

Minebea Group
Environmental Report

2007

Year Ended March 31, 2007

White birches and seasonal flowers that bloom on the grounds of the Karuizawa Plant



This report is printed on recycled paper using soybean oil-based ink.

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CORPORATE INFORMATION

Minebea Co., Ltd.

Date of Establishment

July 16, 1951

Capital

¥68,258 million (As of March 31, 2007)

Net Sales (Year ended March 31, 2007)

Consolidated: ¥331,022 million
Nonconsolidated: 228,406 million

Consolidated Net Sales to External Customers

by Business Segment (Year ended March 31, 2007)

Machined Components ¥137,662 million
(42% of total)

Electronic Devices
and Components ¥193,360 million
(58% of total)

Operating Income (Year ended March 31, 2007)

Consolidated: ¥26,265 million
Nonconsolidated: 8,948 million

Ordinary Income (Year ended March 31, 2007)

Consolidated: ¥21,843 million
Nonconsolidated: 12,396 million

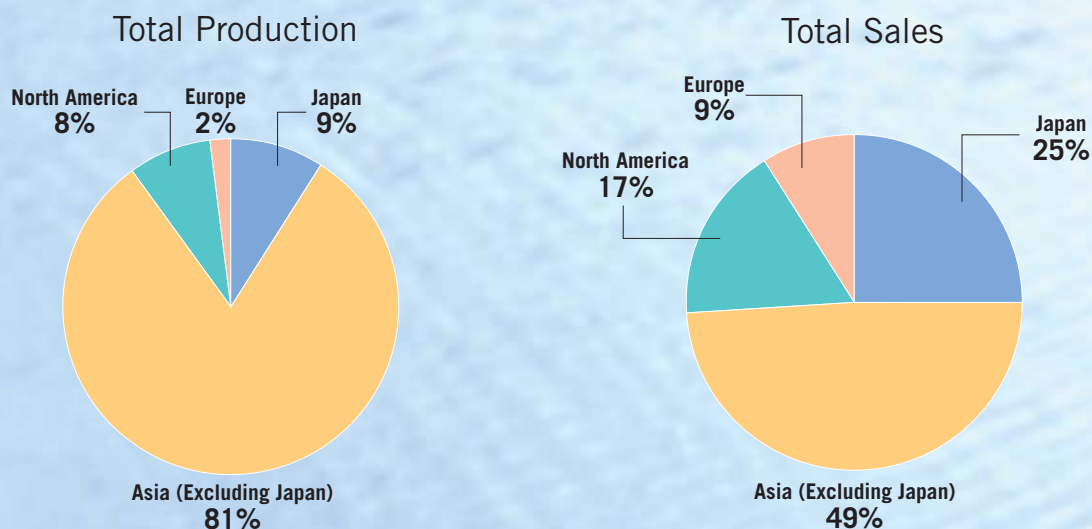
Net Income (Loss) (Year ended March 31, 2007)

Consolidated: ¥12,862 million
Nonconsolidated: 5,618 million

Number of Employees (Year ended March 31, 2007)

Consolidated: 49,563
Nonconsolidated: 2,493

Consolidated Total Production and Total Sales by Region (Year ended March 31, 2007)



PRINCIPAL PRODUCTS

■ MACHINED COMPONENTS

Bearings and Bearing-Related Products

- Miniature ball bearings
- Small-sized ball bearings
- Integrated-shaft ball bearings
- Rod-end bearings
- Spherical bearings
- Roller bearings
- Sleeve bearings
- Pivot assemblies
- Tape guides

Other Machined Components

- Fasteners
- Special machined components
- Magnetic clutches and brakes

■ ELECTRONIC DEVICES AND COMPONENTS

Rotary Components

- Hard disc drive (HDD) spindle motors
- Fan motors
- Hybrid-type stepping motors
- Permanent magnet (PM)-type stepping motors
- Brush DC motors
- Vibration motors
- Variable reluctance (VR) resolvers

Other Electronic Devices and Components

- Personal computer (PC) keyboards
- Speakers
- Electronic devices
 - Color wheels
 - Magnetic heads for floppy disc drives (FDDs)
 - Magneto optical disc (MOD) drive subassemblies
 - Lighting devices for liquid crystal displays (LCDs)
 - Backlight inverters
- Measuring components
 - Strain gauges
 - Load cells

EDITORIAL OBJECTIVES

- The objective of this report is to present the environmental efforts of Minebea Co., Ltd., and the companies of the Minebea Group to readers worldwide.
- This report has been prepared using the Japanese Ministry of the Environment's *Environmental Reporting Guidelines* (fiscal 2003 version) as a reference.
- Industry terms and other potentially unfamiliar terms are explained on the page on which they first appear.

The following table indicates sections required under the Japanese Ministry of the Environment's *Environmental Reporting Guidelines* (fiscal 2003 version) (unofficial translation) and the page(s) in this report where corresponding sections may be found.

Guidelines	Page(s)
1. Basic Headings	
1. CEO's statement (Overall summary, commitments to society)	2
2. Basis of reporting (Reporting organization, period, fields)	4
3. Summary of nature of business	Inside front cover
2. Summary of Policies, Targets and Achievements in Environmental Protection	
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Takayuki Yamagishi
Representative Director,
President and Chief Executive Officer

Even our most casual, inadvertent action can have a significant negative impact on the environment. The following is an excerpt from the July 13, 2007, edition of the *Mainichi Shimbun*:

"It has been learned that the practice of climbers writing commemorative messages at the summit of Mt. Fuji using rocks to form characters and letters—known as *ishimoji*, or "rock messages"—is damaging to mosses that grow there. The Ministry of the Environment, which is responsible for monitoring the situation, has made up posters and pamphlets urging an end to the practice. These have been distributed to all mountain huts in Yamanashi and Shizuoka prefectures, launching a campaign to educate the public. According to Professor Takehiro Masuzawa of the Faculty of Science at Shizuoka University and an expert on Mt. Fuji, approximately 20 different mosses are known to grow in the gravelly area at the summit. Moving the gravel rocks, he says, impedes moss growth and, it is feared, will thus harm the plant life in this harsh setting."

The implication of this article is that we should pay attention to the impact of such unconscious actions when we strive to address environmental issues. I firmly believe that environmental preservation efforts should begin with taking greater care in our own lives. Minebea recognizes environmental protection as a key management goal. We have created an internal organization to oversee related efforts and formulated an environmental policy, based on an unwavering philosophy, to ensure the consistency of such efforts regardless of location or country. Efforts to address environmental issues

will not yield results overnight. Minebea will continue to view environmental stewardship as an ongoing, long-term commitment. At the same time, the companies of the Minebea Group will work with customers, suppliers and subcontractors, and local communities to implement carefully planned, coordinated efforts. We look forward to your ongoing support.

Takayuki Yamagishi
Representative Director,
President and Chief Executive Officer



Akihiro Hirao
Director, Senior Managing Officer,
Officer in Charge of Environmental Preservation

Companies bear an increasingly major responsibility in the effort to halt global warming and preserve the environment. One of the processes in the manufacture of Minebea's mainstay bearings and other machined components, as well as its electronic devices and components, that has a particularly significant impact on the environment is washing. The use of chlorofluorocarbons—recognized as a key contributor to the destruction of the ozone layer—was prohibited not so long ago, but until then chlorofluorocarbons were seen as the safest, most effective cleaning agent available, because they are difficult to ignite and are excellent at breaking down oily substances. Today, all high-precision Minebea products are, as a rule, cleaned using purified water, which is subsequently recycled and reused. Underscored by the fact that it is also used in the fabrication of semiconductors, purified water is suited for cleaning precision components. However, the use of purified water requires that oily substances be removed during the multi-stage pre-cleaning process. This continues to present several problems. Developing cleaning systems that deliver outstanding cleaning capabilities and minimal environmental impact is thus a key focus for us, and we make our achievements and technologies publicly available so that they can also be used by other companies. In fiscal 2007, we saw significant advances in the area of cleaning technologies. Moreover, with the aim of realizing an entirely new concept in production facilities, we developed and conducted verification tests on innovative production equipment that—given our products are primarily small and miniature components—is not only compact and requires minimal space but also uses significantly less energy, even in air conditioning,

than conventional equipment.

Environmental preservation is an unassuming theme, but we believe firmly that it is an area in which diligence will yield results and, by extension, enable us to contribute to society.

Akihiro Hirao
Director, Senior Managing Officer,
Officer in Charge of Environmental Preservation


Minebea

ENVIRONMENTAL PHILOSOPHY

Established August 26, 1993

Revised July 1, 2005

Minebea strives to contribute to higher quality, more comfortable lifestyles by providing truly valuable products and services. At the same time, the Company works to minimize the environmental burden of its various activities and promote greater harmony, thereby contributing to the preservation and improvement of a healthy environment.

Environmental Policy

1. Development/Design

Minebea shall focus on the development and design of products that contain no chemical substances harmful to the environment or the health and safety of humans, consume little energy and satisfy the "3R" criteria, that is, can be "reduced," "reused" or "recycled."

2. Manufacturing

Minebea shall set targets and restructure and revise its manufacturing procedures by using materials that contain no chemical substances harmful to the environment or the health and safety of humans, thereby improving yield, reducing waste output and lowering energy consumption.

3. Distribution

Minebea shall employ packaging materials that contain no chemical substances harmful to the environment or the health and safety of humans and satisfy the "3R" criteria, as well as procedures that lower energy consumption and prevent the release of harmful substances.

