BRIEF REPORT OF CONSOLIDATED FINANCIAL RESULTS

(Year ended March 31, 2001)

May 17, 2001

Registered Company Name: MINEBEA CO., LTD.
Code No: 6479
Contact: Sadahiko Oki, Director-Accounting
Common Stock Listings: Tokyo, Osaka, and Nagoya
Headquarters: Nagano-ken
Tel. (03)5434-8611

Board of Directors' Meeting on the Consolidated Financial Results held on: May 17, 2001

1. Business performance (April 1,2000 through March 31,2001)

(1) Consolidated Results of Operations (Amounts less than one million yen have been omitted.)

	Net sales (millions of yen)	% Change	Operating income (millions of yen)	% Change	Ordinary income (millions of yen)	% Change
FY2001	287,045	0.8	32,977	6.1	24,726	14.8
FY2000	284,757	(6.7)	31,069	(19.4)	21,522	6.4

	Net income (millions of yen)	% Change	Net income per share (yen)	Fully diluted net income per share (yen)	Return (net income) on equity (%)	Return (ordinary income) on assets (%)	Return (ordinary income) on sales (%)
FY2001	14,826	—	37.14	34.10	11.6	6.6	8.6
FY2000	(2,677)	—	(6.72)	—	(1.8)	4.9	7.6

(Notes) 1. Income or loss on investments for FY2001 on the equity method totaled income 4 million yen and 5 million yen in FY2000.

2. Weighted average number of shares outstanding during the respective years (consolidation):
399,163,019 shares at March 31,2001
398,469,140 shares at March 31,2000

3. Changes in accounting method: None

4. The percentages of net sales, operating income, ordinary income and net income show year-on-year changes.

(2) Consolidated Financial Position

	Total assets (millions of yen)	Shareholders' equity (millions of yen)	Shareholders' equity ratio (%)	Shareholder's equity per share (yen)
FY2001	346,965	100,573	29.0	251.96
FY2000	403,994	154,356	38.2	386.71

(Notes) Number of shares outstanding at end of year (consolidation):
399,167,104 shares at March 31,2001
399,149,038 shares at March 31,2000

(3) Consolidated Cash Flows

	Cash flows from operating activities (millions of yen)	Cash flows from investing activities (millions of yen)	Cash flows from financial activities (millions of yen)	Year end balance of cash and cash equivalents (millions of yen)
FY2001	38,332	(33,099)	(17,138)	11,930
FY2000	60,289	(13,298)	(71,765)	24,432

(4) Scope of consolidation and application of equity method

Number of consolidated companies........................... 55 companies
Number of non-consolidated companies.................... None
Number of affiliated companies for equity method.... 3 companies

(5) Accounting changes of scope of consolidation and application of equity method

(a) Changes in consolidated subsidiaries
Anew: 3 companies Exclusion: 3 companies

(b) Changes of the companies subject to equity method
Anew: 1 company Exclusion: None

2. Prospect for the next fiscal year (April 1,2001 through March 31, 2002)

	Net sales (millions of yen)	Ordinary income (millions of yen)	Net income (millions of yen)
Interim	140,000	10,500	6,000
Annual	300,000	25,000	15,000

(Reference) Projected net income per share: 37.58 yen

(Reference)

1. Condition of group of enterprises

Minebea group consists of Minebea Co., Ltd. (the company) and 58 related companies (55 consolidated subsidiaries and 3 affiliates companies). Minebea group produces and sells bearings, machinery components, transportation equipment and components, special machinery components, electronic devices and components and sells consumer goods such as furniture and interior goods.

The company and domestic consolidated subsidiaries, consolidated subsidiaries in U.S.A., Europe and Asia are in charge of production. Keiaisha NMB Co., Ltd., which was the exclusive distributor, sells the products in domestic market effective January 1, 2001, the Company started marketing its products directly to Japanese customers, which were sold through its exclusive distributor, Keiaisha NMB Co., Ltd., until December 31, 2000. In overseas markets, the Company markets its products through its subsidiaries and branches in the United States, Europe and Asia. The Company also marketed imported and domestic furniture and interior decor items through subsidiary Actus Corporation, but on February 23, 2001, it transferred all of its shares in Actus to TRS Co., Ltd., an external business company.

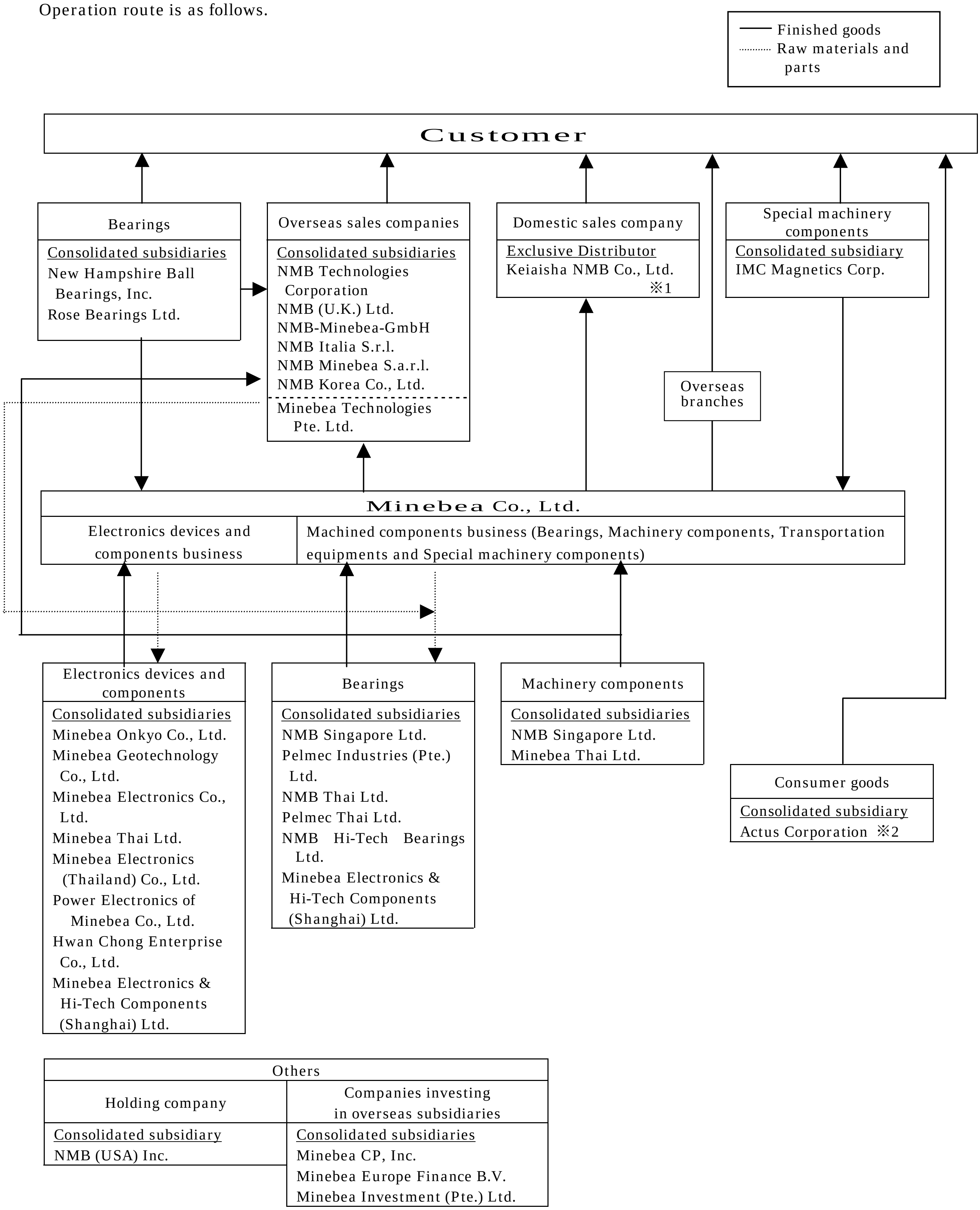
The relationship between each operation and industry segments, and main manufacturing and sales companies are as follows.

