

Outline of 3Year Mid Term Management Plan

This is a summary of the presentation made by President T. Yamamoto in Tokyo on May 12, 2000 and in London on May 23, 2000.

Management Focus

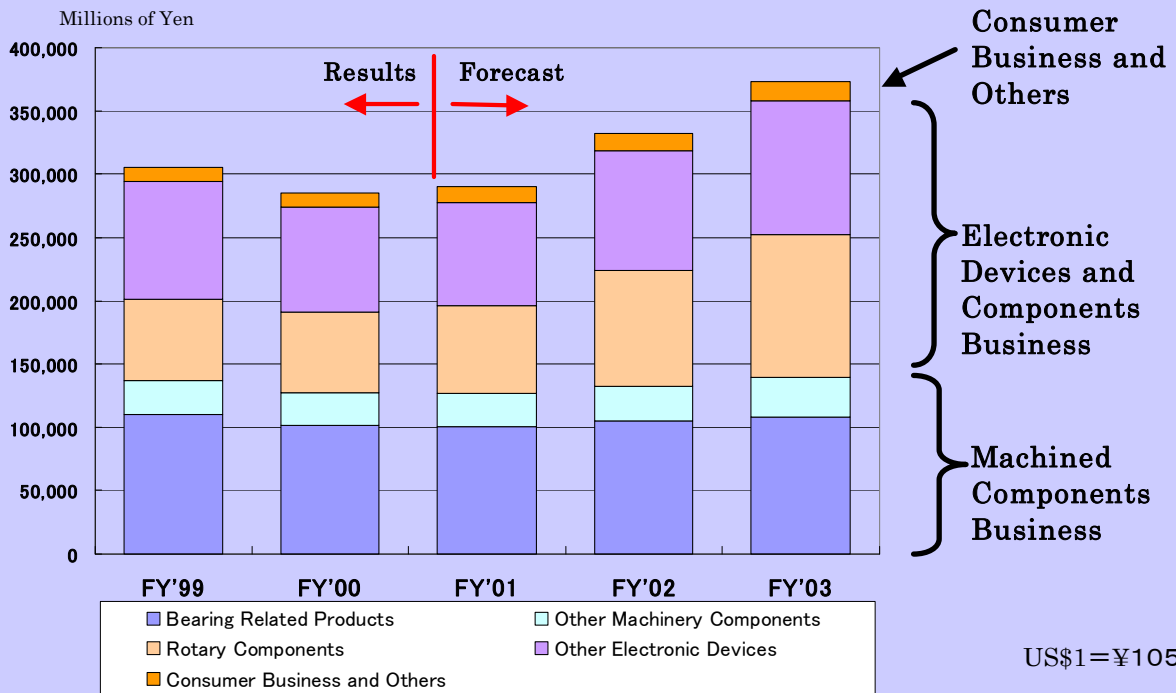
- To Increase Production of Ball Bearings and Bearing-related Products
 - To Achieve Further Growth of Rotary Component Business
 - To Increase the Weight of High Value Added Products
- To Increase Sales and Raise Profit at the Same Time

1. Management Directions

Our three-year management plans which we now disclose will help our shareholders, investors and others with an interest in Minebea to understand our corporate vision and medium-term management directions