4. Cooperation with Authorities and Local Public Entities

When coordinating manufacturing and/or distribution activities in other countries, Minebea shall observe environment-related rules and regulations imposed by local authorities and support environmental protection efforts of local communities. At the same time, Minebea shall take a proactive approach to sharing new environmental protection technologies.

5. Overseas Activities

In its manufacturing and distribution activities overseas, Minebea shall observe environment-related protection rules and regulations imposed by local authorities and do its best to preserve the environment in adjacent areas. Minebea shall also be an aggressive supplier of new environmental protection technologies.

6. Environmental Audits

Minebea shall conduct periodical environmental audits at all of its production and other facilities with the aim of ensuring the effective implementation of its environmental management system and improving the system as necessary.

7. Employee Education

Minebea shall require employees to attend related courses to encourage their involvement in environmental protection activities in the workplace and at home.

8. Observe Minebea's Environmental Policy

All Minebea Group employees and other individual working at our sites shall adhere to Minebea's Environmental Policy. If any individual has an environment-related concern, he or she shall report it promptly to his or her manager, who shall respond promptly.

Takayuki Yamagishi
Representative Director,
President and Chief Executive Officer
Minebea Co., Ltd.

Period under review

- Fiscal 2007 (Year ended March 31, 2007)
(Some activities that took place subsequent to March 31, 2007, are also included.)

Manufacturing facilities

- This report covers the following Minebea Group manufacturing facilities.

Japan

- | | |
|-------------------|-----------------------------------------|
| Minebea Co., Ltd. | Minebea Motor Manufacturing Corporation |
| ● Karuizawa Plant | ● Karuizawa Plant |
| ● Matsuida Plant | ● Hamamatsu Plant |
| ● Fujisawa Plant | ● Yonago Plant |
| ● Omori Plant | |
| ● Hamamatsu Plant | NMB Electro Precision, Inc. |

Europe

United Kingdom

- NMB-MINEBEA UK LTD
- Lincoln Plant
 - Skegness Plant

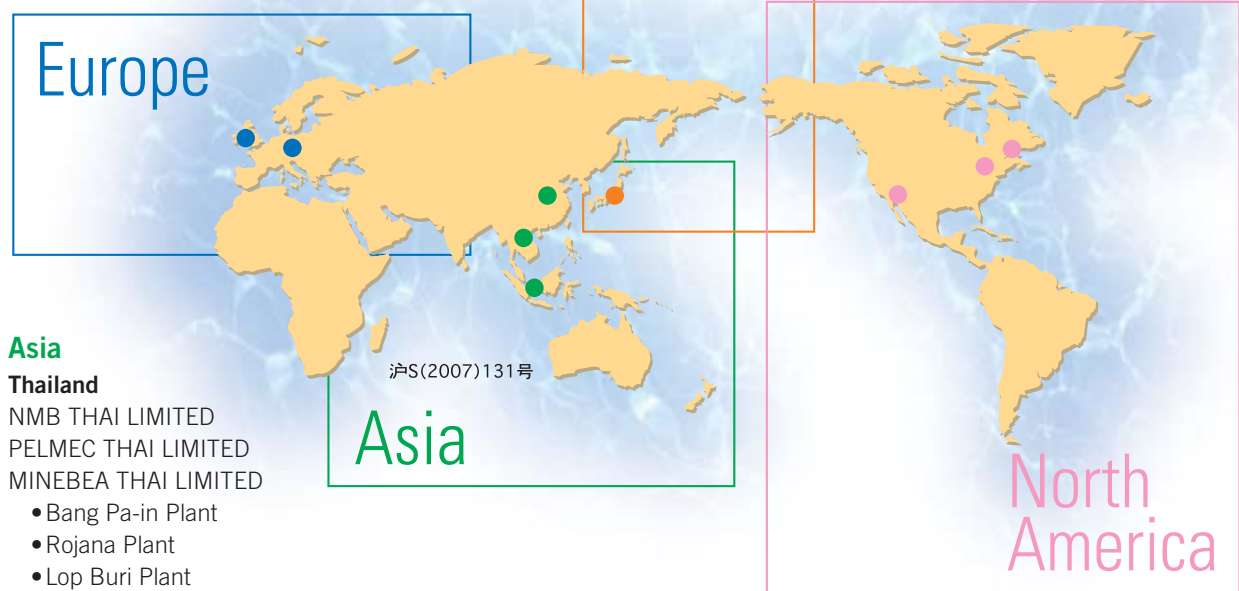
Germany

Precision Motors Deutsche Minebea GmbH

North America

United States

- Hansen Corporation
New Hampshire Ball Bearings, Inc.
- Peterborough Plant
 - Laconia Plant
 - Chatsworth Plant



Asia

Thailand

- NMB THAI LIMITED
PELMEC THAI LIMITED
MINEBEA THAI LIMITED
- Bang Pa-in Plant
 - Rojana Plant
 - Lop Buri Plant

NMB HI-TECH BEARINGS LIMITED

NMB PRECISION BALLS LIMITED

- Bang Pa-in Plant
- Lop Buri Plant

MINEBEA ELECTRONICS (THAILAND)
COMPANY LIMITED

POWER ELECTRONICS OF MINEBEA
COMPANY LIMITED

MINEBEA ELECTRONICS MOTOR
(THAILAND) COMPANY LIMITED

- Bang Pa-in Plant
- Lop Buri Plant

China

MINEBEA ELECTRONICS & HI-TECH COMPONENTS (SHANGHAI) LTD.

- Shanghai Plant
- Xicen Plant

SHANGHAI SHUNDING TECHNOLOGIES LTD.

MINEBEA ELECTRONICS MOTOR (ZHUHAI) CO., LTD.

Singapore

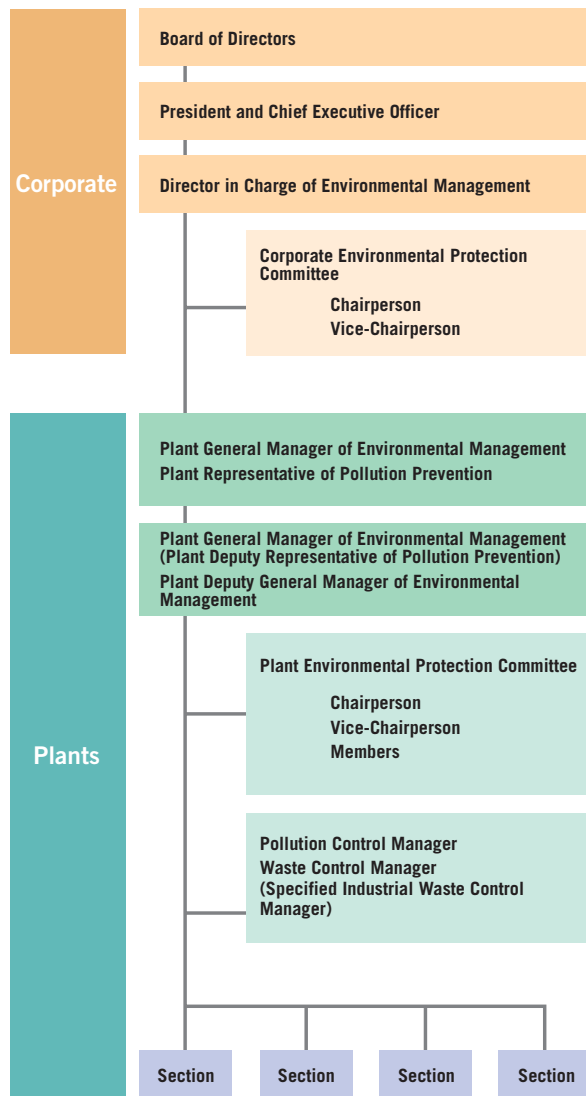
NMB SINGAPORE LIMITED

- Chai Chee Plant
- Jurong Plant (Tool & Die Div.)

PELMEC INDUSTRIES (PTE.) LIMITED

Recent years have seen an increase in awareness worldwide that there is no time to waste in addressing such environmental issues as global warming and the use of hazardous chemical substances. The Minebea Group has long taken an active role in efforts to resolve environmental issues. In 1993, for example, the Group eliminated specified chloroflourocarbons from all of its production processes. This basic stance remains unchanged. The Minebea Group continues to recognize environmental protection as a top management priority. Its manufacturing facilities around the world have acquired certification under ISO 14001 and engage in a wide variety of environmental preservation activities.