Industry segments	Operations	Manufacturing companies	Sales companies
Machined components business	Bearings	Minebea Co., Ltd. New Hampshire Ball Bearings, Inc. Rose Bearings Ltd. NMB Singapore Ltd. Pelmec Industries (Pte.) Ltd. NMB Thai Ltd. Pelmec Thai Ltd. NMB Hi-Tech Bearings Ltd. Minebea Electronics & Hi-Tech Components (Shanghai) Ltd.	Minebea Co., Ltd. NMB Technologies Corporation New Hampshire Ball Bearings, Inc. NMB (U.K.) Ltd. NMB-Minebea-GmbH NMB Italia S.r.l. NMB Minebea S.a.r.l. Minebea Technologies Pte. Ltd. NMB Korea Co., Ltd. Keiaisha NMB Co.,Ltd.※1
	Machinery components	Minebea Co., Ltd. NMB Singapore Ltd. Minebea Thai Ltd.	
	Transportation equipment	Minebea Co., Ltd.	
	Special machinery components	Minebea Co., Ltd. IMC Magnetics Corp.	
Electronics devices and components business	Electronics devices and components	Minebea Co., Ltd. Minebea Onkyo Co., Ltd. Minebea Geotechnology Co., Ltd. Minebea Electronics Co., Ltd. Minebea Thai Ltd. Minebea Electronics (Thailand) Co., Ltd. Power Electronics of Minebea Co., Ltd. Hwan Chong Enterprise Co., Ltd. Minebea Electronics & Hi-Tech Components (Shanghai) Ltd.	
Consumer business and others	Consumer goods and others	—	Actus Corporation※2

(Notes) ※1. The Company terminated its exclusive distributorship agreement for Japan with Keiaisha NMB Co., Ltd.on December 31, 2000. Effective January 1, 2001, the Company started marketing its products directly to Japanese customers. For the business relationship between Keiaisha NMB and the Company, please refer to "(c) Transactions with the parties concerned" on page 20.

※2. The Company sold all the shares to TRS Co., Ltd. on February 23, 2001.

Operation route is as follows.



(Notes) ※1. The Company terminated its exclusive distributorship agreement for Japan with Keiaisha NMB Co., Ltd. on December 31, 2000. Effective January 1, 2001, the Company started marketing its products directly to Japanese customers. For the business relationship between Keiaisha NMB and the Company, please refer to "(c) Transactions with the parties concerned" on page 20.

※2. The Company sold all the shares to TRS Co., Ltd. on February 23, 2001.

2. Management Policy

(1) Basic Management policy

Minebea has adopted the following five principles as its basic policy for management.

(a) Ensure that Minebea is a company for which we feel proud to work.
(b) Reinforce the confidence our customers have.
(c) Respond to our shareholders' expectations.
(d) Ensure a welcome for Minebea in local communities.
(e) Contribute to a global society.

Under this basic management policy, we have actively addressed the development of higher value-added products and the sophistication of product quality. In addition we have focused company resources on areas where we can display our strength. At the same time, we have strengthened our operations based on financial improvements, and have striven to practice a transparent management form that is easier to understand within and across the Company.

Furthermore, as a key theme in the development of business in various parts of the world, we have has continued our commitment to environmental protection activities.

(2) Basic Policy for Profit Sharing

Our basic dividend policy is to consider the return of profits to shareholders, business development, the strengthening of corporate structure, etc. in an overall perspective. We consider it important to continue paying stable dividends. Therefore, we will use internal reserves in providing for operating funds in connection with the enhancement of corporate structure and new growth in the future.

(3) Medium- and Long-term Management Strategies and Agenda

Based upon the aforementioned basic management policies, we aim to: develop a highly integrated manufacturing system, large-scale mass production plants, and an upgraded R & D system in various parts of the world; improve profitability as the world's largest comprehensive precision parts manufacturer; and increase our enterprise value.

(4) Organizational Reform

(a) To cope with the rigid business climate; promote timely and appropriate operating measures in an organized and efficient manner; and fortify corporate governance, we discontinued our Japan and Asia sales headquarters and also our European and U. S. sales headquarters, and consolidated them into a single sales headquarters. In addition we also abolished four other headquarters—general affairs, corporate planning, business control, and accounting and finance. To control the overall business of our administration departments, we have established a Tokyo Administration Departmental Council, and have prepared "Business Organizations and Operating Regulations."

(b) Furthermore, we have laid down a Regulation for Internal Auditing as a means of enhancing the quality and efficiency of our business operations in various activities conducted in order to aim at the lasting development of the Minebea Group. At the same time, we established an Internal Auditing Office within the Company on October 1, 2000 as an organization under the direct control of the President.

The purposes with which the Regulations for Internal Auditing have been laid down and with which the Internal Auditing Office has been created are as follows:

1. To examine such matters as whether the aforementioned activities are implemented in the form of using Minebea's management resources—human capital, funds, and material goods—effectively, and whether such activities are performed lawfully and efficiently in accordance with the Company's internal rules, regulations and other standards. To proffer advice and recommendations on corrective betterment steps in order to carry out such activities more efficiently and to improve their quality.
2. To give advice and recommendations on reforms and changes in the Company's rules in order to cope with the current situation, in which the needs of the times have, in recent years, dramatically changed corporate systems.
3. To safeguard all assets, including the social reputation and image Minebea has earned, and to take precautions against possible risks and losses of the said assets.
4. To eventually make the efficient attainment of management goals possible.

(5) Basic Policy for Relations with Related Parties

(a) The trade prices with related parties are negotiated and determined, based upon market prices. For details, please refer to "(c). Transactions with related parties" on page 20.

(b) To improve customer services further, the Company has decided to terminate its exclusive distributorship agreement with Keiaisha NMB Co., Ltd. (hereinafter referred to as "Keiaisha") on December 31, 2000, which has exclusive selling rights to Minebea Group products (hereinafter referred to as "Minebea products") within Japan; and to take over Keiaisha's sales divisions on January 1, 2001, which themselves handle the sale of Minebea products within Japan.

As a result, the Company will be able to sell Minebea products directly to customers within Japan, and considers that it will be able to establish and develop a unified management control system from manufacturing through to sales.

3. Management Performance

(1) Overview of the Year

(a) Results

During the year, under continued tough conditions, such as lackluster personal consumption and unchanged housing investments, Japan's economy tended to recover moderately due to improved corporate earnings, increased capital investments and other economic factors. However, due to such adverse factors as the sharp slowdown in the U.S. economy since the end of last year and high oil prices, the stagnant situation deteriorated.

Overseas, the U. S. economy, which stayed on a long-term growth path, saw a sharp slowdown at the end of last year. Due to this slowdown, the Asian economy also slowed, but the European economy remained stable.

Under these circumstances, the information and telecommunications equipment market—the Company's major market segment—expanded steadily as a whole. In 2001, however, demand decreased due to inventory adjustment in the market caused by the deterioration of the U. S. economy. Also, under the advancement of diversified products and shortened product life, price competition became increasingly intensified.