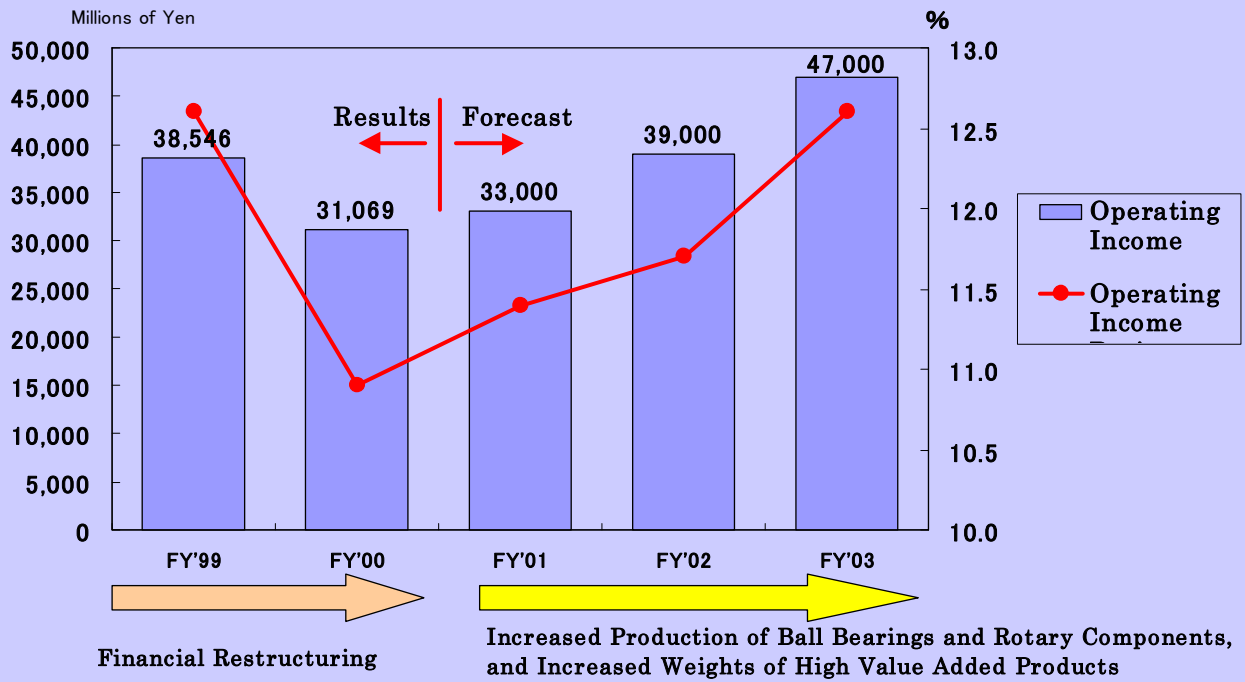
At this point in time, we have basically completed efforts to strengthen our financial position, and believe it is now time to focus on decisive measures to improve our sales and profit performance. In this regard, our most important task is to expand production of bearings and bearing-related products, which are the most profitable. Second, we will grow our small-sized high precision motors and other rotary components business to be similar in scale to that of our bearings and bearing-related products. Third, we will strive to increase the weight of high-value-added offerings among mainstay products. We firmly believe that the steady implementation of these measures will enable us to increase sales and raise margins.

Consolidated Net Sales by Segment



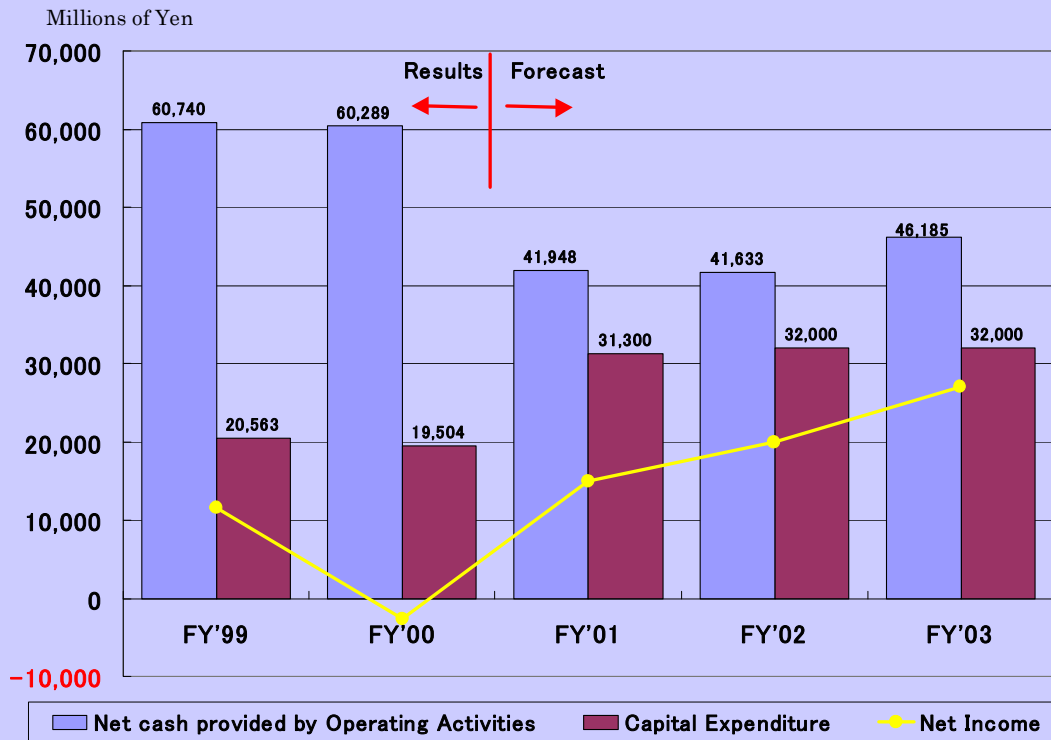
We are targeting net sales of 290 billion Yen in fiscal 2001, 332 Yen billion in fiscal 2002 and 373 billion Yen in fiscal 2003. These targets assume an exchange rate of 105 Yen to the U.S. dollar.