Environmental Management System



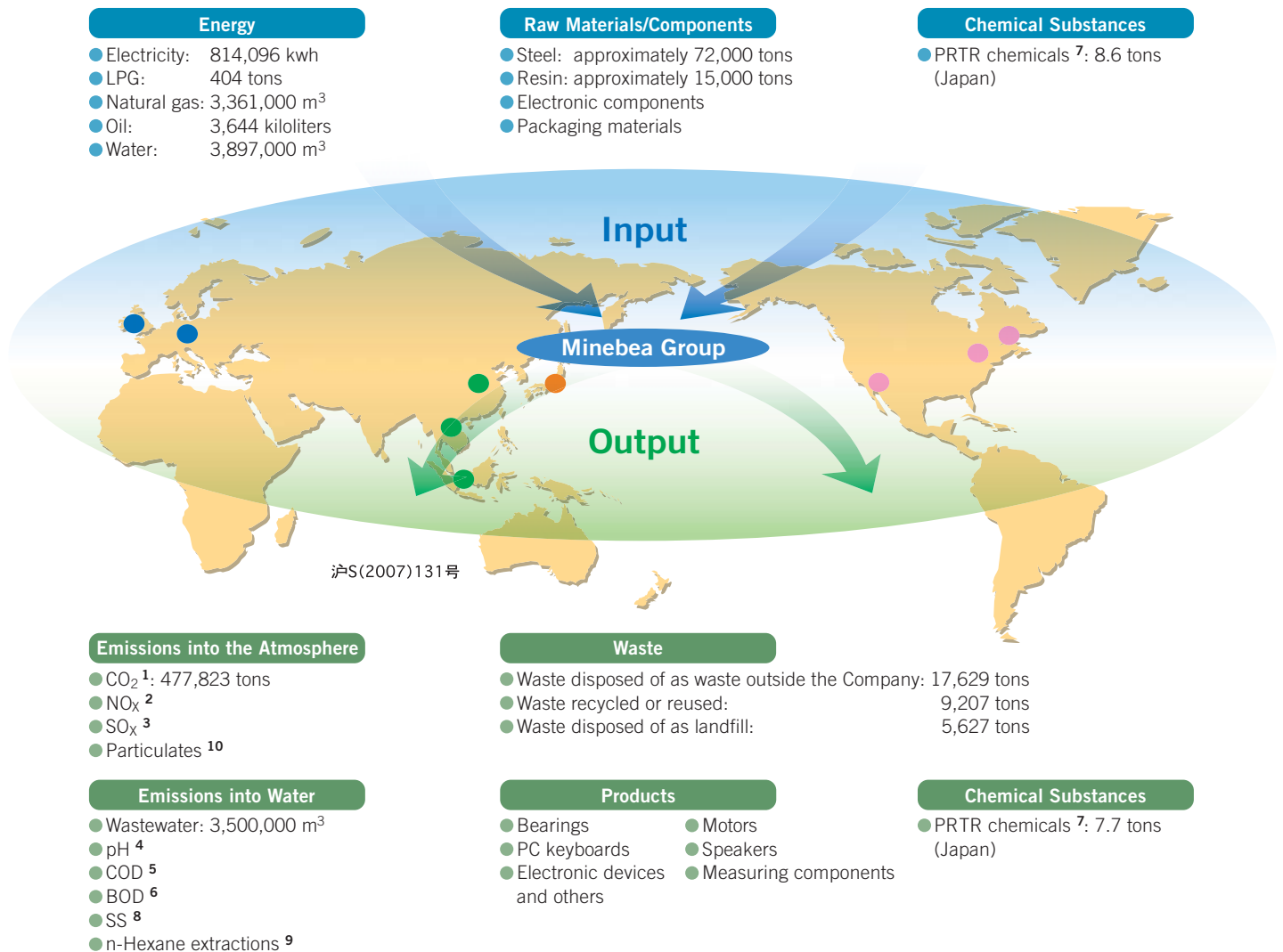
Environmental management meeting attended by the Director in Charge of Environmental Management (Thailand)



ISO 14001 certification renewal inspection (Matsuida Plant)

Minebea's global presence currently encompasses 28 plants in nine countries and 43 sales offices in 13 countries. The chart below depicts input and output from Minebea's plants in fiscal 2007.

Input-Output Flow and Material Balance¹¹



Glossary

- CO₂: Carbon dioxide**
- NO_x: Nitrogen oxides**
- SO_x: Sulfur oxides**
Emissions of CO₂, NO_x and SO_x result from the burning of coal, oil, gasoline and other fuels by, among others, thermal power generation, plant boilers and exhaust emissions from cars and trucks.
- pH: A solution's pH reading indicates whether it is alkaline or acidic.** The pH range is from 0 to 14, with 7.0 being neutral. Anything above 7.0 is alkaline, anything below 7.0 is acidic.
- COD: Chemical oxygen demand**
The amount of oxygen required for oxidation of organic solids in water to CO₂. COD readings can be obtained more quickly than BOD readings, but they are less reliable. COD is commonly used to monitor pollution in effluent discharged into oceans and lakes.
- BOD: Biological oxygen demand**
The amount of oxygen required for the biological oxidation of organic solids in water. The higher the BOD reading, the greater the level of pollution. BOD ratings usually take five days. BOD is commonly used to monitor pollution in effluent discharged into rivers.
- PRTR chemicals: Chemical substances included in the Pollutant Release and Transfer Register (PRTR)**
In Japan, the Law Concerning the Reporting, etc. of Releases to the Environment of Specific Chemical Substances and Promoting Improvements in Their Management requires companies to register and monitor the release and transfer of designated PRTR substances. Data for plants overseas is in the process of being collated.
- SS: Suspended solids**
This term refers to matter suspended or dissolved in water or wastewater. The higher the percentage, the greater the water's turbidity.
- n-Hexane extractions**
This term refers to the volume of oils and cleaning fluids extracted from water using the chemical n-Hexane. As used in this report, it denotes the volume of mineral oil extracted using n-Hexane.
- Particulates**
Particulates are microscopic solid matter contained in exhaust gas generated as a result of combustion, heating or chemical reaction.
- Material balance**
The net of "input" and "output."

Energy Consumption and Resulting CO₂ Emissions (Fiscal 2007)

Energy	Unit	Japan	Thailand	China	Singapore	United Kingdom	Germany	United States	Total
Electricity	1,000 kWh	45,156	552,672	96,740	63,640	15,762	2,837	37,289	814,096
Kerosene	Kiloliters	46	0	166	0	0	0	1	213
Heavy oil	Kiloliters	951	0	0	0	0	0	0	951
Fuel oil	Kiloliters	5	1,054	143	258	0	0	268	1,728
Gasoline	Kiloliters	14	350	320	53	0	12	3	752
LPG	Tons	128	35	187	13	0	0	41	404
Natural gas	1,000 m ³	840	1,609	0	0	191	98	623	3,361
Water	1,000 m ³	207	2,672	315	228	396	3	76	3,897
CO ₂ emissions	Tons	21,960	304,414	84,224	34,314	7,764	1,520	23,627	477,823

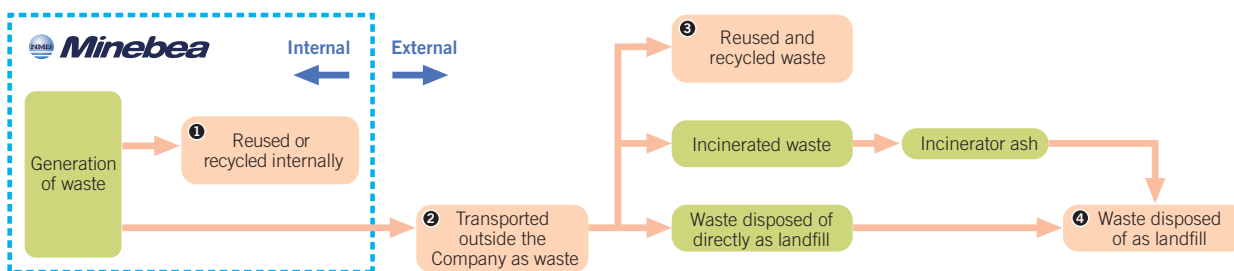
Note: In determining values for use in calculating CO₂ emissions at sites in Japan, Minebea referred to the Greenhouse Gas Emission Calculation Guideline for Businesses, published by Japan's Ministry of the Environment. In determining values for use in calculating CO₂ emissions overseas, Minebea referred to Greenhouse Gas (GHG) Protocol criteria.

Although consumption of electricity rose approximately 0.1% from fiscal 2006, ended March 31, 2006, a shift to other types of energy resulted in a decline in CO₂ emissions of approximately 7.0%.

Waste¹

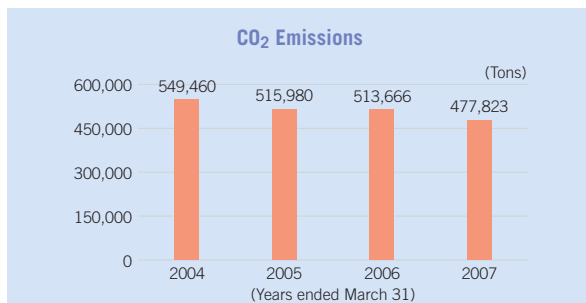
	Japan	Thailand	China	Singapore	United Kingdom	Germany	United States	Total
① Reused or recycled internally	117	233	3,491	313	6	0	22	4,182
② Transported outside the Company as waste	924	4,727	3,902	5,417	401	35	2,223	17,629
③ Reused or recycled externally	307	1,114	2,155	3,848	163	17	1,603	9,207
④ Disposed of as landfill	128	3,613	319	708	238	1	620	5,627

Note: In fiscal 2007, Minebea reviewed its standards for collecting data on waste. Figures for waste disposed of as landfill include estimates.



Minebea Group

CO₂ Emissions and Waste Transported Outside the Company



Glossary

1. Waste

As used in this report, waste refers to industrial waste, that is, unwanted materials from industrial operations, and includes materials to be recycled. (Materials with negotiable value are not included.)