To cope with such a tough business environment, the Company strove to improve the efficiency of production and sales activities. In addition, the Company also endeavored to enhance quality and further the sale and development of higher value-added products. As a result, net sales increased 2,288 million yen (0.8%) to 287,045 million, compared with the previous year. Also, operating income rose 1,908 million yen (6.1%) to 32,977 million yen and ordinary income increased 3,204 million yen (14.8 %) to 24,726 million yen.

To improve its corporate structure, the Company continued to implement the following measures:

- On February 23, 2001, the Company transferred imported furniture sales subsidiary Actus Corporation to TRS Co.,Ltd.. As a result, the Company included the gain of 5,215 million yen from this transfer in extraordinary income, as a gain on sales of investments securities in affiliates.
- To withdraw from the wheel business at the end of December 2001, the Company decided to close its Kyoto factory and included the provision of 2,762 million yen for this plant closure in extraordinary losses.

In addition, the Company included 3,296 million yen in income tax adjustments in accordance with the income tax allocation and tax effect accounting applied in the previous year. As a result, net income improved significantly to 14,826 million yen, compared with the previous year.

The performance by industry segments is as follows:

Machined components business

Minebea's machined components business involves: such mechanical parts as rod-end bearings used primarily in aircraft and pivot assemblies used in hard disk drives (HDDs); screws for automobiles and aircraft, defense-related equipment, wheels, in addition to ball bearings, which constitute the Company's core business sector.

Although demand from the industries relating to PCs and other information and communications equipment was slightly affected by their inventory adjustment in the second half of the year, sales of ball bearings were brisk, due to stable demand as a whole and increased demand in Asia. Sales of rod-end bearings remained firm due to improved demand for aircraft in the U. S. market. In addition, sales of defense-related equipment also remained comparatively firm.

On the other hand, sales of screws for automobiles and aircraft, which are marketed mainly in the Japanese market, stagnated. Regarding the wheel business for industrial and construction vehicles and for automobiles, business results were deteriorating as the market shrunk year by year. Judging that the environment of this business would not recover due to the expected shrinkage of the market in the future and other business factors, the Company decided to close its Kyoto factory at the end of December 2001. As a result, net sales decreased 3,273 million yen to 124,461 million yen, compared with the previous year. However, due to the effects of cost reduction, operating income increased 1,910 million yen to 23,906 million yen.

Electronics devices and components business

In the electronic devices business, precision small motors, keyboards, speakers, floppy disk drives (FDDs), switching power supplies, magnets, measuring equipment, etc. are our principal products.

Although demand from the industries relating to PCs and other information and communications equipment was influenced by their inventory adjustment in the second half of the year, it remained firm as a whole. In particular, the production and sales volume of spindle motors for HDDs increased. As a result, net sales increased 5,777 million yen to 151,910 million yen, compared with the previous year. In addition, operating income increased 5 million yen to 8,259 million yen.

Consumer business and others

This business is primarily engaged in distributing imported furniture in Japan. To further the concentration of operational resources and the improvement of financial soundness, the Company transferred the furniture business to TRS Co.,Ltd. on February 23, 2001. Due to the eleven (11) months' figures until the transfer of the shares, net sales decreased 216 million yen to 10,674 million yen, compared with the previous year. In addition, operating income also declined 7 million yen to 812 million yen.

The performance by geographical segment is as follows:

Japan

Though Japan is our largest market, net sales decreased by 5,498 million yen to 111,643 million yen and operating income declined by 77 million yen to 11,806 million yen compared with the previous term. This is attributable to the flagging economy and the influence of production shift by our customers to their overseas subsidiaries prompted by the high value of the yen.

Asia

Asia is an important area as a production base for Japan, our primary market, as well as European, and the U.S. manufacturers of PCs and household electrical appliances. The economic confusion caused by the currency crisis cooled down, and sales grew smoothly. As a result, net sales rose by 8,370 million yen to 82,437 million yen and operating income increased by 2,189 million yen to 17,362 million yen compared with the preceding term.

North and South America

Despite the sudden downturn in the U.S. economy, demand from the aviation industry — our primary customer base — revived and picked up smoothly. On the other hand, sales of electronic components and devices stagnated. As a result, net sales amounted to 58,192 million yen and operating income stood at 1,327 million yen, a decrease of 61 million yen and 1,402 million yen, respectively, against the preceding term.

Europe

Sales of such products as ball bearings, PC keyboards, and precision small motors grew smoothly. Net sales decreased by 523 million yen to 34,773 million yen and operating income rose by 1,198 million yen to 2,482 million yen.

(b) Cash flows

Minebea pursued its management strategy of ensuring financial soundness and continued to focus on paring its assets and curtailing liabilities by minimizing expenditure for purchase of property, plant and equipment. During the current term, the balance of cash and cash equivalents was 11,930 million yen, a decrease of 12,502 million yen compared with the end of the previous term.

The current term's cash flow in various activities and relevant factors are as follows:

Strong efforts that we made to enhance business performance resulted in a net cash inflow of 38,332 million yen from operating activities. Expenditure for purchase of property, plant and equipment amounted to 39,876 million yen, resulting in a net cash outflow of 33,099 million yen from investing activities. Repayments for short-term and long-term loans payable reached 18,308 million yen, resulting in a net cash outflow of 17,138 million yen from financing activities.

(2) Outlook for the Next Term

It is predicted that the Japanese economy during the next fiscal year will remain stagnant owing to sluggish export as a result of business adjustments abroad, leveling-off of corporate earnings, and continuing downturn in personal consumption. On the other hand, especially the U.S. economy is expected to show a moderate recovery trend in the last half of the next fiscal year.

The outlook by industry segment for the next term is as follows:

Machined components business

Since demand from manufactures of information & telecommunications equipment including PCs is expected to increase in the last half of the next term owing to the effect of inventory adjustment and business recovery overseas, we will redouble our effort to enhance business performance by increasing production and reducing costs of ball bearings and related core products.

Electronics devices and components business

Demand from the market for PCs and other information & telecommunications equipment – our major customer base – is expected to take an upward turn in the last half owing to the effect of customers' inventory adjustment and business recovery overseas. We aim to enhance our business performance by developing high value-added products and low-priced products and by building up a better-balanced product line.

The outlook by geographical segment for the next term is as follows:

Japan

Minebea terminated its exclusive distributorship agreement with Keiaisha NMB Co., Ltd. and started to sell Minebea products directly to customers in Japan from January 1, 2001 onward. With an increasing number of major customers shifting production to Southeast Asia, we anticipate that we will continue to experience a difficult time in the sale of our products. To cope with this, we will endeavor to improve our business performance through strengthening and setting up a business management structure that covers all the business processes from manufacturing to sales and through promoting a closer cooperation between sales, manufacturing and engineering in each region.

Asia

This is a region that has the largest sales growth potential and where our key production bases are located. We will make the most of this advantage and strive to improve business performance.

North and South America

The demand from the aviation industry, which is one of our major customer bases, remained strong. We will strive to improve performance by creating new markets for small and medium-sized airplanes and by promoting sales expansion in the automobile industry.

Europe

As the economy continues to grow steadily, we will direct our efforts toward swiftly responding to market needs by strengthening our product development capabilities in order to promote sales expansion of core products including ball bearings.

4. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

	As of March 31,2001		As of March 31,2000		Increase or (decrease) (2001– 2000)	
	Millions of yen	% Comp.	Millions of yen	% Comp.	Millions of yen	%
ASSETS						
Current assets	137,106	39.5	153,658	38.0	(16,552)	(10.7)
Cash and cash equivalents	11,930		24,432		(12,502)	
Notes and accounts receivable	55,277		56,747		(1,469)	
Marketable securities	—		8,942		(8,942)	
Inventories	52,764		46,839		5,925	
Deferred tax assets	6,271		6,718		(447)	
Others	11,598		10,764		833	
Allowance for doubtful receivables	(734)		(785)		50	
Fixed assets	209,714	60.4	180,189	44.6	29,524	16.4
Tangible fixed assets	168,732		142,558		26,174	
Building and structure	90,196		82,426		7,770	
Machinery and transportation equipment	190,639		163,968		26,670	
Tools, furniture and fixtures	46,918		40,028		6,890	
Land	16,550		11,105		5,445	
Construction in progress	3,726		3,891		(165)	
Accumulated depreciation	(179,298)		(158,862)		(20,436)	
Intangible fixed assets	16,225		17,141		(916)	
Consolidation adjustments	15,344		15,990		(645)	
Others	880		1,151		(270)	
Investment and other assets	24,756		20,490		4,265	
Investment in securities	8,877		1,335		7,541	
Long-term loans receivable	251		1,245		(993)	
Deferred tax assets	13,388		15,481		(2,092)	
Others	2,558		3,722		(1,164)	
Allowance for doubtful receivables	(319)		(1,294)		974	
Deferred assets	144	0.1	203	0.1	(58)	(28.9)
Foreign currency translation adjustments	—	—	69,942	17.3	(69,942)	—
Total assets	346,965	100.0	403,994	100.0	(57,029)	(14.1)

		2001	2000
(Note)	Treasury stock	591 shares	1,489 shares

	As of March 31,2001		As of March 31,2000		Increase or (decrease) 2001-2000	
	Millions of yen	% Comp.	Millions of yen	% Comp.	Millions of yen	%
LIABILITIES						
Current liabilities..................................	127,290	36.7	124,085	30.7	3,205	2.5
Notes and accounts payable..............	29,170		31,248		(2,078)	
Short-term loans payable...................	62,723		63,786		(1,062)	
Current portion of long-term loans payable..	3,806		4,235		(429)	
Accrued income taxes.........................	3,984		3,159		824	
Accrued bonuses..................................	3,501		3,147		353	
Allowance for loss on the liquidation of the automotive wheel business..........	2,762		—		2,762	
Others..	21,341		18,507		2,834	
Long-term liabilities..............................	118,978	34.3	125,191	31.0	(6,213)	(4.9)
Bonds..	35,000		35,000		—	
Convertible bonds................................	40,903		40,918		(15)	
Bond with warrant.......................	4,000		—		4,000	
Long-term loans payable.....................	38,726		48,771		(10,045)	
Retirement allowance..........................	—		247		(247)	
Allowance for retirement benefit......	232		—		232	
Others..	116		253		(137)	
Total liabilities..................................	246,269	71.0	249,276	61.7	(3,007)	(1.2)
MINORITY INTEREST IN CONSOLIDATED SUBSIDIARIES	122	0.0	361	0.1	(239)	(66.1)
SHAREHOLDERS' EQUITY						
Common stock.....................................	68,258	19.7	68,251	16.9	7	0.0
Capital reserve....................................	94,756	27.3	94,749	23.4	7	0.0
	163,015	47.0	163,000	40.3	14	0.0
Accumulated deficit..............................	—	—	8,641	(2.1)	8,641	
Accumulated surplus.............................	3,303		—		3,303	
Difference on revaluation of other marketable securities to the market	(952)	(0.3)	—		(952)	
Foreign currency translation adjustments..	(64,791)	(18.7)	—		(64,791)	
	100,574	29.0	154,358	38.2	(53,784)	(34.8)
Treasury stock.....................................	(0)	(0.0)	(2)	(0.0)	1	
Total shareholders' equity................	100,573	29.0	154,356	38.2	(53,782)	(34.8)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY..............	346,965	100.0	403,994	100.0	(57,029)	(14.1)

(2) Consolidated Statements of Income and Retained Earnings

	Year ended March 31,2001		Year ended March 31,2000		Increase or (decrease) 2001-2000	
	Millions of yen	% Comp.	Millions of yen	% Comp.	Millions of yen	%
Net sales..	287,045	100.0	284,757	100.0	2,288	0.8
Cost of sales...	202,928	70.7	203,223	71.4	(294)	(0.1)
Gross profit....................................	84,117	29.3	81,533	28.6	2,583	3.1
Selling, general and administrative expenses...............	51,139	17.8	50,464	17.7	675	1.3
Operating income..........................	32,977	11.5	31,069	10.9	1,908	6.1
Other Income..	1,670	0.6	2,532	0.9	(862)	(34.0)
Interest income..................................	359		926		(566)	
Dividends received...........................	85		83		1	
Reverasal of loss on revaluation of marketable securities......................	—		573		(573)	
Equity income of affiliates................	4		5		(1)	
Others...	1,220		943		277	
Other Expenses......................................	9,921	3.5	12,079	4.2	(2,158)	(17.8)
Interest expenses..............................	7,553		7,896		(343)	
Foreign currency exchange loss........	731		1,709		(977)	
Others...	1,636		2,473		(837)	
Ordinary income............................	24,726	8.6	21,522	7.6	3,204	14.8
Extraordinary income..............................	6,403	2.2	343	0.1	6,059	1762.6
Gain on sales of fixed assets.............	105		189		(83)	
Reversal of allowance for doubtful receivables......................................	1,081		154		927	
Gain on sales of investments securities in affiliates..................	5,215		—		5,215	
Extraordinary loss.................................	8,742	3.0	28,479	10.0	(19,736)	(69.3)
Loss on disposal of inventories..........	1,846		1,863		(17)	
Loss on sales of fixed assets..............	164		43		120	
Loss on disposal of fixed assets..........	176		279		(103)	
Loss on the liquidation of the automotive wheel business......	2,762		—		2,762	
Loss on liquidation of affiliates..........	1,943		25,782		(23,838)	
Cancellation fee for the termination of the exclusive distributorship agreement	1,200		—		1,200	
Retirement benefits to directors and corporate auditors..........................	5		509		(504)	
Retirement benefit expense............	644		—		644	
Income (loss) before income taxes..	22,387	7.8	(6,612)	(2.3)	28,999	
Income taxes						
Current (including enterprise tax).........	4,160		2,663		1,497	
Reversal of income taxes for prior year..	—		421		(421)	
Adjustment income taxes(benefit)...	3,296		(6,276)		9,572	
Total income taxes....................	7,456	2.6	(4,034)	(1.4)	11,490	
Minority interest in earnings of consolidated subsidiaries..................	104	0.0	99	0.0	5	5.5
Net income (loss)............................	14,826	5.2	(2,677)	(0.9)	17,503	
Accumulated deficit at beginning of year..	8,641		3,169		5,471	
Accumulated deficit at beginning of year..	8,641		16,120		(7,478)	
Prior year tax effect adjustment.......	—		12,950		(12,950)	
Increase of accumulated surplus...........	35		—		35	
Increase of accumulated surplus for Decreaseof consolidated subsidiaries.	35		—		35	
Decreaseof accumulated surplus (Increase of accumulated deficit)	2,916		2,794		122	
Cash dividends...................................	2,794		2,794		0	
Bonus to directors and corporate auditors..	122		—		122	
Accumulated deficit at end of year.........	—		8,641		8,641	
Accumulated surplus at end of year.......	3,303		—		3,303	

(3) Consolidated Statements of Cash Flows (Amount: millions of yen)