Consolidated Operating Income and Operating Income Ratio



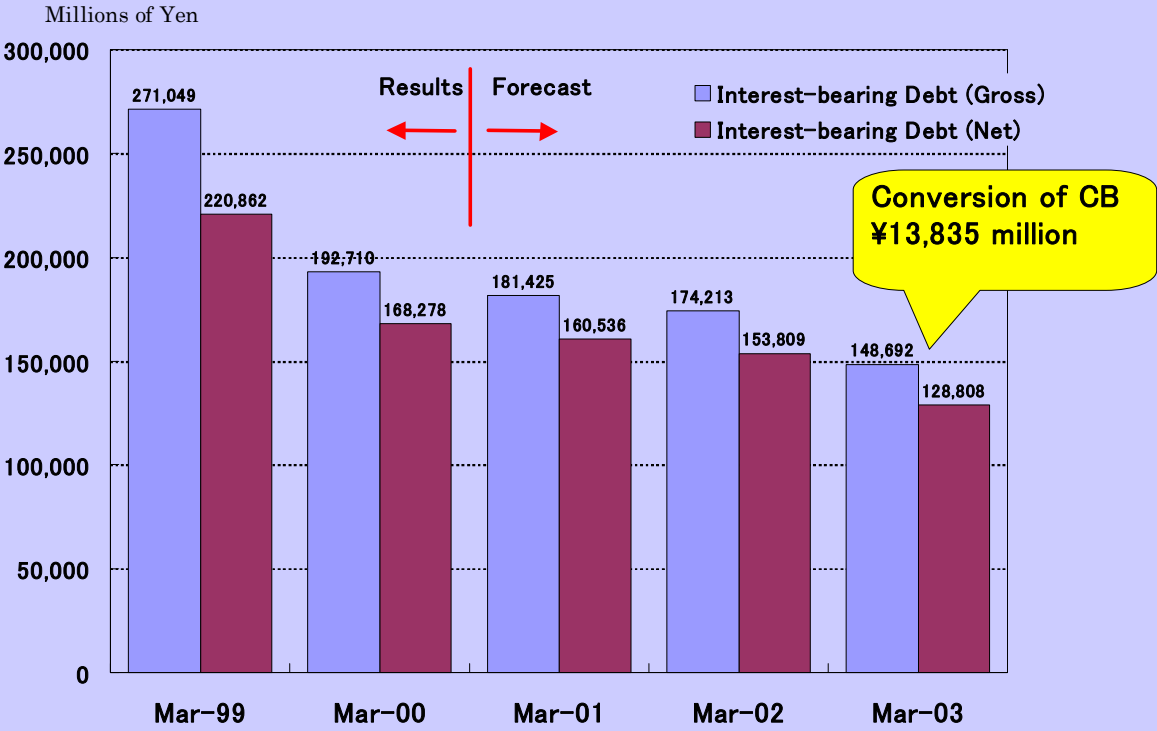
This graph shows our targets at the operating income, i.e., what we expect to achieve through the steady implementation of the measures foresaid. As you can see, we believe that operating income bottomed out last year and we expect to see an increase of its ratio to sales to be more than 12% or above in fiscal 2003.

