets and liabilities

Translation of foreign currency assets and liabilities are into yen at the exchange rate on the balance sheets date.

(e) Accounting method of significant lease transactions

The accounting treatment for financial lease transactions other than those in which the ownership of leases is considered to be transferred to us, is in accordance with that for ordinary lease transactions.

(f) Accounting method of significant hedge transactions

The Company had no significant hedge operations to report during the interim term.

In concluding forward foreign exchange contracts, those contracts with the corresponding amounts and dates are respectively allocated (to the debts) in accordance with the risk management policy. Therefore the correlation between claims/debts and forward foreign exchange contracts arising from foreign exchange rate fluctuations is fully secured, and this judgment is substituted for the judgment of effective hedge.

(g) Other Significant Accounting Policies

Consumption taxes

Consumption tax and other related taxes are excluded from revenues and purchases of the Company.

4. Notes

(a) Relating to lease transactions

Millions of yen

| | <u>Half year ended Sept.30,2002</u> | | | <u>Half year ended Sept.30,2001</u> | | | <u>Full year ended March 31,2002</u> | | |
|--|-------------------------------------|--|-------------------------------------|-------------------------------------|--|-------------------------------------|--------------------------------------|--|--------------------------------|
| 1) Equivalent of acquisition value of leased items, equivalent of total amount of depreciation and equivalent of interim (year-end) closing balance: | Equivalent of acquisition value | Equivalent of total amount of depreciation | Equivalent of half year-end balance | Equivalent of acquisition value | Equivalent of total amount of depreciation | Equivalent of half year-end balance | Equivalent of acquisition value | Equivalent of total amount of depreciation | Equivalent of year-end balance |
| Machinery and equipment | - | - | - | 533 | 493 | 40 | - | - | - |
| Vehicles | 325 | 162 | 163 | 573 | 280 | 293 | 382 | 173 | 208 |
| Tools, furniture and fixtures | 2,615 | 1,386 | 1,229 | 2,843 | 1,514 | 1,329 | 2,623 | 1,281 | 1,341 |
| Helicopter | - | - | - | 171 | 164 | 7 | - | - | - |
| Total | 2,940 | 1,548 | 1,392 | 4,122 | 2,452 | 1,670 | 3,005 | 1,455 | 1,550 |

Because of a low ratio of the interim (year-end) closing balance of unexpired lease expenses to a total amount of the interim (year-end) closing balance of tangible fixed assets plus the interim (year-end) closing balance of unexpired lease expense, equivalent of acquisition value in the term period in the current fiscal year has been calculated based on "Interest payment inclusive method".

(2) Equivalent of interim closing (year-end) balance of unexpired lease expenses:

| | | | |
|---------------|-------|-------|-------|
| within 1-year | 603 | 712 | 641 |
| over 1-year | 788 | 958 | 908 |
| Total | 1,392 | 1,670 | 1,550 |

Because of a low ratio of the interim (year-end) closing balance of unexpired lease expenses to a total amount of the interim (year-end) closing balance of tangible fixed assets plus the interim (year-end) closing balance of unexpired lease expense, equivalent of interim (year-end) closing balance of unexpired lease expenses in the term period in the current fiscal year has been calculated based on "Interest payment inclusive method".

(3) The amount of lease expenses and equivalent of depreciation expenses:

| | | | |
|-------------------------------------|-----|-----|-----|
| Amount of lease expenses | 338 | 457 | 856 |
| Equivalent of depreciation expenses | 338 | 457 | 856 |

(4) Method of computing equivalent of depreciation expenses:

Computation is based on straight line method with the lease term as a useful life and the residual value to be set at zero.

(b) Securities with Market Value

There are no subsidiaries or affiliates whose stocks have their current market value.

5. Dividends per share

| | FY2003 Interim | FY2002 Interim | FY2002 Annual |
|--------------------|----------------|----------------|---------------|
| | Interim (yen) | Interim (yen) | Annual (yen) |
| Common stock | _____ | _____ | 7.00 |
| (Breakdown) | | | |
| Memorial dividends | _____ | _____ | _____ |
| Special dividends | _____ | _____ | _____ |
| New stocks | _____ | _____ | _____ |
| Preferred stocks | _____ | _____ | _____ |