	Year ended March 31,2001	Year ended March 31,2000	Increase or (decrease) 2001-2000
Cash Flows from Operating Activities:			
Income (loss) before income taxes	22,387	(6,612)	28,999
Depreciation	22,149	22,160	(10)
Amortization of consolidation adjustments	1,533	2,866	(1,332)
Equity income of affiliates	(4)	(5)	1
Interest income and dividends received	(444)	(1,010)	565
Interest expenses	7,553	7,896	(343)
(Income) loss on sales of fixed assets	58	(145)	203
Loss on disposal of fixed assets	176	279	(103)
Reversal of loss on revaluation of marketable securities	—	(573)	573
Loss on the liquidation of the automotive wheel business	2,762	—	2,762
Gain on sales of investments securities in affiliates	(5,215)	—	(5,215)
Loss on liquidation of affiliates	1,943	25,782	(23,838)
Cancellation fee for the termination of the exclusive distributorship agreement	1,200	—	1,200
Decrease in notes and accounts receivable	1,941	9,631	(7,690)
(Increase) decrease in inventories	(3,660)	2,092	(5,753)
Increase (decrease) in notes and accounts payable	(4,808)	5,214	(10,023)
Increase (decrease) of allowance for doubtful receivables	(1,100)	1,156	(2,257)
Increase in accrued bonuses	220	3	217
Decrease in retirement allowance	(13)	(8)	(4)
(Increase) decrease in current assets-others	(135)	169	(305)
Increase in current liabilities-others	3,753	1,113	2,639
Sub-total	50,297	70,010	(19,713)
Receipt of interest and dividends	444	983	(539)
Payment of interest	(7,587)	(7,763)	176
Payment for the termination of the exclusive distributorship agreement	(1,200)	—	(1,200)
Payment of income taxes	(3,621)	(2,941)	(680)
Net cash provided by operating activities	38,332	60,289	(21,956)
Cash Flows from Investing Activities:			
Proceeds from sales of marketable securities	—	1,689	(1,689)
Expenditure for purchase of property, plant and equipment	(39,876)	(19,504)	(20,372)
Proceeds from sales of property, plant and equipment	631	113	518
Purchase of investment in securities	(31)	(2)	(28)
Payments for purchase of investment in subsidiaries with a change of the scope of consolidation	—	(43)	43
Proceeds from sales of subsidiaries with a change of the scope of consolidation	5,215	5,147	67
Long term loans receivables	(727)	(1,792)	1,065
Recovery of long term loans receivables	1,719	627	1,091
(Increase) decrease in long-term assets-others	(120)	467	(588)
Proceeds from business transfer	90	—	90
Net cash used in investing activities	(33,099)	(13,298)	(19,801)
Cash Flows from Financing Activities:			
Decrease in short-term loans payable	(6,432)	(53,305)	46,872
Redemption of commercial paper	—	(10,071)	10,071
Long term loans payable	119	7,642	(7,522)
Repayment of long term loans payable	(11,876)	(12,974)	1,098
Income from warrant bond issues	4,000	—	4,000
Purchase of treasury stock	0	(0)	0
Dividends paid	(2,794)	(2,794)	0
Dividends paid to minority shareholders	(27)	(28)	1
Decrease in long-term liabilities-others	(128)	(233)	105
Net cash used in financing activities	(17,138)	(71,765)	54,627
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(596)	(981)	384
Net decrease in cash and cash equivalents	(12,502)	(25,755)	13,253
Cash and Cash Equivalents at Beginning of Year	24,432	50,187	(25,755)
Cash and Cash Equivalents at End of Year	11,930	24,432	(12,502)

(4) Basis of presenting consolidated financial statements

1. Scope of consolidation and application of equity method

Number of consolidated companies............ 55 companies

Included are NMB Singapore Ltd., NMB (USA) Inc., NMB Thai Ltd., Minebea Electronics (Thailand) Co., Ltd..

Number of affiliated companies.................. 3 companies

of which, equity method is applied to 3 companies including Shonan Seiki Co., Ltd., Kanto Seiko Co., Ltd.. NMB Taimei Co., Ltd.

2. Scope of consolidation and application of equity method

(a) Changes in consolidated subsidiaries

Anew	: Establishment	(2 company)	Shanghai Minebea Precision Electronics Ltd. Shanghai Minebea Machines Ltd.
	: Acquisition of stock	(1 company)	NMB Kanto Co., Ltd.
Exclusion	: Sale of stock	(1 company)	Actus Corporation
	: Liquidation	(2 company)	MF Industries Co.,Ltd. NMB Precision Inc.

(b) Changes of the companies subject to equity method

Anew	: Acquisition of stock	(1 company)	NMB Taimei Co., Ltd.
Exclusion	: None		

3. Closing date of consolidated subsidiaries

Consolidated subsidiaries whose closing dates are different from that of the Company adjusted their financial statements to the Company's closing date.

4. Accounting policies

(a) Valuation basis and method of significant assets

1. Inventories

The Company and consolidated domestic subsidiaries state primarily at the moving average cost or weighted average cost.

Consolidated overseas subsidiaries state at the lower of first-in, first-out cost or market, or at the lower of average cost or market.

2.Other marketable securities

Securities with Market Value

The Company adopted the market value method based on market prices and other conditions at the end of the term. Also, the Company accounted for all valuation differences based on the direct capitalization method and the sales costs are calculated by the moving average method.

Securities without Market Value

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

(b) Method of significant Depreciation

1. Tangible fixed assets

The Company and consolidated domestic subsidiaries adopt the declining balance method. The depreciation method of depreciable assets whose acquisition values are not less than 100,000 yen and less than 200,000 yen has changed to a method by which those assets are equally depreciated in lump sum for three years.

Consolidated overseas subsidiaries mainly adopt the straight-line method.

2. Intangible fixed assets

The Company and consolidated domestic subsidiaries mainly adopt the straight-line method .

Consolidated overseas subsidiaries mainly adopt the straight-line method.

(c) Valuation basis of significant allowances

1. Allowance for retirement benefit

Regarding the Company and its consolidated Japanese subsidiaries, the Company stated an amount estimated to accrue at the end of the current term to provide for employee retirement benefits, based on estimated retirement benefit debts and pension assets at the end of the term.

Regarding the difference of 3,222 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 to fifteen years within the average remaining length of employees' service, the Company will charge differences in mathematical calculation to expenses from the next term, in accordance with the straight-line method.

Regarding the Company's consolidated overseas subsidiaries, each subsidiary stated an amount estimated to accrue at the end of the current term to provide for employee retirement benefits.

2. Allowance for doubtful receivables

The Company and consolidated domestic subsidiaries make the record in the amount required for the estimated uncollectible receivables based on actual losses of trade receivables and on collectibility of specific receivables with loss possibilities.

Consolidated overseas subsidiaries make the record in the amount required for the estimated uncollectible receivables based on the collectibility of each receivable for possible losses on the receivables.

3. Allowance for loss on the liquidation of the automotive wheel business

For the next term's losses expected to result when withdrawing from the wheel business, the Company shows a reasonably estimated amount in the current term.

4. Accrued bonuses

The Company and consolidated domestic subsidiaries make preparations for the payment of bonuses to employees , accrued bonuses are shown based on the anticipated amounts of payment in the current term. Consolidated overseas subsidiaries make the record on accrual basis.

(d) Translation of foreign currency assets and liabilities in financial statements of the company and consolidated subsidiaries

The Company and consolidated domestic subsidiaries translate them into yen at the exchange rate on the balance sheets date (excluding the current financial receivables and payables that have already been translated at the contract exchange rate).

Consolidated overseas subsidiaries translate them at the exchange rate on the balance sheets date (excluding the current financial receivables and payables that have already been translated at the contract exchange rate).