Cash Flow

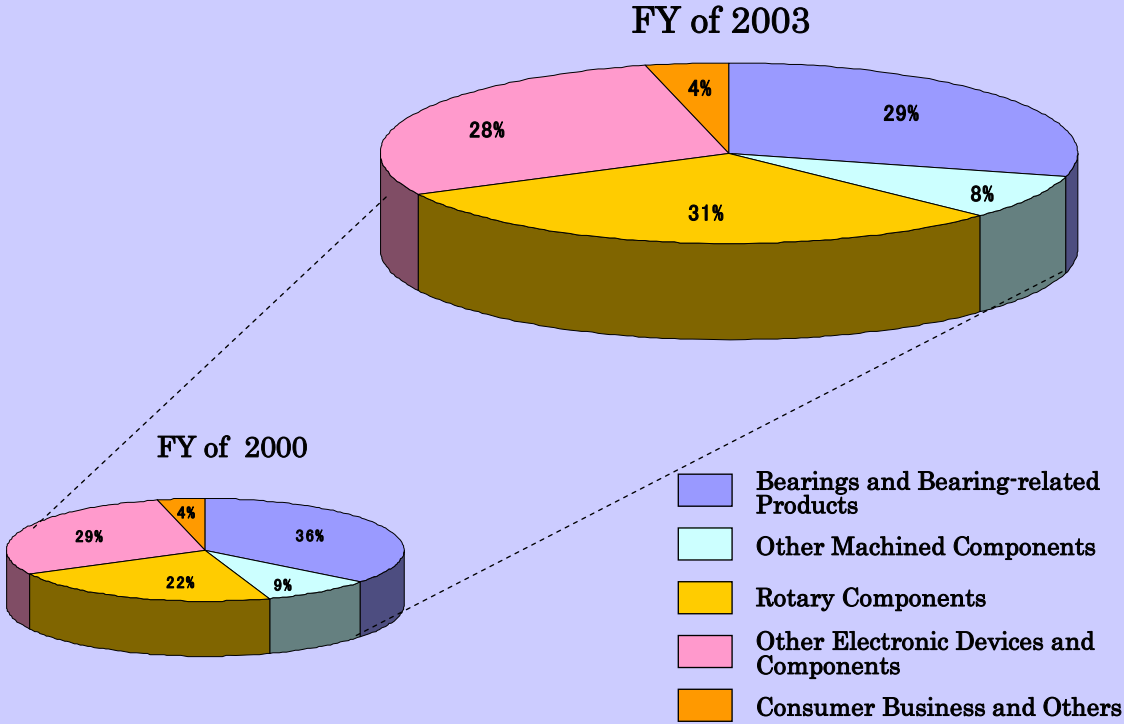


We also project a substantial improvement in cash flow. We expect to be able to carry out capital investments by funds on hand. If we apply the balance of the cash flow to the repayment of loans, we expect the balance of outstanding interest-bearing debt on a net-basis to be reduced to less than 130 billion Yen at the end of fiscal 2003.

History and Prospect of Interest-bearing Debts Reduction



Sales by Products Group

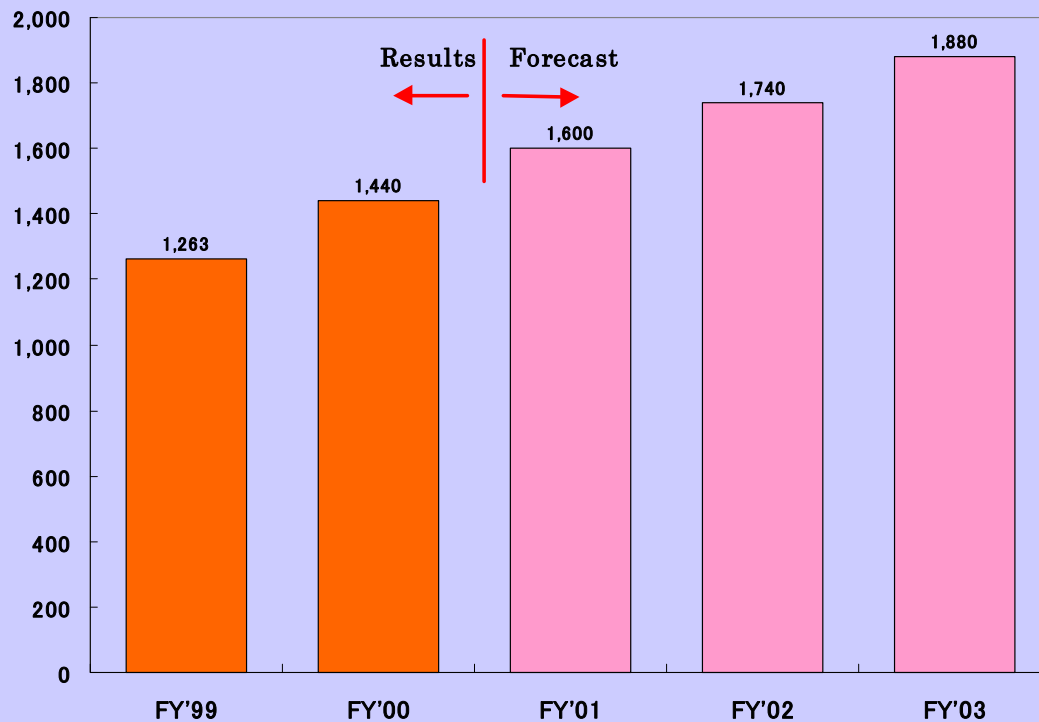


2. Product Strategies

As this circle graph shows, our largest business is bearings and bearing-related products. You can also see sales of rotary components -HDD spindle motors, stepping motors, DC brushless motors and others-will sharply increase in the coming years. In fiscal 2003, we anticipate sales of the rotary components will be even higher than the sales of the bearings and bearing related products. For the successful achievement of our three-year plan, it's essential for us to make this really happen.

