



Financial Review

Minebea Co., Ltd.

Tsugio Yamamoto
President and
Representative Director
May 18, 2001

Consolidated Results for the Fiscal Year ended March 31, 2001

(Millions of Yen)

	<u>Forecasts announced</u> <u>on Feb. 22</u>	<u>Actual</u>
Net Sales	287,000	287,045
Operating Income	34,000	32,977
Ordinary Income	25,000	24,726
Net Income	15,000	14,826

**Also in line with the First Year Target of
Our Three-year Management Plan**

Three Basic Management Directions to Become A High-growth, Highly Profitable Company

Three basic management directions

1. To increase production of most profitable mainstay ball bearings and bearing-related products
2. To expand small motors and other rotary components business to a scale similar to bearing operation
3. To raise the weight of high-value-added products in main product categories



Realization

Minebea's Basis of Strength

「Ultra-precision Machining Technologies」

「Mass Production Technologies」

Outline of Restructuring Measures Implemented During Last Year

- **Decided to withdraw from the wheel business and to close Kyoto Plant**
- **Reorganized subsidiaries**
- **Dissolved our exclusive sales agent agreement with Keiaisha NMB**
- **Sold Actus Corporation to a third party**

Outlook for the Fiscal Year ending March 31, 2002 (1)

	(Billions of Yen)
Net Sales	300
Operating Income	33
Ordinary Income	25
Net Income	15

Outlook for the Fiscal Year ending March 31, 2002 (2)

(Billions of Yen)

Three-year plan

	<u>Year to Mar 01</u>	<u>Year to Mar 02</u>	<u>Year to Mar 03</u>	<u>Year to Mar 02 Forecast</u>
Net Sales	290	332	337	300
Operating Income	33	39	47	33
Ordinary Income	24	32	42	25
Net Income	15	20	27	15

Outlook for the Fiscal Year ending March 31, 2002 (3)

- ◆ **Uncertainty in domestic and worldwide economic environment and the information technology industry has led us to be cautious in predicting sales and profitability of PC and related product business.**
- ◆ **Our switching power supplies business is not expected to break even until the next fiscal year (year ending March 2003) or later.**
- ◆ **We anticipate sales and operating profit of speakers and fasteners operations to fall significantly below initial expectations.**
- ◆ **Sale of Actus lowers net sales by ¥13.3 billion and operating income by ¥800 million this fiscal year**

This Year's Restructuring Plans

- **Switching power supplies**
 - **Scaling back and integration of development and manufacturing operations in North America and development divisions in Europe**
- **Fasteners**
 - **Fundamental restructuring of personnel and organizational structure**
 - **Review of product line-up**
- **Speakers**
 - **Transfer of all of manufacturing operations from Taiwan to Malaysia**
 - **Shifting our focus to high-end models**

Product Strategies



MINEBEA's Basis of Strength

“Ultra-precision machining technologies”

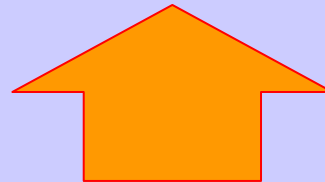
“Mass production technologies”



Spindle Motor

Mainstay models for this year

- For 2.5-inch 20GB/platter HDDs
- For 3.5-inch HDDs for servers and high-end desktop PCs
- Fluid Dynamic Bearing spindle motors for Seagate Technology
- New models for 1.8-inch HDDs



Worldwide HDD shipments growth estimates

<u>2001</u>	<u>2002</u>	<u>2003</u>
218million(+16%) 319million(+23%)	260million(+19%)	

