

FIRST QUARTER BRIEF REPORT OF FINANCIAL RESULTS [under Japanese GAAP] (Consolidated) (Year ending March 31, 2012)

July 29, 2011

Registered

Company Name: **MINEBEA CO., LTD.** Common Stock Listings: Tokyo, Osaka and Nagoya

Code No: 6479 URL: <http://www.minebea.co.jp>

Representative: Yoshihisa Kainuma Representative Director, President and Chief Executive Officer

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Quarterly report filing date: August 5, 2011

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Preparation of supplementary explanation material for quarterly financial results : Yes

Holding of presentation meeting for quarterly financial results : Yes (For Analyst)

Expected date of payment for dividends: —

(Amounts less than one million yen have been omitted.)

1. Business performance (April 1, 2011 through June 30, 2011)

(1) Consolidated Results of Operations (Year-to-date) (%: Changes from corresponding period of previous fiscal year)

	Net sales (millions of yen)	% Change	Operating income (millions of yen)	% Change	Ordinary income (millions of yen)	% Change
Three months ended June 30, 2011	64,802	(4.5)	2,303	(61.8)	1,870	(66.6)
Three months ended June 30, 2010	67,891	31.0	6,024	—	5,600	—

	Net income (millions of yen)	% Change	Net income per share (yen)	Fully diluted net income per share (yen)
Three months ended June 30, 2011	668	(82.5)	1.76	—
Three months ended June 30, 2010	3,815	—	9.99	—

(Reference) Comprehensive Income: Three months ended June 30, 2011: (4,623) million yen —%

Three months ended June 30, 2010: (5,579) million yen —%

(2) Consolidated Financial Position

	Total assets (millions of yen)	Net assets (millions of yen)	Equity ratio (%)	Net assets per share (yen)
As of June 30, 2011	286,231	101,872	34.9	264.53
As of March 31, 2011	291,092	109,967	37.1	282.03

(Reference) Shareholders' equity: As of June 30, 2011: 99,941 million yen

As of March 31, 2011: 107,918 million yen

2. Dividends

(Record date)	Annual dividends				
	End of first quarter (yen)	End of second quarter (yen)	End of third quarter (yen)	Year-end (yen)	For the year (yen)
Year ended March 31, 2011	—	3.00	—	4.00	7.00
Year ended March 31, 2012	—				
Year ended March 31, 2012 (Forecast)		3.00	—	4.00	7.00

(Notes) Changes from the latest dividend forecast: None

3. Prospect for the next fiscal year (April 1, 2011 through March 31, 2012)

(%: Changes from corresponding period of previous fiscal year)

	Net sales (millions of yen)	% Change	Operating income (millions of yen)	% Change	Ordinary income (millions of yen)	% Change
Six months ended Sep. 30, 2011	123,000 ~135,000	(10.7) ~(2.0)	8,100 ~9,700	(34.5) ~(21.6)	7,100 ~8,700	(38.5) ~(24.6)
Year ended March 31, 2012	260,000 ~285,000	(3.4) ~5.9	21,000 ~24,500	(5.3) ~10.5	19,000 ~22,500	(6.7) ~10.5

	Net income (millions of yen)	% Change	Net income per share (yen)
Six months ended Sep. 30, 2011	3,300 ~4,400	(54.9) ~(39.9)	8.70 ~11.60
Year ended March 31, 2012	11,000 ~13,000	(11.8) ~4.3	29.06 ~34.34

(Notes) Changes from the latest consolidated results forecast: None

4. Others

(1) Changes in significant subsidiaries during the quarter (Changes in certain subsidiaries resulting in change in the scope of consolidation): None

(2) Application of accounting peculiar to preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policy, changes in accounting estimates, and restatements

1. Changes in accounting policy associated with revision of accounting standards, etc: None
2. Change in accounting policy other than 1: None
3. Changes in accounting estimates: None
4. Restatements: None

(4) Number of shares outstanding (Common stock)

1. Number of shares outstanding at end of period (Including treasury stock)

As of June 30, 2011: 399,167,695 shares

As of March 31, 2011: 399,167,695 shares

2. Number of treasury shares at end of period

As of June 30, 2011: 21,367,796 shares

As of March 31, 2011: 16,523,203 shares

3. Average number of shares (Quarterly cumulative period)

Three months ended June 30, 2011: 380,755,623 shares

Three months ended June 30, 2010: 382,005,339 shares

* Explanation for related to implementation of the quarterly review presentations

When disclosing this Quarter Brief Report of Financial Results, the review procedures for quarterly financial statements under the Financial Instruments and Exchange Law have not been brought to completion.

* Explanation for appropriate use of financial forecasts and other special remarks

(Caution Concerning Forward-Looking Statements)

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. Our actual performance is likely to differ greatly from these estimates depending on various factors in the future. As for the assumptions used for these forecasts and other related items, please refer to "Qualitative information related to the financial results for this quarter and (3) Qualitative Data on Consolidated Earnings Forecasts" on page 5 of the attached material.

(Investor Briefing Materials for Analysts)

Investor briefing materials will be made available via the Minebea corporate website (<http://www.minebea.co.jp>) on Friday, July 29, 2011.

Index

1. Qualitative information related to the financial results for this quarter	4
(1) Qualitative Data on Consolidated Operating Results.....	4
(2) Qualitative Data on Consolidated Financial Position.....	5
(3) Qualitative Data on Consolidated Earnings Forecasts.....	5
2. Other summary information	5
Summary of changes to major subsidiaries during the quarter.....	5
3. Quarterly Consolidated Financial Statements.....	6
(1) Quarterly Consolidated Balance Sheets	6
(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income	8
(Quarterly Consolidated Statements of Income) (Three months ended June 30,2011)	8
(Quarterly Consolidated Statements of Comprehensive Income) (Three months ended June 30,2011)	9
(3) Quarterly Consolidated Statements of Cash Flows	10
(4) Notes on Going Concern Assumptions.....	12
(5) Segment Information etc.	12
(6) Notes for significant Change in the Amount of Net Assets	13
4. Supplementary information	14
Supplementary Financial Data for the First Quarter of Fiscal Year ending March 31, 2012.....	14

1. Qualitative information related to the financial results for this quarter

(1) Qualitative Data on Consolidated Operating Results

While the current first quarter (April 1, 2011 to June 30, 2011) saw production and sales lag behind as the Japanese economy plunged in the aftermath of the massive earthquake that hit northeastern Japan on March 11, there are now clear signs of a gradual recovery. Declining consumer spending on top of rising energy prices and disruptions in the Japanese supply chain also sent the U.S. economy reeling. In Europe, steady exports continued to fuel an economic recovery in Germany and France. On the downside there, the U.K.'s economy stalled due to flagging consumer spending while Greece and other countries were beset by major financial crises. Although increased domestic spending fueled growth in the Chinese market, other countries throughout Asia continued to tighten their belts in the face of shrinking economies.

Working against this backdrop, we strove to implement sweeping cost reduction measures, develop new technologies and high value-added products, as well as increase our marketing activities with an eye to boosting earnings. Despite these initiatives, net sales fell 3,089 million yen (-4.5%) year on year to 64,802 million yen. Operating income dropped 3,721 million yen (-61.8%) year on year to 2,303 million yen with ordinary income declining 3,730 million yen (-66.6%) year on year to reach 1,870 million yen. These decreases were due to a host of different factors in each business segment, which will be detailed later on. Net income fell dramatically with a year-on-year loss of 3,147 million yen (-82.5%) to total 668 million yen.

Performance by segment was as follows:

The Machined components business segment makes ball bearings (our anchor product), mechanical components such as rod-end bearings for aircraft, pivot assemblies for hard disk drives (HDDs), and fasteners for automobiles and aircraft. Sales of ball bearings were robust in China where demand is rising despite the drop in sales of high value-added products supplied to the automobile industry due to the March 11 earthquake. The change in the product mix spurred by a flood of low-priced products drove profits down. Although some of our customers in the hard disk industry, our target market, were forced to make inventory adjustments in the wake of the earthquake, sales of pivot assemblies recovered once those inventory adjustments were completed in the market. Profits declined essentially because we were unable to offset the higher fixed costs associated with increased production capacity during the last fiscal year. The rod-end bearing business enjoyed an uptick in both sales and profits thanks to the recovery of the aviation market. In the end, net sales dropped 698 million yen (-2.5%) year on year to total 27,482 million yen. Operating income was also down 803 million yen (-11.3%) year on year, totaling out at 6,302 million yen.

The core products of the Rotary components business include information motors (fan motors, stepping motors, DC brushless motors, vibration motors and DC brush motors), HDD spindle motors and other precision motors. Sales of information motors and other precision motors declined due to the lingering impact of the earthquake. The impact from the earthquake as well as falling sales of high value-added products generated significant losses. Sales of HDD spindle motors picked up as our customers in the hard disk industry rebounded after being hit by the earthquake. Losses were offset due to improved production efficiency on top of increased sales. Overall, the segment saw a 542 million yen (-2.2%) year-on-year decrease in net sales totaling 24,347 million yen. Higher costs associated with the launch of our new Cambodian plant and other factors pushed operating income down 886 million yen below last year's total for an operating loss of 878 million yen.

LCD backlights, inverters and measuring instruments make up the core products of the Electronic devices and components business. Both sales and profits dipped due to the discontinuation of game console measuring components as well as downward spiraling sales to the automobile industry. Supply delays for LCD backlight materials due to the earthquake as well as increased costs associated with the launch of the new plant in Suzhou, China put a huge dent in earnings from LCD backlight sales. In the end, net sales dropped 748 million yen (-7.7%) year on year to total 8,959 million yen. Operating income fell a substantial 1,599 million yen year on year for an operating loss of 102 million yen.

The main products in the Other business segment are PC keyboards, speakers and special devices. The segment saw both sales and profits decrease due to stagnant market conditions. Net sales were down 1,101 million yen (-21.5%) year on year to total 4,013 million yen while operating income was down 171 million yen below last year's total, leading to an operating loss of 59 million yen.

In addition to the figures shown above, 2,957 million yen in corporate expenses, etc., not belonging to any segment, are shown as adjustments. The total amount of adjustments was 2,699 million yen last year.

(2) Qualitative Data on Consolidated Financial Position

The Minebea Group sees strengthening its financial standing as a top priority and is taking various steps, such as reducing total assets and liabilities, to bolster its financial foundation.

Total assets at the end of the current first quarter amounted to 286,231 million yen, down 4,861 million yen compared to the end of last year. Major reasons for this decline include a significant drop in foreign currency translation adjustments due to the strong yen, which reduced the value of the assets of our overseas subsidiaries. Total liabilities at the end of the current first quarter amounted to 184,358 million yen, with a year-on-year increase of 3,233 million yen. This is primarily due to increases in notes and accounts payable. Net assets totaled 101,872 million yen, with a year-on-year decrease of 8,095 million yen. This led to an equity ratio drop of 2.2 percentage points year on year, falling to 34.9%.

(Cash flow)

The balance of cash and cash equivalents at the end of the current first quarter was 21,555 million yen, declining 6,065 million yen from what it was at the end of the previous fiscal year or 1,543 million yen compared with the first quarter of the previous fiscal year.

Cash flows from various business activities during the current first quarter and relevant factors are as follows:

Net cash provided by operating activities amounted to 5,207 million yen, down 93 million yen year on year owing to increases in income before income taxes and minority interests, notes and accounts receivable, inventory assets, notes and accounts payable as well as depreciation and amortization costs. Net cash used for investment activities increased 1,331 million yen year on year, to total 7,465 million yen due primarily to the acquisition of tangible fixed assets. Net cash from financing activities declined 3,620 million yen year on year due to a payment in the amount of 2,010 million yen to repurchase shares as well as a dividend payment of 3,536 million yen.

(3) Qualitative Data on Consolidated Earnings Forecasts

During the current first quarter the multiple disasters of March 11, including the still unfolding nuclear accident, took a tremendous toll not only on Japan's people and communities but also on its economy, causing domestic production and sales to decline precipitously. While the economy was also impaired by breaks in the supply chain that affected the entire global economy, we are now finally beginning to see signs of a gradual recovery. The global economy is expected to remain strong for the rest of the fiscal year despite various risk factors. This outlook for the future does not warrant any changes to our earnings forecasts announced on May 10, 2011.

2. Other summary information

Summary of changes to major subsidiaries during the quarter

Not applicable.

3. Quarterly Consolidated Financial Statements
(1) Quarterly Consolidated Balance Sheets

(Amount: millions of yen)

	As of March 31, 2011	As of June 30, 2011
ASSETS		
Current assets	144,177	142,397
Cash and cash equivalents	29,590	24,299
Notes and accounts receivable	56,020	55,790
Marketable securities	828	725
Finished goods	16,433	16,673
Work in process	11,985	12,372
Raw materials	7,548	7,693
Supplies	3,581	3,463
Goods in transit	4,448	4,070
Deferred tax assets	3,779	3,628
Others	10,108	13,824
Allowance for doubtful receivables	(147)	(144)
Fixed assets	146,914	143,833
Tangible fixed assets	124,096	121,880
Buildings and structures	93,766	92,173
Machinery and transportation equipment	230,985	225,111
Tools, furniture and fixtures	43,025	42,366
Land	13,139	13,145
Leased assets	1,694	1,594
Construction in progress	4,853	5,898
Accumulated depreciation	(263,369)	(258,410)
Intangible fixed assets	7,430	6,936
Goodwill	5,555	5,221
Others	1,875	1,714
Investments and other assets	15,387	15,016
Investments in securities	8,003	7,959
Long-term loans receivable	19	17
Deferred tax assets	5,279	4,898
Others	2,100	2,157
Allowance for doubtful receivables	(14)	(15)
Total assets	291,092	286,231

(Amount: millions of yen)

	As of March 31, 2011	As of June 30, 2011
LIABILITIES		
Current liabilities.....	116,862	120,465
Notes and accounts payable.....	18,630	20,224
Short-term loans payable.....	52,237	52,010
Current portion of long-term loans payable.....	12,632	12,632
Current portion of bonds.....	11,500	11,500
Lease obligations.....	364	339
Accrued income taxes.....	2,115	1,790
Accrued bonuses.....	3,976	3,294
Allowance for bonuses to directors.....	71	30
Allowance for after-care of products.....	37	37
Allowance for environmental remediation expenses.....	108	114
Allowance for business restructuring losses.....	112	9
Others.....	15,076	18,484
Long-term liabilities.....	64,262	63,892
Long-term loans payable.....	56,843	56,710
Lease obligations.....	403	377
Allowance for retirement benefits.....	4,280	4,242
Allowance for retirement benefits to executive officers.....	166	121
Allowance for environmental remediation expenses.....	1,005	960
Others.....	1,563	1,480
Total liabilities.....	181,125	184,358
NET ASSETS		
Shareholders' equity.....	195,337	192,534
Common stock.....	68,258	68,258
Capital surplus.....	94,823	94,826
Retained earnings.....	38,535	37,674
Treasury stock.....	(6,280)	(8,224)
Total accumulated other comprehensive income..	(87,418)	(92,593)
Difference on revaluation of available-for-sale securities.....	(497)	(539)
Deferred gains or losses on hedges.....	0	(2)
Foreign currency translation adjustments.....	(84,638)	(89,768)
Unfunded retirement benefit obligation of foreign subsidiaries.....	(2,283)	(2,283)
Minority interests in consolidated subsidiaries....	2,049	1,931
Total net assets.....	109,967	101,872
Total liabilities and net assets.....	291,092	286,231

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income
(Quarterly Consolidated Statements of Income)
(Three months ended June 30, 2011)

(Amount: millions of yen)

	Three months ended June 30, 2010	Three months ended June 30, 2011
Net sales.....	67,891	64,802
Cost of sales.....	50,145	51,139
Gross profit	17,745	13,662
Selling, general and administrative expenses	11,720	11,359
Operating income.....	6,024	2,303
Other income.....	206	276
Interest income.....	51	88
Dividends income	71	76
Equity in net income of affiliate	0	—
Others	82	110
Other expenses.....	630	708
Interest expenses.....	433	536
Foreign currency exchange loss	141	31
Others	56	141
Ordinary income	5,600	1,870
Extraordinary income.....	7	5
Gain on sales of fixed assets	7	5
Extraordinary loss	15	58
Loss on sales of fixed assets.....	3	5
Loss on disposal of fixed assets.....	12	23
Loss for after-care of products	—	22
Environmental remediation expenses.....	—	6
Income before income taxes and minority interests	5,592	1,818
Income taxes		
Income taxes (including enterprise tax)	893	805
Adjustment of income taxes.....	814	394
Total income taxes	1,707	1,200
Income before minority interests	3,885	617
Minority interests (losses) in earnings of consolidated subsidiaries	69	(51)
Net income	3,815	668

(Quarterly Consolidated Statements of Comprehensive Income)
(Three months ended June 30, 2011)

(Amount: millions of yen)

	Three months ended June 30, 2010	Three months ended June 30, 2011
Income before minority interests	3,885	617
Other comprehensive income:		
Difference on revaluation of available-for-sale securities.....	(480)	(41)
Deferred gains or losses on hedges	(3)	(3)
Foreign currency translation adjustments	(8,980)	(5,196)
Total other comprehensive income	(9,464)	(5,240)
Total comprehensive income	(5,579)	(4,623)
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	(5,563)	(4,505)
Comprehensive income attributable to minority interests	(16)	(117)

(3) Quarterly Consolidated Statements of Cash Flows

(Amount: millions of yen)

	Three months ended June 30, 2010	Three months ended June 30, 2011
1. Cash flows from operating activities:		
Income before income taxes and minority interests	5,592	1,818
Depreciation and amortization	5,320	5,051
Amortization of goodwill	339	333
Equity in net (income) loss of affiliate	(0)	—
Interest and dividends income	(122)	(165)
Interest expenses	433	536
Loss (gain) on sales of fixed assets	(4)	(0)
Loss on disposal of fixed assets	12	23
Decrease (increase) in notes and accounts receivable	(5,590)	(886)
Decrease (increase) in inventories	(5,236)	(1,468)
Increase (decrease) in notes and accounts payable	4,719	2,095
Increase (decrease) in allowance for doubtful receivables	10	(0)
Increase (decrease) in accrued bonuses	(258)	(611)
Increase (decrease) in allowance for bonuses to directors	5	(41)
Increase (decrease) in allowance for retirement benefits	284	152
Decrease (increase) in prepaid pension cost	(158)	(85)
Increase (decrease) in allowance for retirement benefits to executive officers	7	(44)
Increase (decrease) in allowance for environmental remediation expenses	(9)	(5)
Increase (decrease) in allowance for business restructuring losses	(10)	(104)
Others	760	(206)
Sub-total	6,093	6,390
Interest and dividends received	122	165
Interest paid	(323)	(358)
Income taxes paid	(592)	(989)
Net cash provided by operating activities	5,300	5,207
2. Cash flows from investing activities:		
Payments into time deposits	(680)	(1,499)
Proceeds from withdrawal of time deposits	680	687
Purchase of tangible fixed assets	(5,589)	(6,567)
Proceeds from sales of tangible fixed assets	110	100
Purchase of intangible fixed assets	(112)	(93)
Purchase of investments in securities	(0)	(0)
Purchase of investments in capital of subsidiaries	—	(43)
Long-term loans receivables	(1)	(186)
Recovery of long-term loans receivables	2	112
Others	(544)	22
Net cash used in investing activities	(6,134)	(7,465)

(Amount: millions of yen)

	Three months ended June 30, 2010	Three months ended June 30, 2011
3. Cash flows from financing activities:		
Net increase (decrease) in short-term loans payable.....	97	169
Proceeds from long-term loans	1,600	—
Repayment of long-term loans	—	(133)
Purchase of treasury stock.....	(0)	(2,010)
Proceeds from disposal of treasury stock	52	69
Cash dividends paid	(1,527)	(1,530)
Repayment of lease obligations	(136)	(101)
Net cash used in financing activities	84	(3,536)
4. Effect of exchange rate changes on cash and cash equivalents	(1,008)	(270)
5. Net increase (decrease) in cash and cash equivalents	(1,757)	(6,065)
6. Cash and cash equivalents at beginning of period	24,855	27,621
7. Cash and cash equivalents at end of period	23,098	21,555

(4) Notes on Going Concern Assumptions
Not applicable.

(5) Segment Information etc.
(Segment Information)

(a) Three months ended June 30, 2010

1. Information related to sales and profit or loss amounts by reportable segment

(Amount: millions of yen)

	Reportable segments				Others *1	Total	Adjustment *2	Quarterly Consolidated Statements of Income amount *3
	Machined components business	Rotary components business	Electronic devices and components business	Total				
Total sales								
(1) Sales to customers	28,180	24,889	9,707	62,777	5,114	67,891	—	67,891
(2) Sales to other segment	748	471	370	1,591	1,398	2,989	(2,989)	—
Total	28,929	25,361	10,077	64,368	6,512	70,880	(2,989)	67,891
Segment income	7,105	8	1,497	8,611	112	8,724	(2,699)	6,024

(Notes) *1. The classification of "Others" is the business segment, which is not included in the reportable segments, and its products are mainly PC keyboards, speakers and defense related special components.

*2. The segment income adjustments of -2,699 million yen are mainly corporate expenses, such as general and administrative expenses, and research and development costs that do not belong to the reportable segments.

*3. Segment income is adjusted with operating income in the quarterly consolidated statements of income.

2. Information related to impairment loss of fixed assets or goodwill, etc. by reportable segment
Not applicable.

(b) Three months ended June 30, 2011

1. Information related to sales and profit or loss amounts by reportable segment

(Amount: millions of yen)

	Reportable segments				Others *1	Total	Adjustment *2	Quarterly Consolidated Statements of Income amount *3
	Machined components business	Rotary components business	Electronic devices and components business	Total				
Total sales								
(1) Sales to customers	27,482	24,347	8,959	60,789	4,013	64,802	—	64,802
(2) Sales to other segment	660	337	921	1,919	1,509	3,428	(3,428)	—
Total	28,142	24,684	9,881	62,708	5,522	68,230	(3,428)	64,802
Segment income (loss)	6,302	(878)	(102)	5,320	(59)	5,260	(2,957)	2,303

(Notes) *1. The classification of "Others" is the business segment, which is not included in the reportable segments, and its products are mainly PC keyboards, speakers and special devices.

*2. Adjustments to segment income or loss include amortization of goodwill -333 million yen, as well as corporate expenses such as general and administrative expenses in addition to research and development costs that do not belong to the reportable segments -2,528 million yen.

*3. Segment income or loss is adjusted with operating income in the quarterly consolidated statements of income.

2. Information related to impairment loss of fixed assets or goodwill, etc. by reportable segment

Not applicable.

(6) Notes for Significant Change in the Amount of Net Assets

On June 20, 2011, Minebea Co., Ltd. repurchased its own shares in accordance with a May 17, 2011 resolution pursuant to Article 370 of the Companies Act (Omission of Resolution of Board of Directors Meeting). The 2,008 million yen increase that came from this share buyback is reflected in the quarterly consolidated financial statements. An additional increase of 1 million yen due to the purchase of fractional shares and a decrease of 66 million yen as a result of the disposal of our own shares via the Employee Stock Holding Exclusive Trust Account are accounted for in the 8,224 million yen total for shares we own as of the end of the first quarter consolidated financial period.