Miniature and Instrument Ball Bearing Production Results and Forecast

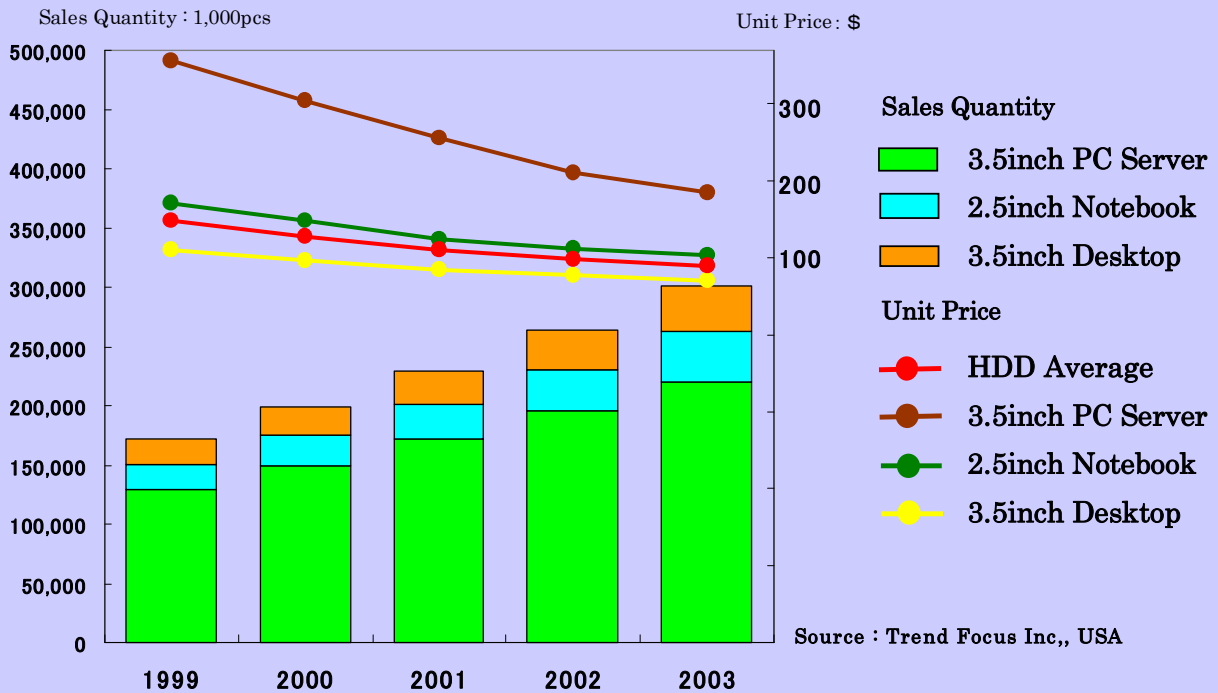
Sales Quantity : Million pcs.



(1) M&I ball bearings

Currently (at around May, 2000), there is a shortage of M&I ball bearings worldwide. Demand is expected to expand considerably in the next few years. We also anticipate a marked increase in demand for M&I ball bearings for our internal use. In terms of volume, we expect production of M&I ball bearings in fiscal 2001 to reach 1.6 billion pcs., or 133 million pcs. per month, up from a total of 1.44 billion pcs., or 120 million pcs. per month, in fiscal 2000. In fiscal 2002, we expect the total to rise to 1.74 billion pcs., or 145 million pcs. per month, and in fiscal 2003, we are forecasting a total of 1.88 billion pcs., or 157 million pcs. per month. An improvement in the supply and demand situation is likely to ensure that product prices remain stable.