Source: Pixie Pinnacle Corporation

Rotary Components for Automotive Use



1. Trend in the automotive industry

- Low energy consumption
- Safety
- Comfort



Increasing demand for high-performance motors and sensors



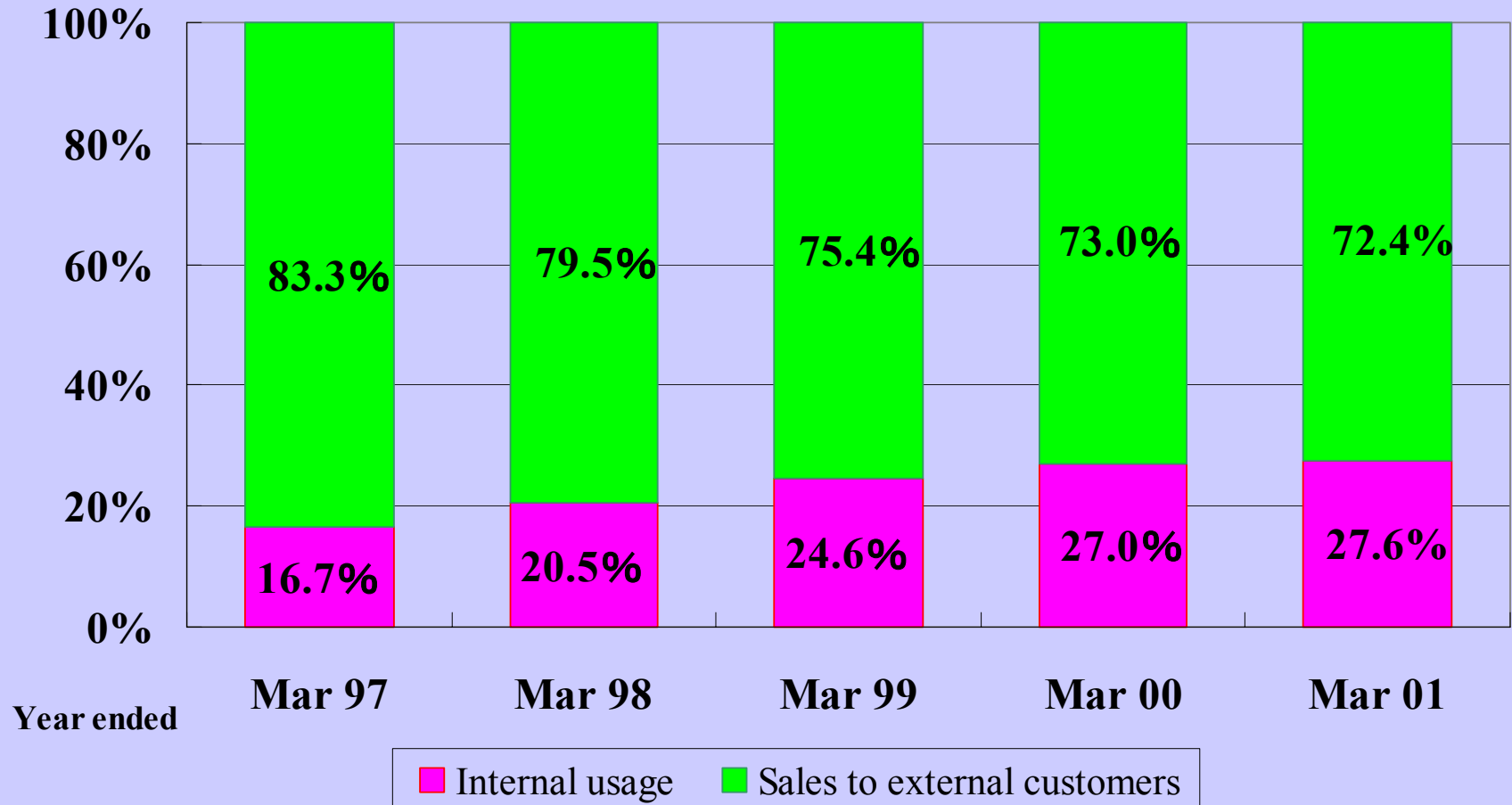
2. Minebea's rotary components for automotive use

- (1) Steady progress in business with European automakers
- (2) Business with major domestic manufactures in sight
- (3) Several new products are in development, including motors for ABS and motors for electric brakes