Handling and Transfer of PRTR Chemicals (Japan; as reported to relevant authorities)

PRTR Number	Chemical	Volume Handled	Emissions			Transfer	Plant
			Released into the Atmosphere	Released into Water	Landfill	Waste	
						(Tons)	
144	Dichloropentafluoropane (HCFC-225)	7.3	6.9	0	0	0.4	Karuizawa Plant
232	Nickel compounds	1.3	0	0	0	0.4	Fujisawa Plant

Minimizing Water and Air Pollution

Concentrations in Water

Japan

Karuizawa Plant (Mg/liter)				
	Legal Limit	Voluntary Limit	Maximum	Average
pH	5.8-8.6	6.0-8.0	7.7	7.6
COD	40	30	5.8	3.6
BOD	40	30	5.2	2.1
SS	60	55	21.0	11.0
n-Hexane extractions	5	5	<1.0	<1.0

Hamamatsu Plant (Mg/liter)				
	Legal Limit	Voluntary Limit	Maximum	Average
pH	5.8-8.6	6.0-8.0	7.5	7.3
COD	40	20	5.4	4.4
BOD	25	20	2.4	0.8
SS	40	25	6.0	2.0
n-Hexane extractions	5	5	<1.0	<1.0

Fujisawa Plant (Mg/liter)				
	Legal Limit	Voluntary Limit	Maximum	Average
pH	5.8-8.6	6.6-7.8	7.5	7.1
COD	60	30	10.0	6.2
BOD	60	30	12.0	3.8
SS	90	10	4.0	2.2
n-Hexane extractions	5	2	2.0	1.0

China

Shanghai Plant (Mg/liter)				
	Legal Limit	Voluntary Limit	Maximum	Average
pH	6-9	7-8	8.0	7.7
COD	60	20	19.9	14.6
BOD	15	5	3.5	1.0
SS	70	10	9.0	4.6
n-Hexane extractions	3	1	1.0	0.7

Xicen Plant (Mg/liter)				
	Legal Limit	Voluntary Limit	Maximum	Average
pH	6-9	7-8	7.9	7.5
COD	60	20	19.8	11.6
BOD	15	5	2.9	0.9
SS	70	10	9.0	5.8
n-Hexane extractions	3	1	0.9	0.7

Thailand

Bang Pa-in Plant (Mg/liter)				
	Legal Limit	Voluntary Limit	Maximum	Average
pH	5.5-9.0	6.5-8.5	8.0	7.6
COD	120	80	46.5	33.5
BOD	20	18	3.8	3.0
SS	50	20	3.5	2.1
n-Hexane extractions	5	5	2.7	2.0

Lop Buri Plant (Mg/liter)				
	Legal Limit	Voluntary Limit	Maximum	Average
pH	5.5-9.0	6.5-8.5	7.8	7.7
COD	120	80	62.0	52.0
BOD	20	18	4.0	3.1
SS	50	20	10.0	5.9
n-Hexane extractions	5	5	1.6	1.1

Rojana Plant (Mg/liter)				
	Limit for Industrial Estate	Voluntary Limit	Maximum	Average
pH	5.5-9.0	6.0-8.8	6.8	6.6
COD	1,250	1,000	508.0	401.2
BOD	1,000	500	78.0	70.9
SS	200	150	22.0	13.1
n-Hexane extractions	10	10	4.1	2.9

Ayutthaya Plant (Mg/liter)				
	Legal Limit	Voluntary Limit	Maximum	Average
pH	5.5-9.0	6.5-8.5	8.1	7.4
COD	120	80	39.8	21.7
BOD	20	18	3.0	3.0
SS	50	20	1.6	0.6
n-Hexane extractions	5	5	1.0	0.8

Concentrations in Air

Fujisawa Plant (Sectional hot water boiler)

	Unit	National Limit	Voluntary Limit	Maximum	Average
Particulates	g/m ³ N	0.3	0.25	0.01	<0.01
NO _x	ppm	180	150	47	45
SO _x	m ³ N/h	1.2	1	0.016	0.015

Hamamatsu Plant (Absorption chiller heater)

	Unit	National Limit	Voluntary Limit	Maximum	Average
Particulates	g/m ³ N	0.3	0.25	0.01	<0.01
NO _x	ppm	180	150	76	69
SO _x	m ³ N/h	1.2	1	0.018	0.014

The Minebea Group accounts for environmental protection efforts using economic indicators with the aim of ensuring its investments are both appropriate and effective. The Group's environmental accounting system is based on the Environmental Accounting Guidelines published by Japan's Ministry of the Environment.

Scope

- Period covered: Fiscal 2007 (April 1, 2006–March 31, 2007)
- Scope of calculations: Minebea and Minebea Group (see page 4)



Cleaning facility that uses purified water, newly installed Shanghai Plant (China)

Costs of Environmental Protection Activities

Category		Description	(Millions of yen)	
			Investment	Expenses
1.	Business area costs (Environmental protection costs to minimize the environmental burden resulting from manufacturing and service activities within the business area)	See specific entries for a, b and c below.	647	2,731
	Breakdown			
	a. Pollution prevention costs	Costs related to the installation, disposal, maintenance and management of facilities to prevent water and air pollution, others	150	753
	b. Environmental protection costs	Installation, depreciation, operating and maintenance costs for ozone-depleting substance (ODS)-free water-based cleaning facilities, others	376	1,160
	c. Resource recycling costs	Waste disposal and recycling equipment, costs, others	122	818
2.	Upstream/downstream costs (Environmental protection costs to minimize the burden of key upstream and downstream operations)	Costs related to the installation of analyzers, analysis of materials as part of the Green Procurement Program, printing and revenue stamp costs for contracts with suppliers, others	6	35
3.	Administration costs (Environmental protection costs stemming from administrative activities)	Personnel, maintenance and management costs for environmental management system, others	0	212
4.	R&D costs (Environmental protection costs stemming from R&D activities)	Costs related to the research and development of ODS-free water-based cleaning facilities, others	1	16
5.	Community activity costs (Environmental protection costs stemming from community activities)	Costs related to greening programs, landscape preservation, others	4	167
6.	Environmental remediation costs (Costs incurred for environmental remediation efforts)	Costs related to soil replacement and the operation, maintenance and depreciation of water-based cleaning facilities, others	0	158
Other costs		Costs related to the creation of a system for managing chemical substances	0	12
Total			658	3,331

Exchange rates used: US\$1.00=¥118.1; €1.00=¥157.3; 1 baht=¥3.7; 1 yuan=¥15.2; S\$1.00=¥77.8; £1.00=¥231.7

This section focuses on Minebea’s environmental achievements and objectives in fiscal 2007 and objectives for fiscal 2008. For detailed information and specific examples, please refer to the page(s) indicated in the right column.

Products

Objectives for Fiscal 2007	Achievements in Fiscal 2007	Objectives for Fiscal 2008	Page
Reduction or Elimination of Hazardous Chemical Substances in Products 1. Achieve RoHS ¹ compliance for all products (except certain special components) 2. Eliminate hexavalent chromium in automotive fasteners: Promote elimination in line with customer specifications 3. Promote non-PVC coating materials for speaker boxes	1. Achieved RoHS compliance for all products (except certain special components) and maintained management system 2. Eliminate hexavalent chromium in automotive fasteners: Achieved for approximately 80% of products; to be eliminated for remainder in line with customer specifications 3. Shifted to non-PVC coating materials for approximately 20% of models; shift for remainder to be implemented as requested by customers	1. Reduce or eliminate hazardous chemical substances in products <ul style="list-style-type: none"> • Ensure continued RoHS and ELV² compliance 2. Promote EuP directive ³ -compliant LCA ⁴ -based ecodesign system <ul style="list-style-type: none"> • Develop products that save energy or otherwise exert a minimal impact on the environment 3. Lower resource consumption <ul style="list-style-type: none"> • Reduce volume of materials used 	—
Reduction of Energy Consumption/Contribution to Prevention of Global Warming Ongoing	1. Developed the world’s smallest-diameter stepping motor 2. Developed an LED backlight that requires little power		14

Procurement

Objectives for Fiscal 2007	Achievements in Fiscal 2007	Objectives for Fiscal 2008	Page
Green Procurement Promote ongoing implementation of green procurement	Promote ongoing implementation of green procurement	Publish <i>Minebea Group Green Procurement Standard, 3rd Edition</i>	17

Distribution

Objectives for Fiscal 2007	Achievements in Fiscal 2007	Objectives for Fiscal 2008	Page
Environmentally Sound Distribution 1. Expand use of energy-efficient distribution methods 2. Use packaging materials with minimal negative environmental impact	1. Continued to promote use of energy-efficient distribution methods 2. Introduced pallets made of paper products	1. Continue to promote use of energy-efficient distribution methods 2. Improve packaging materials and transport methods	18

Glossary

- 1. RoHS (Restriction of Hazardous Substances) directive**
An EU directive banning the use of certain hazardous substances in electrical and electronic equipment.
- 2. ELV (End-of-Life Vehicles) directive**
An EU directive that sets recycling rates for automobiles and bans the use therein of substances that negatively impact the environment.

- 3. EuP (Energy-using Products) directive**
An EU directive that obliges manufacturers of energy-using products to adopt ecodesign considerations.
- 4. LCA (Life cycle assessment)**
An LCA is used to quantify the “cradle-to-grave” impact of a given product on the environment, that is, the impact throughout the product’s life cycle.