HDD Market Trend



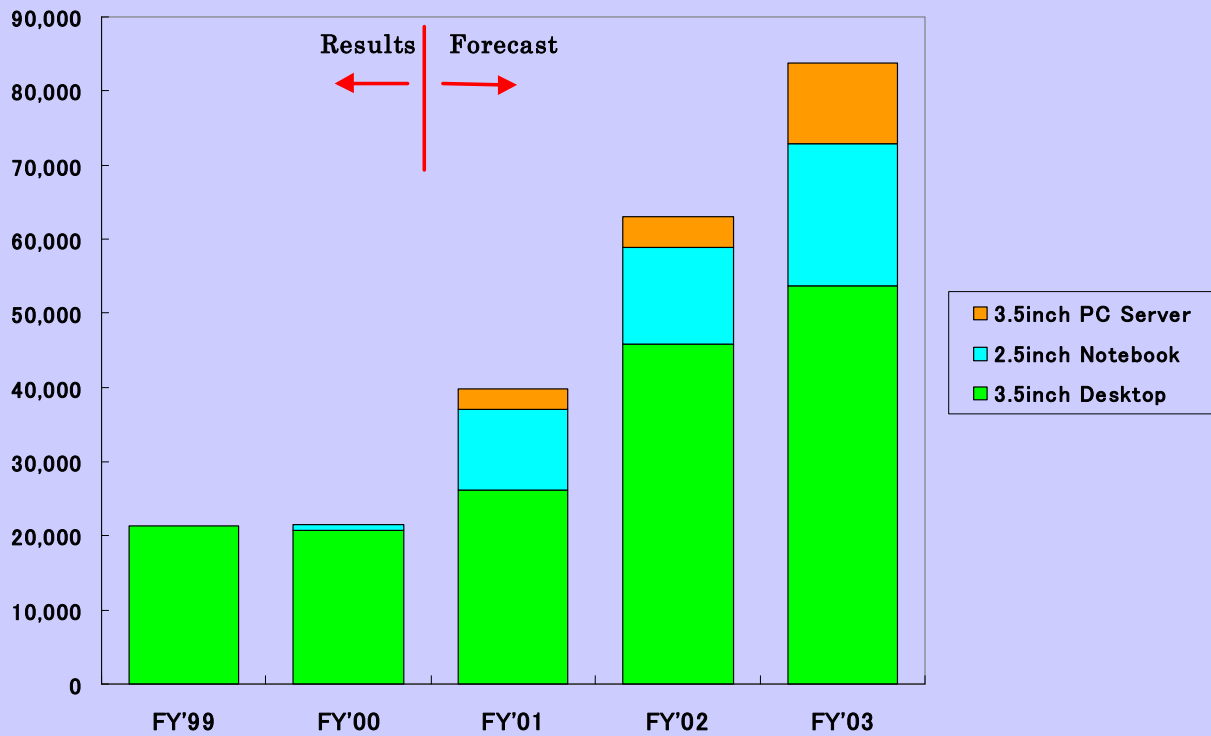
(2) HDD-related products

First, we would like to mention projections by TrendFocus Inc. of the U.S. for the HDD market, which forms the premise for our planning in this area. According to TrendFocus, production of HDDs worldwide in 2000 is expected to be approximately 200 million units. In 2003, this is forecasted to rise to 300 million units. In the same period, however, the average unit price of HDD is expected to decline from over \$120 at present to less than \$100 in 2002 and as low as \$90 in 2003.

Our three-year plan calls for an increase in output of HDD spindle motors, pivot assemblies and other HDD-related products, while at the same time assuming negative impact of price decline of HDD as predicted by TrendFocus.

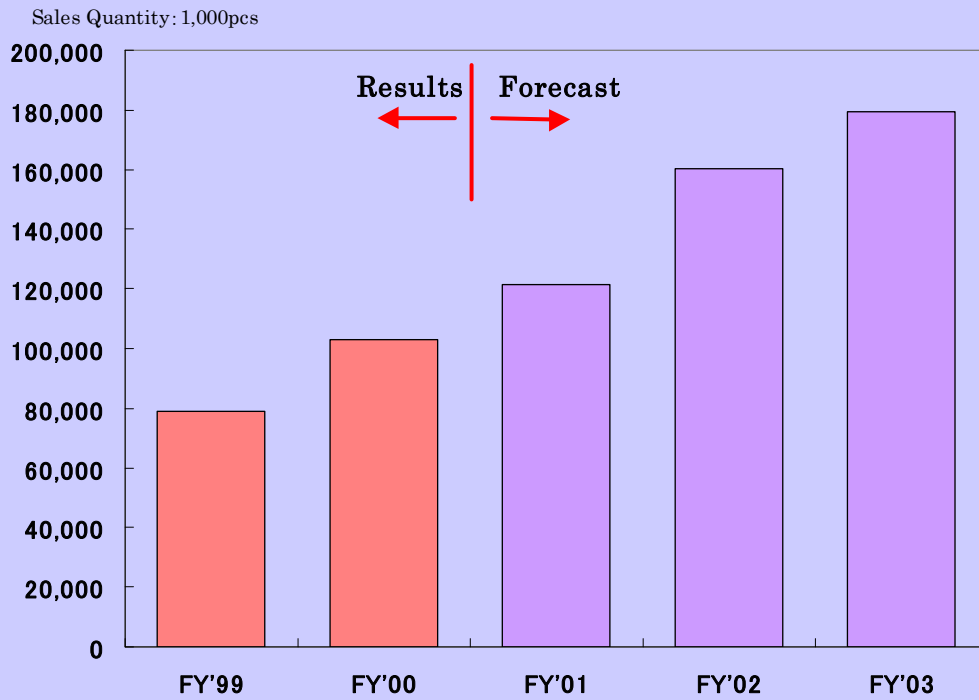
Minebea's HDD Spindle Motor Sales Results and Forecast