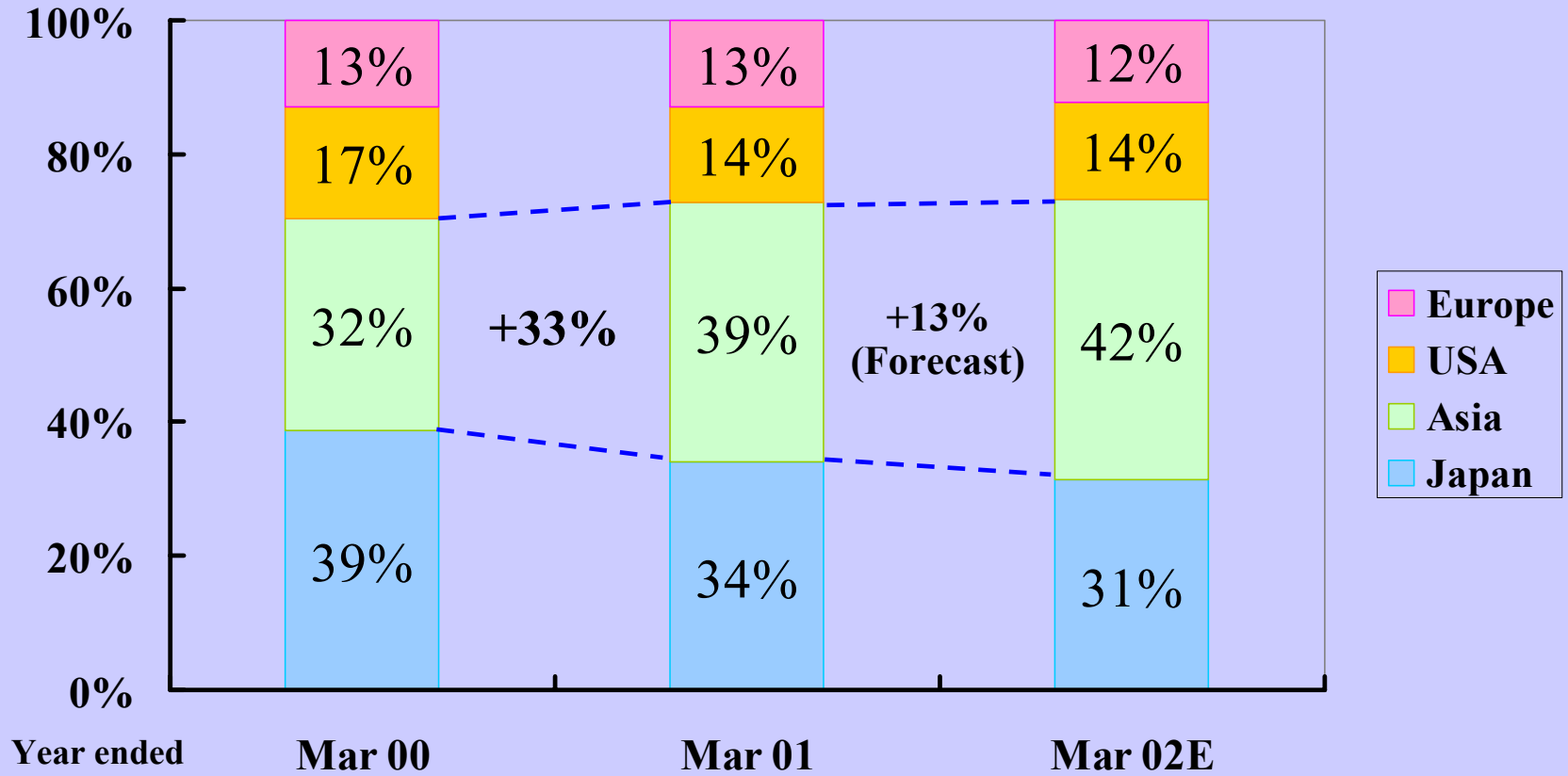
Bearings (1)

Internal usage ratio of Ball bearings



Bearings (2)

Ball Bearings Sales by Region



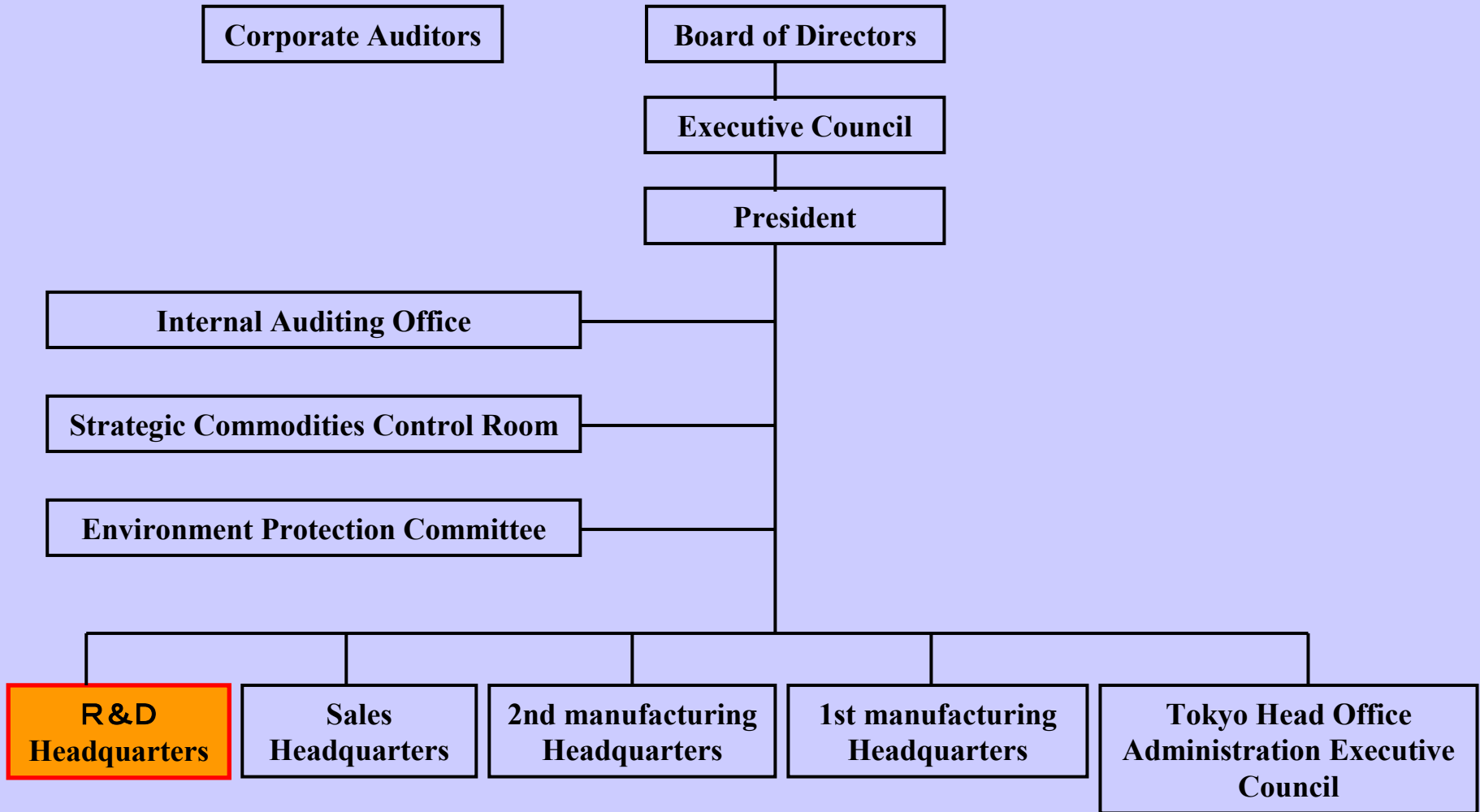
Total Sales Quantity +9.5%



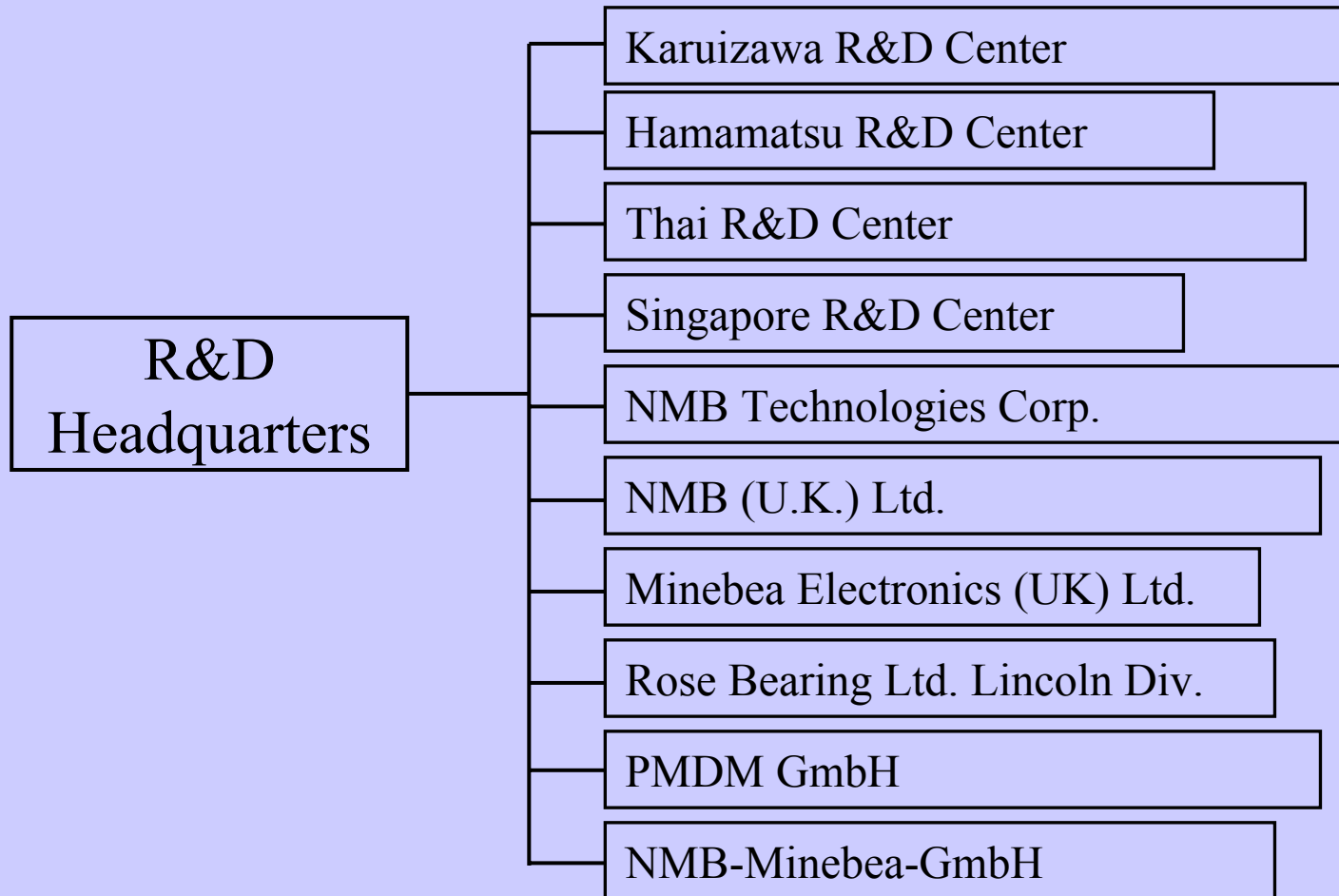
Total Sales Quantity +4.4% (forecast)



New R&D Headquarters (1)



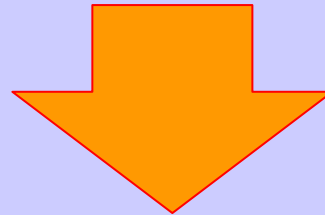
New R&D Headquarters (2)





Summary

- **Continue to implement and execute restructuring plans**
- **Accomplish the three management directions by enhancing our “ultra-precision machining technologies” and “mass-production technologies”**



High-growth, highly profitable company