 **Plants**

Objectives for Fiscal 2007	Achievements in Fiscal 2007	Objectives for Fiscal 2008	Page
<p>Reduction of Energy Consumption/Contribution to Prevention of Global Warming Lower energy consumption (per unit of sales) 1% annually</p>	<p>1. Total energy consumption at plants worldwide: Fiscal 2006: 813,003,000 kWh Fiscal 2007: 814,096,000 kWh Energy consumption per unit of sales 2006: 2,553.0 kWh/¥100 million 2007: 2,459.3 kWh/¥100 million Note: Energy consumption per unit of sales declined 3.7%.</p> <p>2. Purchased green power 3. Implemented measures to lower energy consumption 4. Promoted greening of plants 5. Changed fuels used • Replaced LPG with natural gas</p>	<p>Lower energy consumption (per unit of production) 1% annually</p>	<p>7</p> <p>19–21</p> <p>22, 28</p> <p>20</p>
<p>Prevention of Damage to the Ozone Layer Switch to air conditioners that do not use ODSs when installing new or replacing existing units</p>	<p>Number of units switched: 9</p>	<p>Number of units scheduled to be switched: 8</p>	<p>19</p>
<p>Promotion of “3R¹” Compatibility for Waste Reduce the total waste output 10% from the fiscal 2006 level by June 2009</p>	<p>Reduced disposal of waste as landfill: Fiscal 2006 volume: 4,240 tons Fiscal 2007 volume: 5,627 tons (+33% (approx.)) Note: Revised scope, resulting in a significant increase.</p>	<p>Reduce the total waste output 10% from the fiscal 2007 level by June 2009</p>	<p>7</p>
<p>Prevention of Water Contamination Observe environmental laws and regulations</p>	<p>All plants have brought contamination below levels stipulated by local laws and regulations</p>	<p>Observe environmental laws and regulations</p>	<p>8</p>
<p>Prevention of Air Pollution Observe environmental laws and regulations</p>	<p>All plants have brought contamination below levels stipulated by local laws and regulations</p>	<p>Observe environmental laws and regulations</p>	<p>8</p>
<p>Rehabilitation of Contaminated Soil and Groundwater 1. Observe environmental laws and regulations 2. Continue to implement measures at plant sites found to be contaminated</p>	<p>Continued to take steps to resolve contamination caused by chlorinated organic solvents Greatly reduced concentrations of contaminants in soil</p>	<p>1. Observe environmental laws and regulations 2. Continue to implement measures at plant sites found to be contaminated</p>	<p>22</p>
<p>Management of Chemical Substances 1. Expand use of MMDB-II 2. Commence use of English-language version of MMDB-II 3. Commence use of XRF spectroscopes to detect presence of substances banned under the RoHS directive Note: MMDB-II is a chemical substance management database.</p>	<p>1. Commenced use of MMDB-II 2. Commenced use of English-language version of MMDB-II 3. Commenced use of XRF spectroscopes to detect presence of substances banned under the RoHS directive: Introduced seven XRF spectroscopes</p>	<p>1. Expand use of MMDB-II 2. Expand use of English-language version of MMDB-II 3. Step up use of XRF spectroscopes to detect presence of substances banned under the RoHS directive</p>	<p>—</p> <p>22</p>
<p>Establishment of Pollution Patrol Programs 1. Continue to implement and improve regular patrols 2. Conduct regular audits of waste processing service providers</p>	<p>1. Implemented environmental patrols covering plants as well as surrounding areas 2. Conducted regular audits of waste processing service providers</p>	<p>1. Continue to implement and improve regular patrols 2. Conduct regular audits of waste processing service providers</p>	<p>—</p>

Glossary

1. 3R: “Reduce, reuse, recycle”: An initiative that sets priorities for use of waste.

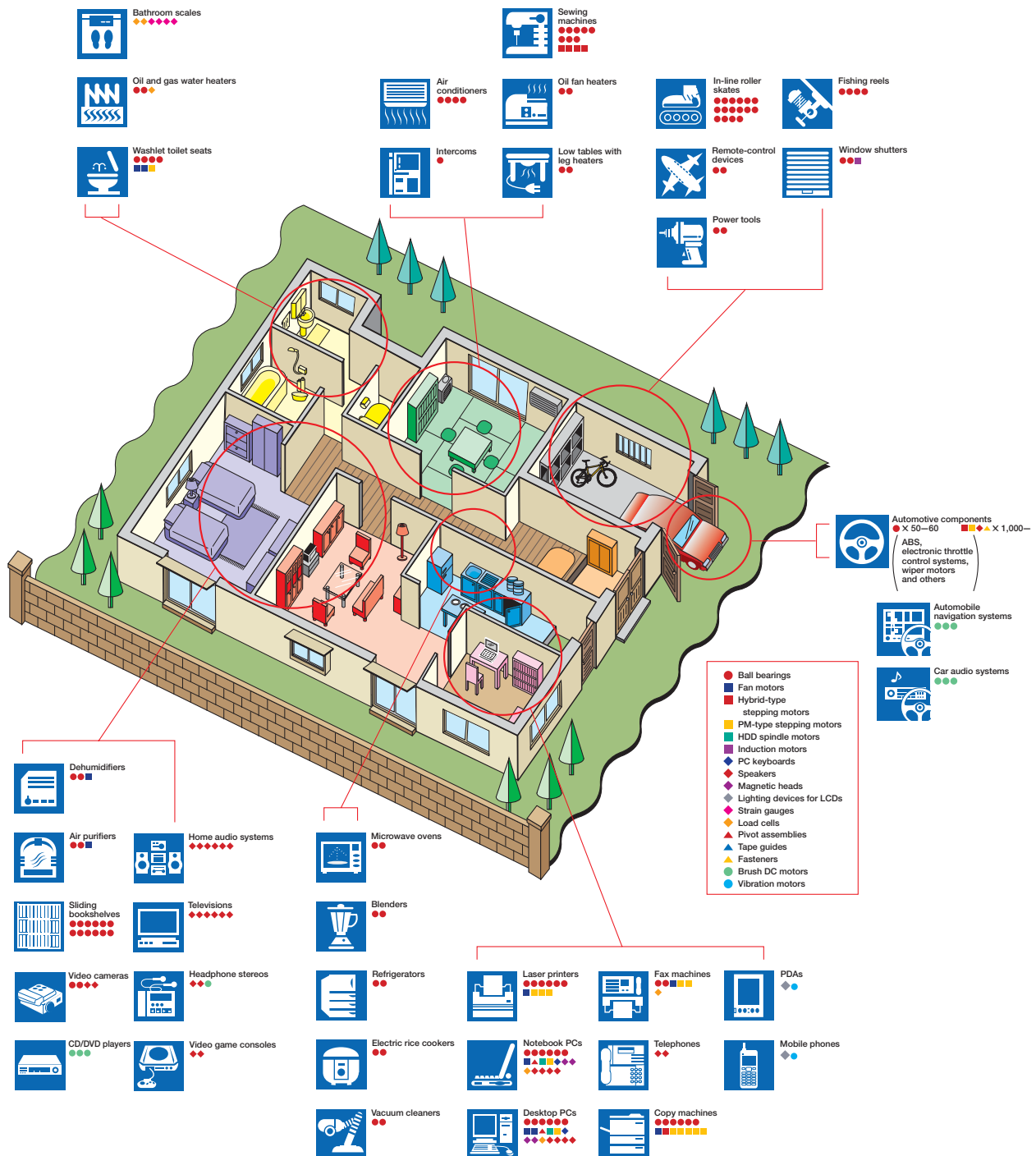
Other Areas

	Objectives for Fiscal 2007	Achievements in Fiscal 2007	Objectives for Fiscal 2008	Page
Environmental Audits	Internal environmental audits Ongoing	Implemented audits by in-house environmental auditors	Ongoing	25
	External environmental audits Ongoing	Implemented audits by external audit organizations	Ongoing	5
Environmental Education	New employees Ongoing	Implemented environmental education programs for new recruits	Ongoing	23
	Basic employee education Ongoing	Provided regular environmental education for all employees	Ongoing	23
	Emergency response training Ongoing	Implemented fire and oil leak drills	Ongoing	24
	In-house training (internal auditors) Ongoing	Implemented training programs for in-house environmental auditors: Fiscal 2007: 19 in Japan (cumulative total: 181)	Ongoing	25
Environmental Communications	Present information on environmental protection efforts Publish <i>Minebea Group Environmental Report</i>	1. Presented information on environmental protection efforts on the Minebea web site 2. Published <i>Minebea Group Environmental Report 2006</i>	Publish <i>Minebea Group Environmental Report 2007</i>	27
	Communication with local communities Continue to communicate with local communities	Distributed the <i>Minebea Group Environmental Report</i> to local authorities and participants in plant tours and explained Minebea's environmental protection activities	Ongoing	27
Community Activities	Clean-up programs Ongoing	Organized clean-ups around plants, including roads traveled by employees commuting to work	Ongoing	29
	Tree-planting/Greening of plants Ongoing	Implemented/participated in programs at plants	Ongoing	22, 28
	Support for local environmental protection efforts Ongoing	1. Implemented/participated in programs at plants 2. Participated in volunteer greening program sponsored by the city of Sendai	Ongoing	—
	Environmental protection fund Continue to use fund to assist local environmental protection activities Shanghai–Minebea Lake Dianshan-hu Environmental Protection Fund (Established April 1, 1996): Rmb 11.0 million (approx. ¥167.0 million)	Used fund to assist local environmental protection activities	Continue to use fund to assist local environmental protection activities	—

Note: The objectives presented herein were formulated based on certain assumptions. Please note that the Company's actual performance may vary significantly from any particular objective, owing to various factors. Persons interested in transactions with Minebea are advised to contact the appropriate person in charge in advance.