Sales Quantity: 1,000pcs



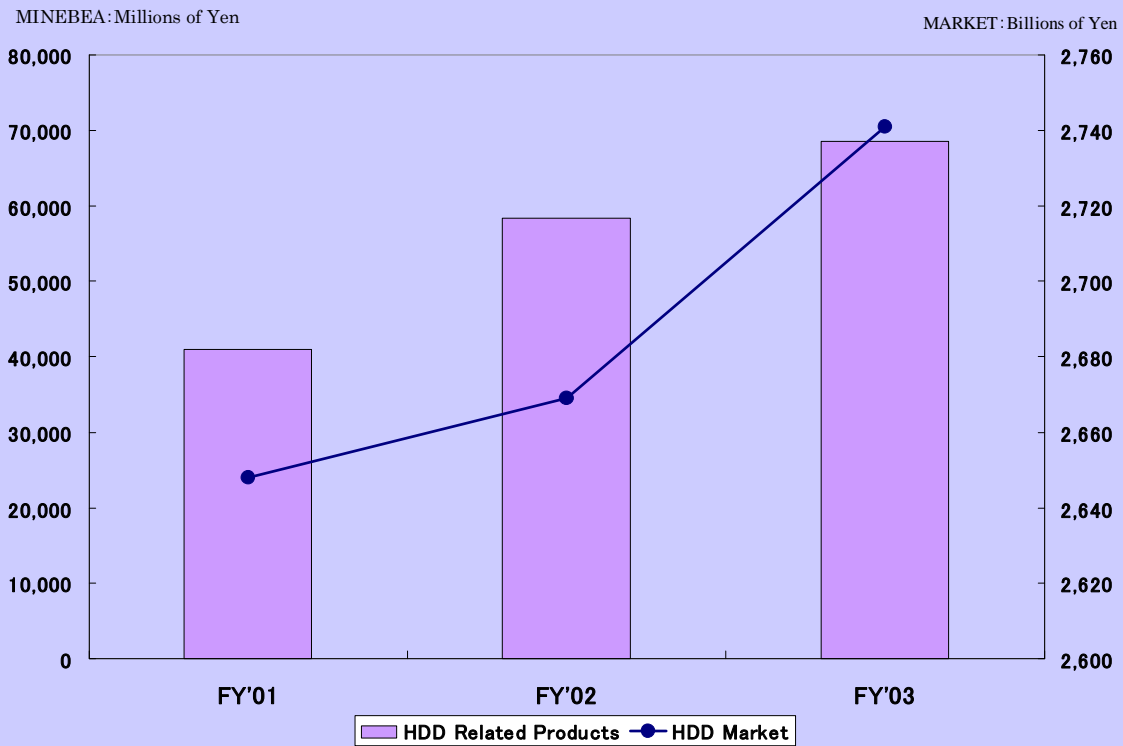
This graph shows HDD Spindle Motor Sales Results and Forecast from 1999 through 2003. Our basic approach for HDD spindle motors will be to use fluid dynamic bearings for our low-end items to reduce manufacturing costs. At the same time, we plan to increase our weight in comparatively high end spindle motors for servers.

Pivot Assembly Sales Results and Forecast



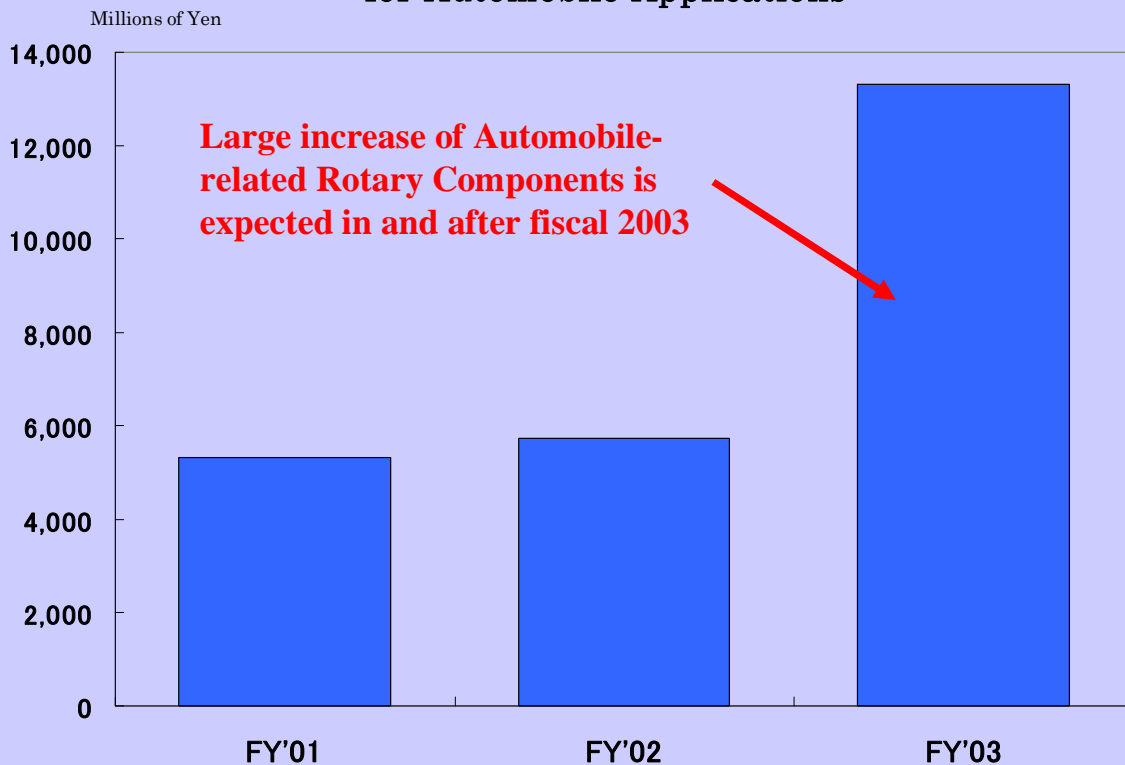
We plan to expand annual production to 180 million units in fiscal 2003, from the current 120 million units of pivot assemblies. In the years ahead, we plan to introduce high-precision pivot assemblies that use RO bearings and to offer lower-priced versions of standard pivot assemblies.