(e) Accounting Method of Significant Lease Transactions

In accordance with the accounting method in reference to ordinary rental transactions, the Company and its consolidated domestic subsidiaries accounted for finance lease transactions, excluding those in which the ownership of leased property will be transferred to the lessees. The Company's consolidated overseas subsidiaries also used primarily the same accounting method.

(f) Accounting Method of Significant Hedge transactions

The foreign currency-denominated monetary assets and liabilities that were hedged by forward exchange contracts are allocated to the periods. Under the guidance of the Company's financial department, forward exchange contracts have been made to hedge the risks of fluctuations in foreign exchange rates relating to export and import transactions and others.

(g) Accounting Method of Consumption Tax and Other

In this report, the Company presented figures exclusive of the consumption tax and taxes.

(h) Treatment of Notes Due at the End of the Term

The Company settled notes due at the end of the term on their clearance date.

The last day of the current term fell on a holiday for financial institutions. The Company included the amounts of the matured notes in the following accounts:

Notes and accounts receivable	72 million yen
Current assets and others (Non-operating notes receivable)	20 million yen
Notes and accounts payable	1,885 million yen
Current liabilities and others (Facility-related notes payable)	87 million yen

5. Evaluation of consolidated subsidiaries' assets and liabilities

The company adopts the step fair value method as evaluation method of consolidated subsidiaries' assets and liabilities.

6. Amortization of consolidation adjustments

The consolidation adjustments are equally amortized for from five to forty years conforming to the accounting customs of the consolidated companies' countries.

7. Appropriation of retained earnings

Regarding the appropriation of retained earnings, the consolidated statements of income and retained earnings are prepared based of the method provided in the provision of article 8 of the regulation relating to terminology, form and methods of preparation of consolidated financial statements (advanced inclusion method).

8. Range of cash in Cash flow statements

Cash and cash equivalents consist of cash on hand, demand deposit and short-term investments which expire within three months from acquisition date, have high liquidity and are easily turned into cash.

9. Additional information

(a) Accounting for Retirement benefits

On June 16, 1998, the Japanese Business Accounting Council released "Opinions concerning the Setting of the Accounting Standards in Reference to Retirement Benefits." The Company applied these accounting standards to its retirement benefit accounting during the current term. Due to changes in accounting standards as a result of this application, retirement benefit expense decreased by 116 million yen, ordinary income increased by 760 million yen and income before income tax rose by 116 million yen compared with the same period of the preceding year. The retiring allowance reserves, which were presented in this report, included accrued liabilities in reference to the allowance for retirement benefit, and past service liabilities and other fees in the Company's corporate pension system.

(b) Accounting for Financial Instruments

On January 22, 1999, the Japanese Business Accounting Council released "Opinions concerning the Setting of the Accounting Standards in Reference to Financial Products." The Company, beginning with the current term, applied these accounting standards to its financial product accounting and changed the revaluation method of other marketable securities. Due to this change, ordinary income increased by 1,805 million yen, compared with by the same standards as in the previous term. Income before income taxes also increased by 1,805 million yen.

Also, as a result of examining the holding purposes of marketable securities it retained at the beginning of the period, the Company included the marketable securities in investment securities on the balance sheet, and reported the marketable securities as other marketable securities. Due to this change in presentation, the amount of marketable securities shown in current assets decreased by 8,942million yen, compared with by the same standards as in the previous term. On the contrary, the amount of investment securities increased by 8,942million yen.

(c) Accounting Standards for Foreign Currency Transactions and Others

On October 22, 1999, the Japanese Business Accounting Council released “Opinions concerning the Revision of the Accounting Standards in Reference to Foreign Currency Transactions and Others.” During the current term, the Company applied these revised accounting standards to its accounting standards for foreign currency transactions and others. There is no influence on foreign currency transactions and others by this application.

Also, the Regulations for Consolidated Financial Statements were revised. In accordance with this revision, the Company reported foreign currency transaction adjustments in the section of shareholders’ equity, beginning with the current term. The amounts of foreign currency transaction adjustments were previously presented in the section of assets.

(5) NOTES

(a)Segment Information

(1) By industry segments

(Year ended March 31, 2001) (Amount: millions of yen)

	FY2001(Annual)					
	Machined components business	Electronic devices and components business	Consumer business and others	Sub-total	Elimination	Total
1. Total sales and operating income						
Total sales						
(1) Sales to customers	124,461	151,910	10,674	287,045	—	287,045
(2) Sales to other segment	9,045	—	—	9,045	(9,045)	—
Total	133,506	151,910	10,674	296,090	(9,045)	287,045
Operating expense	109,600	143,651	9,862	263,113	(9,045)	254,068
Operating income	23,906	8,259	812	32,977	—	32,977
2. Assets, depreciation and capital expenditure						
Assets	200,457	255,789	3,711	459,957	(112,992)	346,965
Depreciation	10,842	11,240	68	22,150	—	22,150
Capital expenditure	19,464	21,010	185	40,659	—	40,659

(Notes) 1. The segments are defined by internal administration.

2. Main products

(a) Machined components business ....Ball bearings, Pivot assemblies, Tape guides, Fasteners, Mechanical assemblies for aerospace use, Wheels, Defense-related special parts, etc.

(b) Electronic devices and components business............................Small motors, PC keyboards, Speakers, Transformers, FDD subassemblies, Switching power supplies, Inductor, Hybrid ICs, Backlight inverters, Strain gauges, Load cells, etc.

(c) Consumer business and others....................Furniture and interior, etc.

(Year ended March 31, 2000) (Amount: millions of yen)

	FY2000 (Annual)					
	Machined components business	Electronic devices and components business	Consumer business and others	Sub-total	Elimination	Total
1. Total sales and operating income						
Total sales						
(1) Sales to customers	127,734	146,133	10,890	284,757	—	284,757
(2) Sales to other segment	6,940	—	—	6,940	(6,940)	—
Total	134,674	146,133	10,890	291,697	(6,940)	284,757
Operating expense	112,678	137,879	10,071	260,628	(6,940)	253,688
Operating income	21,996	8,254	819	31,069	—	31,069
2. Assets, depreciation and capital expenditure						
Assets	183,111	234,558	8,022	425,691	(21,697)	403,994
Depreciation	10,031	11,911	83	22,025	—	22,025
Capital expenditure	8,813	10,571	228	19,612	—	19,612

(Notes) 1. The segments are defined by internal administration.

2. Main products

(a) Machined components business ....Ball bearings, Pivot assemblies, Tape guides, Fasteners, Mechanical assemblies for aerospace use, Wheels, Defense-related special parts, etc.

(b) Electronic devices and components business.............................Small motors, PC keyboards, Speakers, Transformers, FDD subassemblies, Switching power supplies, Inductor, Hybrid ICs, Backlight inverters, Strain gauges, Load cells, etc.

(c) Consumer business and others.................... Furniture and interior, etc.

3. The amount of all companies' assets is 69,942 million yen in "Assets-Elimination" column. That comes from foreign currency translation adjustments.

4. Change of the segments

Because the segments were defined as "Machined components business", "Electronic devices and components business" and "Consumer business and others" in the current fiscal year by business strategy, "Machined components business" and "Electronic device and components business" which had been included in "Machinery fixture and components business" till previous fiscal year were indicated separately in the current fiscal year.

(2) By geographical segments

(Amount: millions of yen)

	FY2001 (Annual)						
	Japan	Asia (excluding Japan)	North and South America	Europe	Sub-total	Elimination	Total
1. Total sales and operating income							
Total sales							
(1) Sales to customers	111,643	82,437	58,192	34,773	287,045	—	287,045
(2) Sales to other segment	95,003	108,712	1,597	3,450	208,762	(208,762)	—
Total	206,646	191,149	59,789	38,223	495,807	(208,762)	287,045
Operating expense	194,840	173,787	58,462	35,741	462,830	(208,762)	254,068
Operating income	11,806	17,362	1,327	2,482	32,977	—	32,977
2. Assets	212,827	183,118	38,821	25,191	459,957	(112,992)	346,965

(Amount: millions of yen)

	FY2000 (Annual)						
	Japan	Asia (excluding Japan)	North and South America	Europe	Sub-total	Elimination	Total
1. Total sales and operating income							
Total sales							
(1) Sales to customers	117,141	74,067	58,253	35,296	284,757	—	284,757
(2) Sales to other segment	77,697	107,033	1,533	3,926	190,189	(190,189)	—
Total	194,838	181,100	59,786	39,222	474,946	(190,189)	284,757
Operating expense	182,955	165,927	57,057	37,938	443,877	(190,189)	253,688
Operating income	11,883	15,173	2,729	1,284	31,069	—	31,069
2. Assets	182,130	168,406	41,265	33,851	425,652	(21,658)	403,994

(Notes)1. Dividing method and main countries in each territory

(a) Dividing method..........By geographical distance

(b) Main countries in each territory

Asia (excluding Japan)..............Thailand, Singapore, China, Taiwan, Korea, etc.
North and South America..........United States, Canada, Mexico
Europe..United Kingdom, Germany, France, Italy, Netherlands, etc.

2. The amount of all companies' assets is 69,942 million yen for FY2000 annual in "Assets-Elimination" columns. They come from foreign currency translation adjustments.

(3) Overseas Sales

(Amount: millions of yen)

	FY2001(Annual)			
	Asia (excluding Japan)	North and South America	Europe	Total
1. Overseas sales	84,687	58,203	34,564	177,454
2. Total sales				287,045
3. Overseas sales on total sales	% 29.5	% 20.3	% 12.0	% 61.8

(Amount: millions of yen)

	FY2000 (Annual)			
	Asia (excluding Japan)	North and South America	Europe	Total
1. Overseas sales	82,445	58,148	35,326	175,919
2. Total sales				284,757
3. Overseas sales on total sales	% 29.0	% 20.4	% 12.4	% 61.8

(Notes) 1. The overseas sales are made outside of Japan by parent company and consolidated subsidiaries.
2. Dividing method and main countries in each territory
(a) Dividing method..........By geographical distance
(b) Main countries in each territory
Asia (excluding Japan)..............Thailand, Singapore, China, Taiwan, Korea, etc.
North and South America..........United States, Canada, Mexico, etc.
Europe..United Kingdom, Germany, France, Italy, Netherlands, etc.

(b)Relating to lease transactions

	Millions of yen					
	Year ended March 31,2001			Year ended March 31,2000		
(1) Equivalent of acquisition value of leased items, equivalent of total amount of depreciation and equivalent of year-end closing balance :	Equivalent of acquisition value	Equivalent of total amount of depreciation	Equivalent of year-end balance	Equivalent of acquisition value	Equivalent of total amount of depreciation	Equivalent of year-end balance
Machinery and transportation equipment	2,654	1,687	967	2,439	1,429	1,010
Tools, furniture and fixtures	3,831	1,999	1,832	4,648	2,741	1,907
Total	6,485	3,686	2,799	7,087	4,170	2,917

Because of a low ratio of the year-end closing balance of unexpired lease expenses to a total amount of the year-end closing balance of tangible fixed assets plus the 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 year-end closing balance of unexpired lease expenses:

within-1-year	1,295	1,314
over 1-year	1,504	1,603
Total	2,799	2,917

Because of a low ratio of the year-end closing balance of unexpired lease expenses to a total amount of the year-end closing balance of tangible fixed assets plus the year-end closing balance of unexpired lease expense, equivalent of 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	1,556	1,381
Equivalent of depreciation expenses	1,556	1,381

(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.

(c)Transaction with related parties

Directors and main individual shareholder

Attribution	Name	Address	Capital	Line of business or profession	Voting right(own or owned)	Contents of relation		Contents of transaction		Transaction amount	Account title	Year-end balance
						Concurrently serving etc.	Relation of business					
Director	Yoshihisa Kainuma	—	—	Senior managing director of the company, senior managing and representative director of NMB Co., Ltd	(Owned) Direct 0%	—	—	Please see “NMB Co., Ltd.”.				
A nearly related person	Kazuko Takahashi	—	—	—	(Owned) Direct 0%	—	—	Non-operating transaction	Acquisition of stock	¥ 360 million	Account payable -other	¥ 360 million
Director	Atsushi Matsuoka	—	—	Director of the company President and representative director of NMB Co., Ltd	(Owned) Direct 0%	—	—	Please see “NMB Co., Ltd.”.				
Companies which the company's directors and nearly related person have over 50% of voting right.	NMB Co., Ltd.	Kitaku Tokyo	¥1,905 million	Sales of precison components, steel and its raw materials	(Owned) Direct 5.0%	Concurrently serving 4 on loan 1	Contract sales company	Operating transaction	Sales of finished goods of the company	¥74,322 million	Account receivable and Notes receivable ※5	—
							The company purchases steel bar etc.		Purchase of steel bar etc.	¥ 5,206 million	Account payable and Notes payable etc. ※5	¥ 1,136 million
									Building rent,etc.	¥ 983 million	—	—
								Non Operating transaction	Purchase of villa	¥ 4,550 million	—	—
									Cancellation fee for the terminaton of the exclusive distributorship agreement	¥ 1,200 million	—	—
									Business transfer※7			
									・Total assets transferred	¥31,096 million	—	—
									・Total liabilities transferred	¥30,843 million	—	—
									・Payments transferred	¥ 252 million	—	—

(Note) Terms and decision policy of the transaction

1. Keiaisha NMB Co.,Ltd. has changed the company name to Keiaisha Co.,Ltd.effective January 1,2001.
2. The transaction with NMB Co., Ltd. is what is called “Transaction for the third party”.
3. The sales prices of finished goods and merchandise are decided after negotiation every fiscal year considering the market prices.
4. The purchase prices of steel bar etc. are decided after negotiation considering the market prices.

※5. The transaction amounts do not include the consumption taxes and the year end balance amounts include them.

6. Minebea Co.,Ltd. terminated its exclusive distributorship agreement for Japan with Keiaisha NMB Co., Ltd. on December 31, 2000. Effective January 1, 2001, the Company started marketing its products directly to Japanese customers.

※7.The business transfer was based on the principle of the Exclusive Distributorship Agreement and has been finalized through the negotiation based on the compensation calculated by Keiaisha Co.,Ltd.

(d)The tax effect accounting

As of March 31,2001		As of March 31,2000	
1. Major reasons for the accrual of deferred tax assets and deferred tax liabilities	Millions of yen	1. Major reasons for the accrual of deferred tax assets (total current and fixed assets)	Millions of yen
(Deferred tax assets)			
Excess of allowed limit chargeable to the bonus payment reserve	475	Excess of allowed limit chargeable to the bonus payment reserve	270
Excess of allowed limit chargeable to the retirement allowance reserve	39	Excess of allowed limit chargeable to the retirement allowance reserve	46
Loss on the liquidation of the automotive wheel business	1,105	Loss on liquidation of affiliates	1,645
Loss on liquidation of affiliates	1,726	Excess of allowed limit chargeable to the allowance for doubtful accounts	7,294
Excess of allowed limit chargeable to the allowance for doubtful accounts	1,310	Unrealized gains on sales of inventories	2,244
Unrealized gains on sales of inventories	2,074	Deficit brought forward	10,684
Deficit brought forward	11,984	Others	16
Difference on revaluation of other marketable securities to the market	635	Total	22,199
Others	311		
Total deferred tax assets	19,659		
(Deferred tax liabilities)			
Depreciations allowed to overseas subsidiaries	323		
Others	87		
Total deferred tax liabilities	410		
Net deferred tax assets	19,249		
※Net deferred tax assets for the current fiscal year are included in the following items on the consolidated balance sheet.			
Current assets........ Deferred tax assets	6,271		
Fixed assets ....Deferred tax assets	13,388		
Current liabilities....Deferred tax liabilities	(343)		
Fixed liabilities.......Deferred tax liabilities	(67)		
2. Major reasons for significant differences between the legal effective tax rate and the ratio of income tax burden after the application of tax effect accounting		2. Major reasons for significant differences between the legal effective tax rate and the ratio of income tax burden after the application of tax effect accounting	
Domestic legal effective tax rate	40.0%	Domestic legal effective tax rate	40.0%
(Adjustments)		(Adjustments)	
Current amortization of excess of cost over net assets acquired	2.3	Prior year income tax receivables	(6.4)
Differences in the tax rates applied to consolidated overseas subsidiaries	(17.4)	Current amortization of excess of cost over net assets acquired	(15.7)
Valuation allowance for deficits in the current fiscal year of consolidated subsidiaries	7.1	Investment income by the equity method	5.8
Others	1.3	Changes in domestic tax rates	(6.2)
Ratio of income tax burden after the application of tax effect accounting	33.3%	Differences in the tax rates applied to consolidated overseas subsidiaries	18.8
		Valuation allowance for deficits in the current fiscal year of consolidated subsidiaries	25.3
		Others	(0.6)
		Ratio of income tax burden after the application of tax effect accounting	61.0%

(e) Marketable securities

Marketable securities (Amount: millions of yen)

Classification	As of March 31,2001		
	Acquisition Value	Book Value	Difference
Other Marketable Securities with Market Value			
Stock	8,978	7,390	(1,588)
Bonds	—	—	—
Other	—	—	—
Total	8,978	7,390	(1,588)

(Note) Main securities without market value

Other marketable securities: Non-listed stock (Except for stock at over the counter) 1,487 million yen

Current price etc. of marketable securities (Amount: millions of yen)

Classification	As of March 31,2000		
	Book Value	Market Price	Gain or (Loss)
(1) Current assets			
Stock	8,942	9,735	792
Bonds	—	—	—
Other	—	—	—
Sub total	8,942	9,735	792
(2) Fixed assets			
Stock	—	—	—
Bonds	—	—	—
Other	—	—	—
Sub total	—	—	—
Grand total	8,942	9,735	792

(Notes)1. Calculation method for current market price (equivalent of current market price is included):

Listed marketable securities.........................Closing price mainly at Tokyo stock exchange.

Marketable securities at over the counter....Dealing price at Japan securities dealers association.

Beneficiary certificate of securities investment trust (Non-Listed).....Quoted price.

2. The following amounts of marketable securities are excluded from disclosure.

Fixed assets: Non-listed stock (Except for stock at over the counter) 1,335 million yen

(f) Contract amounts, current prices, and unrealized profits or losses of derivatives

Exchange contract (Amount: millions of yen)

Classification	Type	As of March 31,2001			
		Contract amount		Current price	Revaluation profit or (loss)
			Over 1-year		
Non-market transaction	Exchange Contract Transaction				
	Selling order				
	US dollar	185	—	185	—
	Japanese YEN	250	—	250	—
	Buying order				
	Japanese YEN	45	—	45	—
Total		480	—	480	—

(Notes) 1.Calculation method for current market price

Exchange Contract Transactions............These transactions have been made based on the forward exchange rates.

2.We excluded the items that are applied hedge account from this financial year's report.

3.For derivative transactions expected to be made in April 2001,exchange contracts were made at the end of the current term in Singapore.

The Company did not utilize any derivatives at the end of the previous term, and had no relevant data to report during the current term.

(g) Retirement benefits

(1) Corporate retirement benefit system

To provide for the payment of employee retirement allowances, the Company has adopted the qualified retirement pension system on a company-wide basis.

(2) Details of retirement benefit debts and expenses

1. Components of retirement benefit debts

(a)Retirement benefit debts	(9,450)	millions of yen
(b)Pension assets	6,468	
(c)Unreserved debts for retirement benefit ((a)+(b))	(2,982)	
(d) Unappropriated amount of differences at the time of changes in accounting standards	2,507	
(e) Unrecognized differences in mathematical calculation	591	
(f) Net amount listed on consolidated balance sheet ((c)+(d)+(e))	116	
(g) Prepaid pension expenses	225	
(h) Reserve for retirement allowances (note) ((f)－(g))	(109)	

Note: On the balance sheet, the Company includes an excess over the accrued employees' retirement allowances due to its past switch to a qualified retirement pension system as "reserve for retirement allowances."

2. Components of retirement benefit expenses

Service costs	644	millions of yen
Interest costs	251	
Expected management earnings	(171)	
Amount of differences at the time of changes in accounting standards charged to expenses	644	
Retirement benefit expenses	1,368	

(3) Calculation basis for retirement benefit debts and expenses

Discount rates	3.0	%
Expected management earning rates	3.0	%
Period allocation method of anticipated retirement benefit debts	Basis for periodic fixed amounts	
Accounting period of differences in mathematical calculation	5 - 15 years (From the next term, the differences will be charged to expenses based on the straight-line method.)	
Accounting period of differences at the time of changes in accounting standards	5 years (Prorated amounts are stated in extraordinary loss.)	

5. Amounts of production, orders received, sales

(1) Production (Amount: millions of yen)

Industry segments	March 31,2001	March 31,2000
Machined components business	127,532	125,121
Electronic devices and components business	147,553	141,606
Consumer business and others	—	—
Total	275,085	266,727

(Note) Amounts are provided on the basis of their sales price and do not include consumption taxes.

(2) Orders received (Amount: millions of yen)

Industry segments	Year ended March 31,2001		Year ended March 31,2000	
	Orders received	Order backlog	Orders received	Order backlog
Machined components business	133,718	43,899	122,140	34,641
Electronic devices and components business	150,877	21,533	145,385	22,566
Consumer business and others	9,854	190	11,078	1,011
Total	294,449	65,622	278,603	58,218

(Note) Amounts are provided on the basis of their sales price and do not include consumption taxes.

(3) Sales (Amount: millions of yen)

Industry segments	Year ended March 31,2001	Year ended March 31,2000
Machined components business	124,461	127,734
Electronic devices and components business	151,910	146,133
Consumer business and others	10,674	10,890
Total	287,045	284,757

(Notes) 1. Amounts are provided on the basis of their sales price and do not include consumption taxes.

2. Main customers and ratio of the sales amount to total sales amount are as follows. (Amount: millions of yen)

Name of customer	Year ended March 31,2001		Year ended March 31,2000	
	Sales amount	Ratio (%)	Sales amount	Ratio (%)
Keiaisha NMB Co., Ltd.	74,314	25.9	96,229	33.8

(Note) Minebea Co.,Ltd. terminated its exclusive distributorship agreement for Japan with Keiaisha NMB Co., Ltd. on December 31, 2000. Effective January 1, 2001, the Company started marketing its products directly to Japanese customers.