The Minebea Group manufactures ball bearings; machined components, notably aircraft and automotive components; and electronics components, including liquid crystal display (LCD) backlights, strain gages and PC keyboards. These products are used in a wide range of devices in everyday life. It is estimated that, for example, between 100 and 200 small-sized ball bearings are used in the average home. Ball bearings are bearings that contain rolling elements, that is, balls, which minimize friction, thus enabling devices to rotate smoothly. Miniature ball bearings are required in ever-greater numbers for advanced home and office electronic equipment and are contributing to efforts to develop models that are smaller, use less energy and last longer.

Minebea Products: Essential to Modern Lifestyles

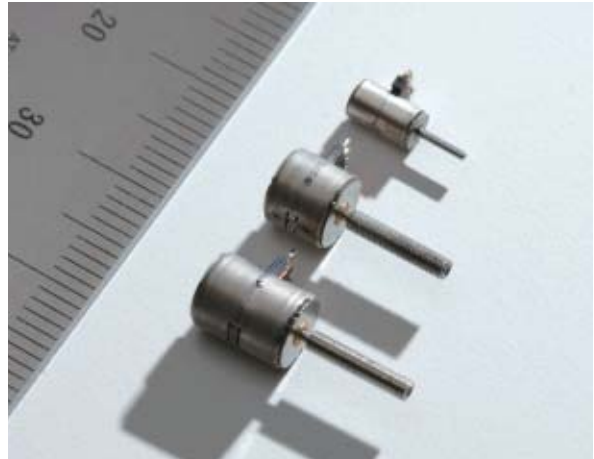


Development of Environment-Friendly Products

● World's smallest-diameter stepping motor

In recent years, demand has grown rapidly for permanent magnet (PM) stepping motors for use in small lens actuators for digital cameras and other applications. Minebea has developed a PM stepping motor with a 3 mm diameter. The world's smallest in terms of diameter, the new motor achieves superior performance, combining sufficient output power as a lens drive actuator as well as high-precision step driving.

This new motor facilitates the construction of ultrasmall lens units for camera-equipped mobile phones, demand for which is expanding rapidly, making it possible to design thinner and smaller camera-equipped mobile phones. Higher resolution also makes it possible to incorporate autofocus and zoom functions. Minebea anticipates significant demand for use as actuator motors to enhance the performance of camera-equipped mobile phones. Smaller and requiring fewer resources and less energy than conventional models, this new stepping motor is also environment friendly.

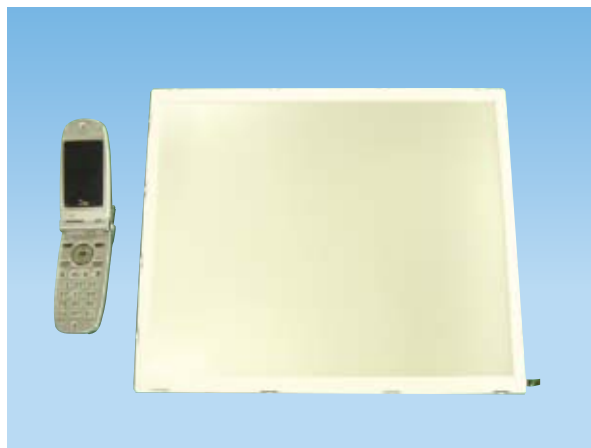


World's smallest-diameter stepping motor (right) and stepping motors with 6 mm diameter (center, left)
Source: Minebea (As of April 2007)

● LED backlight for 15-inch PC monitors

Demand for thin, lightweight displays for PCs, particularly for laptop models, has increased recently. As a consequence, demand is increasing for light emitting diode (LED) backlights, which can be used instead of traditional cold-cathode fluorescent light (CCFL) tubes as the light source to produce slimmer, lighter-weight liquid crystal displays (LCDs). Moreover, unlike CCFL tubes LEDs are not subject to breakage, therefore enhancing the shock resistance of displays.

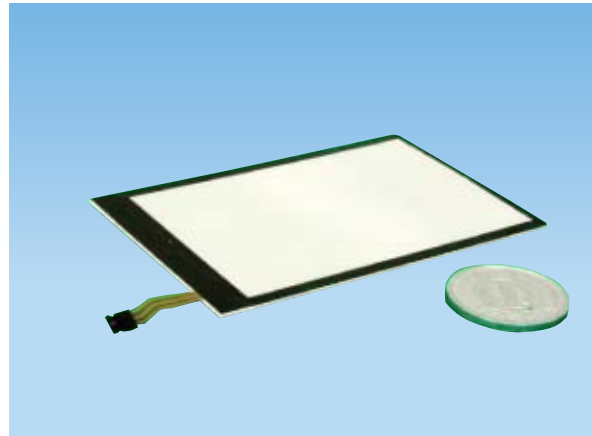
Compared with LCD backlights currently on the market, Minebea's new product features a light guide plate with a thickness of 0.6 mm, offering both support for displays of up to 15 inches and high brightness. Moreover, in addition to being mercury- and lead-free—unlike traditional CCFL tubes, which contain mercury—LED backlights consume little power, making them environment friendly.



LED backlight for 15-inch PC LCDs

● **Ultrathin LED backlight for mobile electronics devices**

To date, Minebea has developed and manufactured numerous white LED backlights for LCDs used in mobile devices, including mobile phones, digital cameras and personal digital assistants (PDAs). In response to surging demand, Minebea recently developed an ultrathin LED backlight in which the thickness of the guide plate has been reduced to 0.285 mm and that of the display component is less than 0.5 mm. The 0.5-mm thickness of the display component is equal to or less than that of organic electroluminescent (EL) backlights made with glass substrates. This new backlight can be combined with a thin LCD panel to create an ultrathin (less than 1 mm) LCD module, thus contributing to the realization of thinner mobile phones and the use of fewer materials.

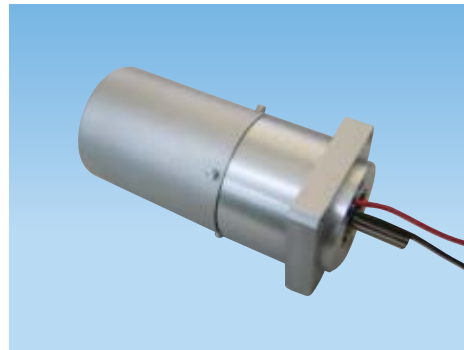


Ultrathin LED backlight for mobile electronic devices

● **DC brush motor for aircraft applications with environment-friendly design**

Minebea has designed a new DC brush motor for use in auxiliary power unit (APU) door actuating systems for new aircraft models. This motor is used to drive the actuating system that opens and closes the APU door, a mechanism that supplies airflow to the engine.

In designing this new motor, Minebea reviewed its existing products, which have long been used in aircraft components, from an environmental perspective, as a result of which it succeeded in reducing both parts used and assembly stages, extending the life of the brush and lowering the motor's weight. Minebea also eliminated solder and other materials that exert a negative impact on the environment. The new motor is thus compatible with the Restriction of Hazardous Substances (RoHs) directive.



New DC brush motor

● **Reduction in fan motor material use thanks to environment-friendly design**

By switching to an environment-friendly design for its fan motors, Minebea succeeded in reducing the number of fan blades to seven, from 11. This enabled Minebea to reduce the volume of materials used in fan blades by approximately 36%, thereby contributing to the more efficient use of resources.



Fan motor with seven fan blades, down from 11 in conventional fan motors

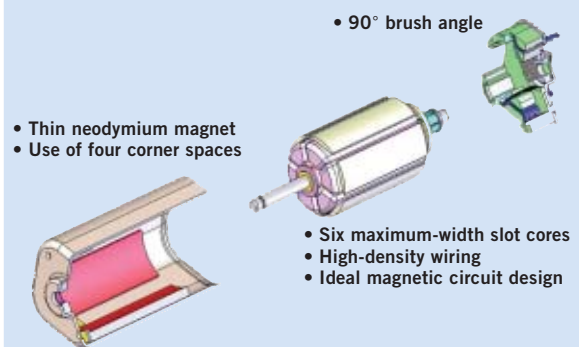
● **Environment-friendly DC four-pole six-slot brush motor**

In line with the design concept behind this new product—is an ecologically sound motor—this new motor boasts a variety of environment-friendly features. These include compact size, high torque, low noise, a long product life, light weight and the reduction or elimination of materials that exert a negative impact on the environment. Particularly impressive is the highly efficient six-slot, rounded-edge design, which delivers outstanding torque (twice that of existing motors) and low power consumption (50% lower than that of existing motors.)

[Four-Pole Six-Slot Brush Motor]



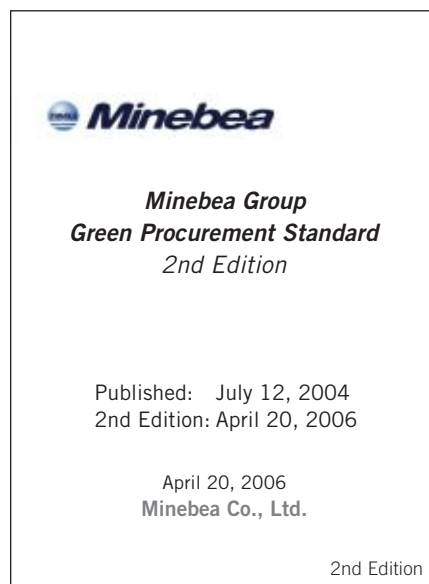
[Structure of Four-Pole Six-Slot Brush Motor]



Green procurement plays an important role in facilitating ongoing compliance with restrictions on hazardous substances, such as those specified in the EU's RoHS directive. In addition to setting forth procurement guidelines aimed at ensuring legal compliance and customer satisfaction, as well as at reducing the use of substances that negatively impact the environment, Minebea Group gives priority to procuring environment-friendly materials and parts from suppliers that actively work to preserve the environment.

Publication of Minebea Group Green Procurement Standard

The *Minebea Group Green Procurement Standard* was published in July 2004 to guide its procurement efforts. In light of shifting social conditions and resulting changes in legal requirements and customer demands, and in response to technological advances, Minebea is currently preparing to publish a new version, the *Minebea Group Green Procurement Standard, 3rd Edition*.



The *Minebea Group Green Procurement Standard, 2nd Edition*

Information Concerning Green Procurement Activities on Minebea's Web Site

Detailed information on Minebea's green procurement activities is available on Minebea's web site. Interested suppliers and customers are invited to visit the following page:

<http://www.minebea.co.jp/procurements/en/green/index/>



Top page of the green procurement section of Minebea's web site

Distribution practices have a significant impact on the environment. Corporate entities can thus be said to play a crucial role in efforts to reduce that impact. The Minebea Group is taking various steps, including implementing modal shifts, aimed at reducing emissions of CO₂ and atmospheric pollutants.

Implementation of Environmentally Sound Distribution Practices

Use of recyclable, reusable strapping bands instead of stretch film

When transporting automotive products for shipment by truck or rail from the Fujisawa Plant to Minebea's Tokyo metropolitan area depot warehouse, located in the Tokyo Bay area, the Logistics Division previously used polyethylene stretch film to prevent load collapse. Because this film is not reusable, however, once it has been removed from a crate it must be incinerated.

Recently, Minebea has launched a program to abolish stretch film in favor of strapping bands. These strapping bands can be reused approximately 1,000 times. Once they have reached the end of their useful lives, these strapping bands can be recycled into fiberboard. This move has enabled Minebea to reduce CO₂ emissions, as explained here.

Incinerating one pallet's worth of stretch film releases approximately 0.045 kg of CO₂ into the atmosphere.¹ Approximately 300 pallets of freight are shipped each month, so the use of strapping bands has enabled Minebea to reduce monthly CO₂ emissions by approximately 13.5 kg.

Minebea also plans to introduce these recyclable, reusable strapping bands for transporting fan motor products from the Xicen Plant in Shanghai, to the Futian District in Shenzhen. Minebea will continue promoting measures such as this aimed at improving the environmental soundness of its distribution practices.



Polyethylene stretch film used to prevent load collapse

One pallet is wrapped five or six times, requiring approximately 25 m of film.



To date



Polyester stretch film from pallets is discarded after opening.



In the future



Result of improvement: Recyclable, reusable polyester strapping bands used to prevent load collapse. The bands can be reused approximately 1,000 times and at the end of their useful life they are recycled into fiberboard.

Note: 1. Reuse and recycle estimates are from the manufacturer's catalogue. (Assuming the incineration of 1 kg waste emits 3.67 kg of CO₂, the complete incineration of one 50 cm x 25 m sheet of stretch film emits 0.045 kg.)

Minebea Group plants are engaged in a wide range of environmental preservation activities. This section introduces some of these activities.

Reduction of Energy Consumption/Contribution to Prevention of Global Warming

Introduction of high-efficiency refrigeration unit (Karuizawa Plant, Japan)

With the aim of reducing energy consumption and contributing to the prevention of global warming, the Karuizawa Plant introduced a new, high-efficiency refrigeration unit. The new unit delivers sufficient refrigeration without the simultaneous operation of an absorption refrigerator, which was necessary with its predecessor. This has not only decreased electric power consumption, but also enabled the plant to achieve a 44% year-on-year decrease in its monthly consumption of heavy fuel oil. A total of nine such units were introduced at other plants in the Minebea Group, replacing existing units, contributing to a significant reduction in energy use and CO₂ emissions.



Newly introduced high-efficient refrigeration unit

Reduction in electrical power used by compressors (Karuizawa Plant, Japan)

The compression level of air used in Minebea's production facilities varies depending on the type of facility. To date, it has been common practice to flow air in at the highest possible pressure setting. With equipment not requiring such high pressure, this approach resulted in considerable waste. With the aim of reducing waste, the Karuizawa Plant reduced pressure settings on all equipment and installed pressure valves in equipment requiring higher pressure levels. As a result, the plant succeeded in reducing the amount of electric power used by the compressor by 18% from the 2004 level, as well as achieving a 114-ton reduction in annual CO₂ emissions.



Compressed air flow meter and pressure-reduction valve

● **Reduction in amount of compressed air used (Bang Pa-in Plant, Thailand)**

Certain cutting and cleaning equipment at the Bang Pa-in Plant uses compressed air generated by air compressors to cut and clean parts. Air is pumped in by air guns and ventilation units. The apertures in the air guns and ventilation units are larger than necessary, meaning they use a significant volume of air each time they are used. To remedy this situation, the Plant manufactured and installed special parts to reduce the size of the apertures. This made it possible to reduce the flow of air to the minimum volume necessary, thereby reducing electrical power required by the compressors by a volume comparable to the volume of compressed air previously wasted.



Aperture before modification



Spacer attached to air gun

Examples of Uses



Aperture after modification



Spacer attached to cutting machine

● **Switch to natural gas (Rojana Plant, Thailand)**

For 11 years the Rojana Plant in Thailand has used liquified petroleum gas (LPG) butane for diecast manufacturing processes. In May 2006, however, the plant switched to natural gas. This move enabled the Rojana Plant to lower CO₂ emissions into the atmosphere by approximately 17% compared with fiscal 2006.



Natural gas supply line

● **Switch to energy-saving light fixtures (Fujisawa Plant, Japan)**

The Fujisawa Plant replaced existing fluorescent lighting in its staff canteen with new energy-saving fluorescent fixtures. This enabled the plant to reduce the number of fixtures by 30% to 70, from 100, while increasing average luminous intensity by 12.5%, as well as to lower energy consumption by 43%.

The plant also installed new lighting in its tool plant, replacing existing mercury lights with energy-saving fluorescent lights. This move resulted in a 25% increase in average luminous intensity, while reducing energy consumption by 33%.

The new fixtures enabled the plant to lower energy consumption, resulting in a 40% reduction in annual CO₂ emissions.



Canteen before change in lighting



Canteen after change in lighting

● **Cool Biz introduced (Hamamatsu Plant, Japan)**

With the aim of contributing to the reduction of global warming, from mid-June through late September, the Hamamatsu Plant introduced “Cool Biz” in line with a campaign launched by the Japanese Ministry of the Environment to encourage workers to dress down during summer months.

Under this campaign, the default temperature for air conditioning equipment was raised and office employees and guests were urged to shed their jackets and ties.



Poster for employees of the Hamamatsu Plant

● **Management of Environmental Burden**

● **New wastewater treatment facility installed (Rojana Plant, Thailand)**

The Rojana Plant installed a wastewater treatment facility with the aim of improving the efficiency of oil and grease separation, a process in the production of diecast parts. The new facility also conducts secondary processing of wastewater from the plant's metallizing line. These measures have reduced the environmental impact of wastewater treatment at the plant.



The Rojana Plant's new wastewater treatment facility

● **Management of hazardous substances—
installation of new XRF spectrometers
(Japan, Thailand, China)**

As part of its effort to regulate key hazardous substances covered by the European Union's RoHS directive, the Minebea Group has implemented Green Procurement in an effort to ensure the raw materials and parts it purchases contain no hazardous chemical substances. To date, the Group has used X-ray fluorescence (XRF) spectrometers to facilitate prompt testing for hazardous chemical substances upon receipt. In 2006, seven additional units were installed in plants in Japan, China and Thailand, thereby enhancing the effectiveness of testing procedures.



XRF spectrometer installed at the Omori Plant (Japan)

● **Site Greening Program**

● **Site greening program (Yonago Plant, Minebea Motor Manufacturing Corporation)**

The entire staff of Minebea Motor Manufacturing's Yonago Plant took part in a plant greening

program conducted as part of the plant's Environment Month.



Poster announcing Environment Month at Minebea Motor Manufacturing's Yonago Plant



Employees participating in the plant greening program

● **Rehabilitation of Contaminated Soil and Groundwater**

● **Cleanup of contamination from organic chlorinated solvents**

Since it previously used organic chlorinated solvents in its manufacturing processes, Minebea has conducted voluntary inspections of its plants in Japan. These inspections confirmed the presence of contamination at the Karuizawa, Fujisawa and Omori plants, as well as at the site of the former Ichinoseki Plant. Minebea promptly informed local authorities and, in line with directives issued thereof, is implementing cleanup measures.

In January 2007, a voluntary inspection of groundwater on the edge of the Karuizawa Plant discovered trichloroethylene in a concentration 1.7 times the maximum allowable level in one location. Minebea reported its findings to local authorities and commenced remediation using a vacuum well installed on site.

Minebea provides a variety of environmental education programs for its employees to ensure the effectiveness of its environmental management system and to enhance the awareness and skills of employees, as well as to minimize the impact of environmental accidents on human life.

● Minebea Group environmental education

The Minebea Group conducts regular educational programs for all employees. The Group also provides stringent training for new employees, including new and mid-career recruits, inter-departmental transferees and agency staff, as well as for employees returning from assignments abroad and trainees from overseas Group companies.

New employees attend lectures on Minebea's Environmental Protection Principles, environmental management system and environmental protection efforts. These lectures are aimed at raising the understanding and awareness of environmental issues of Minebea employees.



Group training for new recruits

● Life cycle assessment training

In response to the EuP directive and other environmental regulations affecting products, the Minebea Group has launched a review of its ecodesign efforts with the aim of developing a life cycle-oriented design system. Also with this aim, the Minebea Group offers training and presentations on life cycle assessment (LCA), a process that combines analysis of both ecodesign considerations and quantitative data.



Life cycle assessment training at the Hamamatsu Plant

◎ Disaster response drills (Karuzawa Plant)

The Karuzawa Plant conducts annual disaster response drills and safety training based on the premise that a major earthquake has occurred, resulting in fires and oil spillage.

In this year's drill, a Disaster Response Headquarters in the immediate aftermath of the earthquake was set up. The headquarters' first priority is to protect human life. Accordingly, its first step was to confirm the safety of employees using a specialized ID card system. In evacuation tents, emergency medical treatment was provided for the injured, while at spots where the earthquake was supposed to have caused fires, fire extinguishing drills were conducted using fire hoses. The Karuzawa Plant periodically reviews the content of its disaster response drills to create conditions as close as possible to an actual earthquake.

Recognizing that their first priority is to ensure no loss of life in the event of a disaster, the Minebea Group conducts similar disaster response drills at all Group plants.



Firefighting team



Putting up an evacuation tent



Confirming safety of evacuated employees



Fire drill with fire hoses



Oil spill prevention drill



Emergency medical training

● Training program for in-house environmental auditors

Minebea provides an annual training program to foster in-house environmental auditors. These programs are instructed by accredited in-house auditors and comprise lectures on, among others, ISO 14001 audit procedures, global environmental issues, environment-related technologies, environmental laws and in-house auditing methods. Following the lectures, students receive practical training on site at a Minebea plant.

Practical training involves teams of trainees visiting plants and identifying prearranged, deliberate incongruities and other problems. The teams summarize, present and debate the practical training results. This process enables trainees to acquire the skills necessary to qualify as in-house environmental auditors.

As of the fiscal 2007 year-end, 181 individuals had completed this training program in Japan. These individuals are currently serving as in-house environmental auditors at Minebea's domestic plants.



Test conducted as part of training



Trainees receiving practical training

● Conducting in-house audits

As specified under ISO 14001, Minebea conducts regular in-house environmental audits. The results of these audits are reported to relevant departments and included in the Company's in-house database, ensuring all employees have access to this information.



Internal audit at the Karuizawa Plant

● Seminar on natural gas-powered vehicles (Bang Pa-in Plant, Thailand)

Natural gas-powered vehicles, which emit significantly less CO₂ than fossil fuel-powered vehicles, are growing in popularity worldwide as an environmentally sound alternative form of transportation. At the Bang Pa-in Plant in Thailand, Minebea invited an instructor from a government-authorized natural gas fitting company to conduct a seminar for vehicle-owning plant employees with the aim of increasing awareness of natural gas-powered vehicles.



Seminar on natural gas-powered vehicles

The Minebea Group provides extensive information on its environmental preservation activities to the public via its web site and its environmental report. The Group also actively solicits the opinions of its employees and incorporates them into its environmental activities.

● Contribution to construction of new elementary school building (Thailand)

To commemorate the 60th anniversary of the reign of Thailand's monarch, Minebea launched a program titled "Providing Knowledge to and Building Schools for Thailand's Children." Under this program, on December 24, 2006, the Company contributed funds for the construction of a new building for the Tapijo (Mae Fahn Luang) School in Tak Province.

Most of the funds for building materials for the project, as well as teaching materials and other necessary items, were donated by employees of Minebea Group companies in Thailand, who volunteered to assist with construction of the school building. Participating employees also distributed small gifts to children at the school.

With the aim of encouraging greater awareness of environmental issues on the part of students, the employees set up an "environment and energy" corner within the school, donating books about the environment and energy and other educational materials. The new school building project was featured in a documentary broadcast nationwide on Thailand's NATION TV.



Employees of Minebea Group companies in Thailand with children from the Tapijo (Mae Fahn Luang) School



Environment and energy corner display board

● Plant tour by officials from China's central government (China)

Minebea Electronics & Hi-Tech Components (Shanghai) Ltd., wholly owned by Minebea in Japan, has introduced environmental preservation and energy-saving ideologies, as well as advanced technologies and wastewater treatment facilities, from Japan.

As it has expanded its operations, Minebea Electronics & Hi-Tech Components (Shanghai) has actively pursued extensive efforts to save energy and promote the reuse of resources, including installing inverters and energy-efficient lighting fixtures and promoting the reuse of processed wastewater, as well as the reduction, reuse and recycling of industrial waste.

Underscoring the recognition given to these steady efforts, Minebea Electronics & Hi-Tech Components (Shanghai) was recently selected as one of the stops on a tour of advanced energy-efficient companies by officials from China's central government, who had glowing praise for the company.



Meeting attended by officials from China's central government and representatives of Minebea Electronics & Hi-Tech Components (Shanghai)

● **Conducting tour of waste yard by primary school students (Karuzawa Plant)**

The Karuzawa Plant opened its doors to primary school children for a tour to study waste separation, conducted as part of their social science studies. Observing the facilities, the children eagerly noted down their impressions of the plant's waste separation practices. Going forward, the plant hopes such efforts will contribute to the more effective separation of school and household waste.

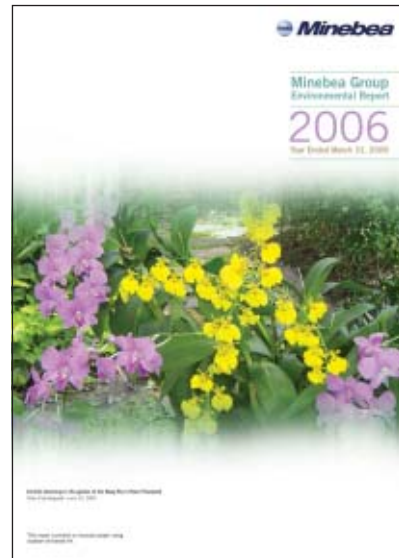


Primary school students learning about Minebea's waste separation facilities

● **Publication of the Minebea Group Environmental Report**

In recent years, companies have come under increasing pressure to disclose information on their efforts to incorporate environmental protection into their business activities. In 2003, Minebea published its first annual Group environmental report.

To ensure that future editions of its environmental report are as useful and informative as possible, Minebea includes a brief questionnaire for readers in each copy of the report.



Minebea Group Environmental Report 2006

● **Information on environmental efforts on the Minebea web site**

The Minebea web site features information on current environmental protection efforts, as well as Minebea's Environmental Protection Principles and a history of efforts to date.

<http://www.minebea.co.jp/english/environment/index.html>

For inquiries and comments on Minebea's environmental efforts, please see the back cover of this report.



Top page of Minebea's web site

As members of the communities in which they operate, companies must communicate and work with national and municipal authorities, educational institutions and other organizations to promote efforts that contribute to society.

● Minebea wins energy conservation awards (Thailand)

The Thai government’s Department of Alternative Energy Development and Efficiency recently conducted four energy conservation contests for plants in the kingdom.

Approximately 80 plants participated in the contests. Minebea Group plants came away with several awards. Vutichai Udomkarnjananan, director of Minebea Thai Ltd., who is responsible for environmental management at the Bang Pa-in Plant, received an Energy Conservation Award for Excellence. The Rojana Plant received a Plant Award for Excellence, while the Lop Buri Plant received a Public Relations Award for Excellence.

These awards represent recognition of the active energy conservation efforts of Minebea’s plants in Thailand. The Minebea Group will continue to press forward with these efforts in the future.



Energy Conservation Award for Excellence (Vutichai Udomkarnjananan)



Plant Award for Excellence (Rojana Plant)



Public Relations Award for Excellence (Lop Buri Plant)

● Tree planting event (Lop Buri Plant, Thailand)

To commemorate the 60th anniversary of the reign of Thailand’s monarch, on May 11, 2006, the Lop Buri Plant staged a tree planting event. Employees volunteered to plant trees around buildings No. 4 and No. 8 and the parking area for buses that transport employees to and from work.



Newly planted tree surrounded by employees of the Lop Buri Plant

◎ Cleanup effort on roads used by employees (Karuizawa Plant)

As part of Environment Month held every June, employees of the Karuizawa Plant take part in a cleanup effort on roads around the plant used by employees commuting to and from work. These roads are also used by primary school children traveling to and from school and a number of children also participated in the effort in 2006. The plant will continue to conduct this cleanup as a way to contribute to the local community.



Cleanup of roads around the plant used by employees



◎ Use of returnable containers (NMB Electro Precision, Inc., Japan)

In March 2007, NMB Electro Precision, which has earned “Eco-Niko Office” accreditation from the city of Sendai, given to environment-friendly offices, replaced the disposable packaging materials it had been using with returnable containers, which can be used repeatedly. This move has enabled the company to reduce its emissions of industrial waste. Going forward, the company will promote the development of returnable boxes that use as little packing and packing tape as possible with the aim of further reducing waste and increasing its recycling rate.



Poster produced by the city of Sendai introducing NMB Electro Precision's returnable containers as a model “3R” (“reduce, recycle, reuse”) example



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Additional information on Minebea's environmental efforts is available in English at:

<http://www.minebea.co.jp/english/environment/activities/index.html>



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