Minebea
Passion to Exceed Precision

FASF MEMBERSHIP

BRIEF REPORT OF FINANCIAL RESULTS
〔under Japanese GAAP〕 (Consolidated)
(Year ended March 31 , 2015)

May 8, 2015

Registered
Company Name: MINEBEA CO., LTD. Common Stock Listings: Tokyo and Nagoya
Code No: 6479 URL http://www.minebea.co.jp/
Representative: Yoshihisa Kainuma Representative Director, President and Chief Executive Officer
Contact: Satoshi Yoneda Executive Officer, General Manager of Accounting Department
Date planned to hold ordinary general meeting of shareholders: June 26, 2015
Expected date of payment for dividends: June 29, 2015
Date planned to file report of securities: June 26, 2015 Phone: (03) 6758-6711
Preparation of supplementary explanation material for financial results : Yes
Holding of presentation meeting for financial results : Yes (For Analyst)

(Amounts less than one million yen have been omitted.)

1. Business Performance (April 1, 2014 through March 31, 2015)
(1) Consolidated Results of Operations (%: Changes from previous fiscal year)

	Net sales (millions of yen)	% Change	Operating income (millions of yen)	% Change	Ordinary income (millions of yen)	% Change
Year ended March 31, 2015	500,676	34.8	60,101	86.7	60,140	114.3
Year ended March 31, 2014	371,543	31.6	32,199	216.6	28,065	265.7

	Net income (millions of yen)	% Change	Net income per share (yen)	Fully diluted net income per share (yen)
Year ended March 31, 2015	39,887	91.0	106.73	101.32
Year ended March 31, 2014	20,878	―	55.94	53.14

(Notes) Comprehensive Income: Year ended March 31, 2015: 72,380 million yen 126.4%
Year ended March 31, 2014: 31,974 million yen 19.7%

	Return (net income) on equity (%)	Return (ordinary income) on assets (%)	Return (operating income) on sales (%)
Year ended March 31, 2015	20.8	13.8	12.0
Year ended March 31, 2014	14.4	7.5	8.7

(Reference) Income or loss on investments: Year ended March 31, 2015: 15 million yen
Year ended March 31, 2014: (777) million yen

(2) Consolidated Financial Position

	Total assets (millions of yen)	Net assets (millions of yen)	Equity ratio (%)	Net assets per share (yen)
As of March 31, 2015	490,043	233,679	46.1	604.83
As of March 31, 2014	381,278	163,463	41.4	422.62

(Reference) Shareholders' equity: As of March 31, 2015: 226,138 million yen
As of March 31, 2014: 157,862 million yen

(3) Consolidated Cash Flows

	Cash flows from operating activities (millions of yen)	Cash flows from investing activities (millions of yen)	Cash flows from financing activities (millions of yen)	Year end balance of cash and cash equivalents (millions of yen)
Year ended March 31, 2015	59,864	(35,326)	(19,627)	36,137
Year ended March 31, 2014	49,173	(24,957)	(25,233)	29,031

2. Dividends

	Dividends per share					Total dividends (for the year) (millions of yen)	Dividends payout (total) (%)	Dividends on net assets (total) (%)
	End of first quarter (yen)	End of second quarter (yen)	End of third quarter (yen)	Year-end (yen)	For the year (yen)			
Year ended March 31, 2014	—	3.00	—	5.00	8.00	3,025	14.3	2.1
Year ended March 31, 2015	—	6.00	—	6.00	12.00	4,537	11.2	2.3
Year ended March 31, 2016 (Forecast)	—	—	—	—	—		—	

(Note) Regarding the annual dividend for the fiscal year ending March 31, 2016, we will strive to increase the specific level of dividend payout of around 20% on a consolidated basis.