HDD-Related Product Sales Forecast



These are the projections for sales of HDD-related products outlined in our three-year plan. Although only single-digit annual growth is forecasted by TrendFocus for HDD market in value terms, we expect that our sales of HDD-related products will consistently outperform the market growth, particularly in fiscal 2002, when we anticipate a sharp rise in sales of HDD spindle motors.

Sales Forecast of Rotary Components for Automobile Applications



(3) Automotive Products

The automobile industry today is undergoing an unprecedented massive reorganization, as well as a major technological revolution. Automobile users today demand higher levels of energy efficiency, safety and comfort than ever before, stimulating a rapid increase in demand for sensors, high-performance motors and other products to facilitate greater levels of sophistication. This is opening up opportunities even for companies such as ours that have had little to do with the automobile industry to date. As HDD and PC-related products offer outstanding growth potential, automotive components may not attract much attention. However, I predict a sharp increase in our shipments of our products to the automobile industry in the next few years.

The first product on the list is motors for electric power-steering systems. With most electric power-steering systems, although the oil-pressure pumps are driven by the motor, it's actually the oil pressure that provides the power. Minebea offers a direct-drive power-steering motor that uses no oil, which improves fuel efficiency and eliminates damage to the environment caused by oil. This technology will play an important role in the future. Electric power-steering system has been used in a mass-produced vehicle in Europe and, as such, our motor has attracted considerable attention in the automobile industry.

This motor, an inner-rotor type developed at our R&D Center of Precision-Motors- Deutsche-Minebea-GmbH (PMDM) in Germany, is a pioneering and highly reliable DC brushless motor.

Our second focus is headlight optical-axis regulating motors. The increasing use of highly luminous and efficient HID lamps in headlights has greatly increased the safety of nighttime driving. Recently, we are seeing a sharp increase in demand for motors that instantaneously adjust the optical axis of the vehicle's headlights to match the vehicle's position, thereby protecting drivers of oncoming vehicles from the glare of the headlight. We were one of the first to begin developing a PM type stepping motor for optical-axis adjustment purpose, at our Hamamatsu R&D Center in Japan, and currently ship this motor to a number of automakers in Europe.

The third product for which we expect considerable growth in sales in future is a motor for a fully electric braking system called a brake-by-wire. This is a computer-controlled system involving a direct-drive motor that is connected to the brake shoes on each wheel independently. It eliminates the need for an oil-pressure pump or oil pressure control devices, thus offering a much more sophisticated level of control than conventional ABS systems. Accordingly, this will be an extremely important technology for the automotive industry in the future.

The automobile industry is a mature industry. While we are unlikely to see a sharp increase in unit sales at any time in the future, the technologies are changing rapidly: as symbolized by the introduction of hybrid cars, for example, the industry is not waiting around for the development of fuel cells. Minebea has long been a specialized manufacturer of DC brushless motors, resolvers and other components for aerospace and defense related industries, which are now finding their applications in the automotive industry.

This graph represents our growth projection of the rotary components shipped to the automobile industry over the next three years. We expect a sharp increase in fiscal 2003 and after.

Summary

- There is an increasing need for high precision machining technology in the most advanced industrial sector.
- More and more business opportunities are opening up for Minebea.
- In the era of uncertainty, what counts is what to manufacture and which industrial sector to focus on.
- We will be able to do a successful business even with the information & telecommunications equipment industry price-driven and with the full-grown automotive industry.
- We will try to increase sales and improve the bottom line profit at the same time.

3. Conclusion

The General idea of our management directions is as follows: