

April 10, 2003

To Whom It May Concern

Company Name : Minebea Co., Ltd.
Representative : Tsugio Yamamoto
President and
Representative Director
(Code No. 6479 TSE Div. No.1)
Contact Person : Sadahiko Oki
Director and General
Manager of Accounting
Department
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Disposal of Subsidiaries; Withdrawal from the Business of
Switching Power Supplies, Inductors and Transformers;
and Revision of Business Performance Forecast

We hereby announce that our Board of Directors has resolved at a meeting on April 10, 2003 to liquidate MINEBEA EUROPE FINANCE B.V.; sell or liquidate IMC MAGNETICS CORP., both of which are our subsidiaries; to withdraw from the business of switching power supplies, inductors and transformers; and to declare losses arising from the disposal of subsidiaries and the withdrawal from the business of the three products as follows. We also inform you that the forecast of business performance for fiscal year ended March 31, 2003 has been revised due to losses including losses on revaluation of investment securities as shown below.

I. Disposal of Subsidiaries

1. Liquidation of MINEBEA EUROPE FINANCE B.V.

(1) Background to liquidation

Since its establishment in Amsterdam, Netherlands in 1986, MINEBEA EUROPE FINANCE B.V. has operated as our finance controlling subsidiary in Europe. We have today decided to liquidate this subsidiary, because our fund-raising in Europe has become stable and the company has achieved its initial objectives.

(2) Outline of MINEBEA EUROPE FINANCE B.V.

Location : Amsterdam, Netherlands B.V.
Representative : Kenji Senoue
Capital : Euro226,000
Shareholder and ownership : Minebea Co., Ltd. 100%
Planned date of liquidation : September 2003

(3) Impact on business performance

We estimate the impact on business performance for fiscal year ended March 31, 2003 will be profit of ¥31 million on a non-consolidated basis and losses of ¥135 million on a consolidated basis to be incurred by writing off foreign currency translation adjustments.

2. Sale or Liquidation of IMC MAGNETICS CORP.

(1) Background to sale or liquidation

IMC MAGNETICS CORP., a manufacturer and supplier of mainly solenoid valves for aircraft, joined the Minebea Group in 1975. For these several years, the company has suffered lagged business performance owing to sluggish demand from the aircraft industry. To date we have strived to turn this company around. However, with market environment growing worse, we foresee no possibility of improving the company's performance in the future. Additionally, we see the company generating little synergistic effect within the Minebea Group. We have therefore decided to sell or liquidate this subsidiary.

(2) Outline of IMC MAGNETICS CORP.

Location : Arizona, the U.S.A.
Representative : G.H. Davidson
Sales : US\$13,564 thousand
(Fiscal year ended March 2003)
Capital : US\$5,082 thousand
Shareholder and ownership : Minebea Co., Ltd. 100%
(indirect ownership)
Planned date of liquidation : September 2003

(3) Impact on business performance

We estimate the impact on business performance for fiscal year ended March 31, 2003 will be losses of ¥710 million (US\$6 million) on a consolidated basis.

II. Withdrawal from the Business of Switching Power Supplies, Inductors and Transformers

1. Reason for the Withdrawal

Given our consistent efforts for a long time to return the business of switching power supplies, inductors and transformers to profitability in vain, we have concluded it is hardly possible to improve their performance or to expand their operations in the foreseeable future and decided to discontinue and withdraw from these business.

2. Schedule for and Losses from the Withdrawal

(1) Schedule for the withdrawal

Decision on the withdrawal : April 10, 2003
Planned date of termination of production : December 31, 2003, or upon delivery of order backlog, whichever is earlier.

(2) Sales from switching power supplies, inductors and transformers

: ¥11,575 million (Fiscal year ended March 2003)

(3) Estimated losses from the withdrawal

: ¥3,100 million on a consolidated basis (Fiscal year ended March 2003)

III. Revision of Business Performance Forecast

In addition to the above items, we will post the following extraordinary losses for fiscal year ended March 31, 2003. We therefore revise as follows our business performance forecast for fiscal year ended March 31, 2003 (April 1, 2002 to March 31, 2003) that we announced at the presentation of interim business results on November 14, 2002.

- (1) Losses on revaluation of investment securities (same amount on consolidated and non-consolidated basis) ¥4,914, million
Extraordinary losses incurred by loss in value of financial sector stock and other holdings as a result of a large decline in the equity market.
- (2) Losses on liquidation of affiliates and subsidiaries (on a non-consolidated basis only) ¥1,543 million
Extraordinary losses for Minebea Electronics Co., Ltd., a wholly-owned subsidiary, as a result of withdrawal from the business of switching power supplies, inductors and transformers.
- (3) Environmental preservation expenses (on a consolidated basis only) ¥1,195 million
Extraordinary losses in connection with reserve for environmental preservation expenses in the U.S.

1. Revision of Forecast of Consolidated Business Performance

(1) Full Period (April 1, 2002 to March 31, 2003)

(in millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income
Forecast announced on Nov. 14, 2002 (A)	272,000	21,500	16,500	6,500
Revised forecast (B)	272,000	18,600	13,600	−3,200
Variation (B − A)	0	−2,900	−2,900	−9,700
Percentage change (%)	0%	−13.5%	−17.6%	—
(For reference) Previous results (Fiscal year ended Mar. 2002)	279,344	21,972	15,995	5,298

2. Revision of Forecast of Non-consolidated Business Performance

(1) Full Period (April 1, 2002 to March 31, 2003)

(in millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income
Forecast announced on Nov. 14, 2002 (A)	165,000	5,500	10,500	5,100
Revised forecast (B)	163,000	5,000	11,000	1,200
Variation (B – A)	–2,000	–500	500	–3,900
Percentage change (%)	–1.2%	–9.1%	4.8%	–76.5%
(For reference) Previous results (Fiscal year ended Mar. 2002)	175,218	1,848	10,033	4,351

(2) Dividend Payment

Dividend to be paid at the end of the current term will be ¥7 per share as initially planned.

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