

**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.
<b>ASSETS</b>								
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.
<b>LIABILITIES</b>								
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
<b>SHAREHOLDERS' EQUITY</b>								
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	_____	_____	_____