3. Prospect for the Next Fiscal Year (April 1, 2015 through March 31, 2016)

(%: Changes from corresponding period of previous fiscal year)

	Net sales (millions of yen)	% Change	Operating income (millions of yen)	% Change	Ordinary income (millions of yen)	% Change
Six months ended Sep. 30, 2015	294,500	36.0	28,400	14.7	27,900	13.2
Year ended March 31, 2016	650,000	29.8	67,000	11.5	66,000	9.7

	Net income attributable to owners of parent (millions of yen)	% Change	Net income attributable to owners of parent per share (yen)
Six months ended Sep. 30, 2015	20,200	13.4	54.03
Year ended March 31, 2016	48,000	20.3	128.38

*Notes

(1) Changes in significant subsidiaries during the year (Changes in certain subsidiaries resulting in change in the scope of consolidation): None

(2) Changes in accounting policy, changes in accounting estimates, and restatements
1. Changes in accounting policy associated with revision of accounting standards, etc: Yes
2. Changes in accounting policy other than 1: None
3. Changes in accounting estimates: Yes
4. Restatements: None

(Notes) For details, please refer to “(5) Notes on Consolidated Financial Statements (Changes in accounting policy ,Changes in accounting estimates)” under “5. Consolidated Financial Statements” on page 26.

(3) Number of shares outstanding (Common stock)
1. Number of shares outstanding at end of year (Including treasury stock):
   As of March 31, 2015: 399,167,695 shares
   As of March 31, 2014: 399,167,695 shares
2. Number of treasury shares at end of year:
   As of March 31, 2015: 25,281,915 shares
   As of March 31, 2014: 25,637,546 shares
3. Average number of shares:
   As of March 31, 2015: 373,727,342 shares
   As of March 31, 2014: 373,225,855 shares

* Explanation for implementation of audit procedures

Audit procedures for financial statements under the Financial Instruments and Exchange Law are not completed at the time of disclosure of this Brief Report of Financial Results.

* Explanation for appropriate use of financial forecasts and other special remarks

(Caution Concerning Forward-Looking Statements)

The aforementioned forecasts are based on the information available as of the date when this information is disclosed as well as on the assumptions as of the disclosing date of this information related to unpredictable parameters that will most likely affect our future business performance. As such, this is not intended for the Company to give assurance that the said forecast number would be achieved. In other words, our actual performances are likely to differ greatly from these estimates depending on a variety of factors that will take shape from now on. As for the assumptions used for these forecasts and other related items, please refer to (“1. Analysis of Operating Performance and Financial Position,” “(1) Analysis of Operating Performance”) on page 4 of the documents attached hereunder.

(Investor Briefing Materials for Analysts)

Investor briefing materials will be made available via the Minebea corporate website (http://www.minebea.co.jp/) on Friday, May 8, 2015.

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1. Analysis of Operating Performance and Financial Position

(1) Analysis of Operating Performance

1. Overview of the year

The Japanese economy saw corporate earnings increase during the fiscal year under review as government economic initiatives and the Bank of Japan's monetary easing coupled with the weakening yen in the foreign exchange market all fueled financial performance. Consumer spending also steadily grew thanks to high stock prices and the improved job market. Driven by improved employment and growing consumer spending on top of increased capital expenditures that went hand in hand with higher corporate earnings, the U.S. economy continued on its gradual recovery track. In Europe, the economy managed to steadily inch forward in the shadow of the Greek sovereign debt crisis, Ukrainian political crisis, and declining crude oil prices. ASEAN countries enjoyed moderate economic recoveries while China saw its economic growth rate decline in the face of an assortment of major problems.

Working against this backdrop, the Minebea Group has been focusing on cutting costs, creating high value-added products, developing new technologies, and enhancing its marketing approach to further boost profitability.

As a result, net sales soared by 129,133 million yen (34.8%) year on year to total 500,676 million yen, reaching 500 billion yen for the first time ever. Operating income rose 27,902 million yen (86.7%) year on year to total 60,101 million yen while ordinary income was up 32,075 million yen (114.3%) year on year at 60,140 million yen. Net income also grew 19,009 million yen (91.0 %) year on year to total 39,887 million yen. All of these totals were record highs.

Performance by segment is as follows:

Products in our Machined components business segment include our mainstay, ball bearings, in addition to mechanical components such as rod-end bearings used primarily in aircraft and hard disk drive (HDD) pivot assemblies, etc., as well as fasteners for automobiles and aircraft. Ball bearings enjoyed gains in both sales and profits as demand grew in major markets. Buoyed by growing demand for vehicles with enhanced fuel economy, comfort, and safety features, sales to the automobile industry were particularly robust. Sales of rod-end bearings remained strong, especially in the civil aviation market. Sales and profits of pivot assemblies were up thanks to solid demand for high-end products used in data centers, etc. despite the stagnant HDD market.

As a result, net sales increased 14,954 million yen (10.7%) year on year to reach 154,986 million yen, and operating income rose 6,163 million yen (18.4%) year on year, to total 39,713 million yen.

The core products of our Electronic devices and components business include electronic devices (LED backlights for LCDs and measuring components, etc.), HDD spindle motors, information motors (stepping motors, DC brushless motors, DC brush motors, and fan motors), precision motors, and special devices. Sales and profits of LED backlights for LCDs soared year on year. This increase resulted from a surge in demand for Minebea products boasting both a technological and supply edge in the growing market for high-end smartphones. Efforts to expand the customer base for our measuring components paid off and we saw both sales and profits steadily increase. Our Electro Mechanics Solutions (EMS) business also enjoyed sales and profit growth. Sales of HDD spindle motors, information motors, etc. also rose. The information motors business, in particular, saw increases in both sales and profits thanks to growing sales to the office automation, automobile, and other markets. Cost cutting efforts aligned with the transfer of manufacturing operations for some products to our Cambodian plant, as well as improved quality and production efficiency also contributed to the better performance.

In the end, net sales for this fiscal year were up significantly by 113,328 million yen (49.2%) year on year to reach 343,842 million yen. Operating income increased a whopping 20,139 million yen (210.2%) year on year to total 29,720 million yen.

Net sales for this fiscal year in our Other business segment, which includes dies and parts produced in-house, were up 852 million yen (85.5%) year on year to total 1,848 million yen while operating income fell 7 million yen (-0.8%) year on year to hit 859 million yen.

In addition to the figures noted above, 10,191 million yen in corporate expenses, etc. not belonging to any particular segment has been recorded as adjustments. Adjustments for the previous fiscal year amounted to 11,799 million yen on a consolidated basis.

2. Outlook for the next fiscal year

The Japanese economy is expected to remain healthy as higher employment figures and better wages fuel domestic demand. The U.S. economy will continue on its gradual upward trajectory thanks to robust consumer spending despite the signs of a slowdown in corporate earnings due to the strong dollar, etc. While the European economy is expected to slowly pick up steam, it will take some more time to solve the problems it's facing, like the Greek financial crisis and Ukrainian political crisis. In Asia, strong domestic demand is likely to fuel modest economic growth despite China's slowing growth rate. Meanwhile, other Asian countries are generally expected to exhibit moderate economic growth.

Working against this backdrop, the Minebea Group expects to see booming sales of LED backlights for LCDs business along with steady sales of ball bearings, motors, etc. Based on conservative estimates, sales are projected to total 650,000 million yen, operating income 67,000 million yen, ordinary income 66,000 million yen, and net income attributable to owners of parent 48,000 million yen.

Outlook by segment for the full year is as follows:

Machined components business

We will continue to work on boosting performance of the ball bearing business, our anchor business line, by aggressively expanding sales and launching new products targeting the automobile, information and telecommunications equipment industries, etc. while branching out into new markets as demand picks up across the globe. At the same time our German subsidiary, myonic GmbH, will increase sales of higher value-added special bearings. We will also boost production and efficiency in the rod-end bearing business while sharpening our competitive edge in terms of turnaround time and cost with an eye to boosting sales in the growing aircraft market.

Electronic devices and components business

We are focusing on beefing up our capability to supply high value-added LED backlights for LCDs featuring ultra-thin light guide plates, etc. for the smartphone market. Additionally we will make aggressive efforts to expand sales and launch new products, which are expected to lead to substantial increases in sales and profits. We will also work on developing new lines of measuring components that leverage their sensor function while boosting sales in the automobile market. Working with an eye to enhancing the performance of our information motor and HDD spindle motor businesses, we will zero in on enhancing quality and cutting costs as we work to increase sales of high value-added products for automobile, server, and other applications.

Other businesses

We will concentrate on enhancing the accuracy of dies and parts produced in-house in order to improve production efficiency for the departments that produce finished products and bring quality to new heights.

(2) Analysis of Financial Position

1. Assets, Liabilities, and Net Assets

The Minebea Group sees “strengthening our financial position” as a top priority and is taking various steps, such as reducing total assets and liabilities with interest as well as cutting back on capital investments. Over the past few years, however, we have been making aggressive capital investments to boost our business performance.

Total assets at the end of the consolidated fiscal year under review amounted to 490,043 million yen, up 108,765 million yen over what it was at the end of last fiscal year. The main reasons for this uptick include increases in notes and accounts receivable, inventories, as well as tangible fixed assets due to the rapid growth of the Electronic devices and components business.

Total liabilities at the end of the consolidated fiscal year under review amounted to 256,363 million yen, with a year on year increase of 38,549 million yen. This jump was primarily due to increases in notes and accounts payable as a result of expanded business operations.

Net assets amounting to 233,679 million yen worked to increase the equity ratio by 4.7 percentage points year on year to bring it to 46.1%.

2. Condition of cash flows

The balance of cash and cash equivalents at the end of the consolidated fiscal year under review totaled 36,137 million yen, up 7,106 million yen from what it was at the end of the previous fiscal year.

Cash flows from various business activities during the current consolidated fiscal year and relevant factors are as follows:

Operating activities: Net cash provided by operating activities amounted to 59,864 million yen, up 10,691 million yen year on year due to a cash inflow from increased income before income taxes and minority interests as well as depreciation and amortization costs, etc. This was despite a cash outflow from increased notes and accounts receivable, inventories, etc. that went hand in hand with the expansion of business operations.

Investing activities: Net cash used for investment activities rose 10,369 million yen year on year, to total 35,326 million yen as a result of aggressive capital investments, etc. needed to expand operations.

Financing activities: Net cash from financing activities declined 5,606 million yen year on year due to a cash outflow of 19,627 million yen for the repayment of long- and short-term loans as well as a dividend payment, etc.

(3) Basic Policy for Profit Sharing and Dividends for the Current and the Next Fiscal Years

Sharing profits with our shareholders is job one at Minebea. That's why our basic dividend policy gives priority to enhancing equity efficiency and improving returns to our shareholders. Dividends, while reflecting performance, are determined in light of the overall business environment and with an eye to maintaining a stable and continuous distribution of profits.

During the consolidated fiscal year under review we paid an interim dividend of 6 yen per share in December 2014.

Keeping in line with our basic policy, we intend to make a proposal at this coming June's 69th ordinary general meeting of shareholders to pay a 6-yen-per-share year-end dividend for the consolidated fiscal year.

We will also work to distribute higher dividends next fiscal year with an aim to increasing the consolidated-basis dividend payout ratio to around 20%.

(4) Risk Management

The Minebea Group recognizes a variety of risks and uncertainties that have the potential to affect its operating results and/or financial position.

Future risks mentioned in this document are those recognized by the Minebea Group as of the end of the current fiscal year.

1. Market risk

The principal markets for Minebea products, including those for PCs and peripheral equipment, information and telecommunications equipment and household electrical appliances, are intensely competitive both in and outside of the country and are subject to significant fluctuations in demand. Our operating results and financial position are vulnerable to these fluctuations.

2. Foreign exchange risk

Since a significant portion of our consolidated net sales and production occur outside Japan, our business is vulnerable to risks associated with fluctuations in foreign currency exchange rates. We have entered into various currency exchange contracts and other derivatives transactions to hedge these risks, but fluctuations in foreign currency exchange rates may affect our operating results and/or financial position over the long term.

3. R&D risk

While we focus on R&D to introduce a constant stream of new, high-quality products, we may not reap a financial reward from our R&D investments. There are no guarantees that our R&D efforts will come to fruition.

4. Legal risk

The Legal Department is responsible for managing risk related to lawsuits and other legal actions brought in relation to Minebea Group operations in Japan and/or overseas. We are subject to the risk that lawsuits or other actions with the potential to affect our operating results and/or financial position may be brought against us in the future.

5. Risk related to price negotiations

We continue to face intense competition from lower-priced products made overseas. We are subject to the risk that we will be unable to maintain or increase our market share should market needs shift to low-priced products.

6. Risk related to raw materials and logistics costs

We purchase a variety of materials from external suppliers. While we work with an eye to maintaining optimal inventory volumes along with access to a steady supply of materials at stable prices, rising material prices could affect our operating results and/or financial position.

7. Latent risk related to operations overseas

The Minebea Group's manufacturing activities are conducted primarily in Thailand, China, Singapore and Cambodia. While we have been operating in these countries for quite some time, overseas operations are always subject to the following risks (any of which could have a negative impact on our operating results and/or financial position):

(a) Unexpected changes to laws or regulations
(b) Difficulty in attracting and securing qualified human resources
(c) Acts of terrorism or war, or other occurrences that could disrupt social order.

8. Risk related to natural and other disasters

If an earthquake, flood, or other natural disaster, as well as nuclear plant accident, or outbreak of a new type of infectious disease were to affect the operational bases of the Minebea Group or its suppliers, it could have a significant impact on our production and sales activities.

9. Risk related to compliance and internal controls

We engage in a wide range of businesses all around the world and are subject to the laws and regulations that are in effect in each region. We have established and operate appropriate internal control systems needed to achieve our objectives. While these systems provide reasonable assurance that the methods used to prepare our financial statements are appropriate and in compliance with relevant laws, they cannot provide an absolute guarantee that all our objectives will be met. They are also not a guarantee that all potential risks we may face in the future, including legal violations, will be avoided. Changes in laws and regulations, including the interpretation or enforcement thereof, may make compliance more complex and could even incur higher costs related to compliance.

10. Losses related to competition laws

In November 2014, the Korea Fair Trade Commission (KFTC) issued an order for corrective action to Minebea and its Korean subsidiary for violating the Monopoly Regulation and Fair Trade Act (a competition law) in relation to the trading of small-sized ball bearings in Korea. Minebea was fined a total of 4,912 million won (527 million yen). The KFTC also announced that it would press criminal charges against Minebea and its Korean subsidiary for violating the Monopoly Regulation and Fair Trade Act. In February 2015, Minebea made an agreement with the U.S. Department of Justice to plead guilty to violating U.S. antitrust laws concerning the sale of certain small-sized ball bearing products and pay a fine totaling 13.5 million US dollars (1,610 million yen).

A class action suit in relation to the investigations of these cases has been brought against Minebea in Canada. Minebea and some of its subsidiaries are also cooperating with competition authorities in Singapore in investigations there. There has been no significant progress made this fiscal year.

Depending on the outcome of the above-mentioned lawsuits and investigations, we may incur losses from fines, etc. However, we can neither reasonably project the amount of said losses at this time nor predict whether they will affect our operating performance and financial standing, etc.

11. Risk related to accrued post-retirement benefit and pension costs

Although the Minebea Group maintains multiple defined benefit pension plans, the fair value of pension assets may decrease due to a low rate of return on a pension fund, or pension costs may increase due to an increase in the pension obligation and a decline in the funded status following a change in preconditions such as the discount rate.

12. Environmental risk

Our business is subject to various environmental laws and regulations that are in effect in the regions where we operate. Although we pay due attention to ensuring compliance with all such laws and regulations, we could be subject to losses in the event that an incident involving environmental contamination were to occur or in the event that the possibility of such an incident were to arise.

13. Risk related to M&As and alliances

While we are continually seeking M&A and alliance opportunities, M&As and alliances may not produce the results initially expected or an alliance may not be maintained due to a conflict of interest with respect to strategies, etc. We may provide an alliance partner with financial support if its financial health deteriorates or for other reasons which in turn could adversely affect our business performance and financial condition.

14. Quality risk

Our products are used across a wide range of industries, especially for applications that require a high degree of precision (including end products that could affect human health and safety such as automobiles, aircraft, medical devices, etc.). We recognize the social responsibility we bear and have a system in place to ensure our products are of the highest quality. However, if any of our products were found to be defective and resulted in a serious accident, the suspension of our customers' manufacturing operations, or a product recall, we could incur significant expenses, or lose public confidence, any of which could result in a material adverse effect on our operating results and financial status.

15. Information management risk

Through the course of our business operations, we obtain large amounts of important information, including personal information. While we maintain information security policies that prevent the undesired disclosure as well as unintended use of information, a security breach could occur due to unforeseen circumstances. Addressing such an incident could incur huge losses and expose us to the risk of losing public confidence.

2. Condition of Group of Enterprises

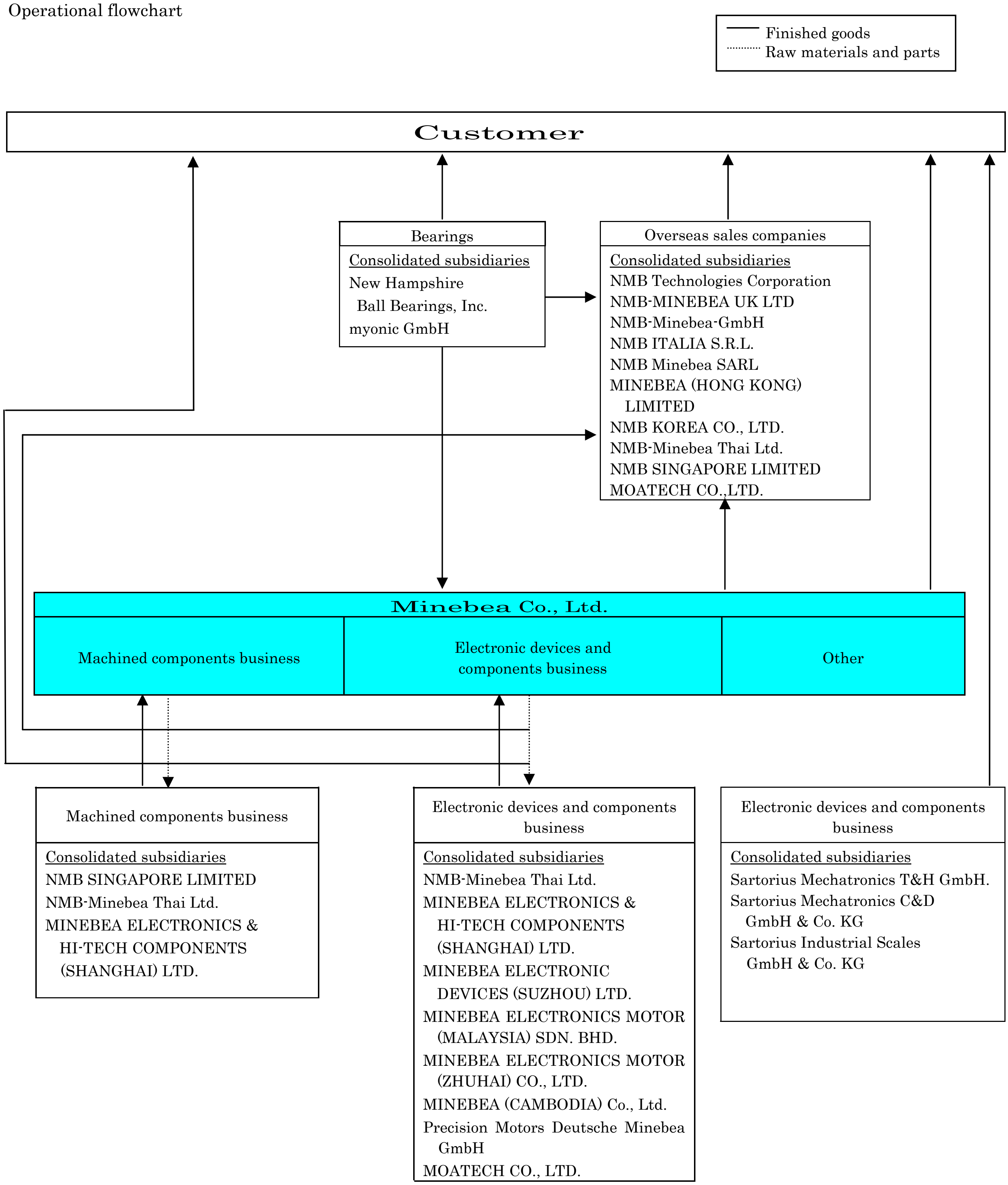
The Minebea Group consists of Minebea Co., Ltd. (the Company) and 73 related companies (66 consolidated subsidiaries, 3 equity method affiliated companies, 4 non-consolidated subsidiaries). The Minebea Group produces and sells machined components and electronic devices and components.

The Company along with its domestic consolidated subsidiaries as well as its consolidated subsidiaries in the U.S., Europe and Asia are responsible for production. The Company markets its products directly to customers in Japan, while overseas marketing is handled through its subsidiaries and branches in the U.S., Europe and Asia.

Manufacturing and sales companies within each segment

<table>
<tr><th>Segments</th><th>Operations</th><th>Manufacturing companies</th><th>Sales companies</th></tr>
<tr><td rowspan="3">Machined components business</td><td>Bearings</td><td>Minebea Co., Ltd.
New Hampshire Ball Bearings, Inc.
myonic GmbH
NMB SINGAPORE LIMITED
NMB-Minebea Thai Ltd.
MINEBEA ELECTRONICS & HI-TECH COMPONENTS (SHANGHAI) LTD.</td><td rowspan="8">Minebea Co., Ltd.
NMB Technologies Corporation
NMB-MINEBEA UK LTD
NMB-Minebea-GmbH
NMB ITALIA S.R.L.
NMB Minebea SARL
NMB-Minebea Thai Ltd.
NMB SINGAPORE LIMITED
MINEBEA (HONG KONG) LIMITED
NMB KOREA CO., LTD.
New Hampshire Ball Bearings, Inc.
MOATECH CO., LTD.</td></tr>
<tr><td>Rod-end bearings</td><td>Minebea Co., Ltd.
New Hampshire Ball Bearings, Inc.
NMB-MINEBEA UK LTD
NMB-Minebea Thai Ltd.</td></tr>
<tr><td>Mechanical components
Fasteners for automobiles and aircraft</td><td>Minebea Co., Ltd.
NMB-Minebea Thai Ltd.</td></tr>
<tr><td rowspan="5">Electronic devices and components business</td><td>Electronic devices</td><td>Minebea Co., Ltd.
NMB-Minebea Thai Ltd.
MINEBEA ELECTRONICS & HI-TECH COMPONENTS (SHANGHAI) LTD.
MINEBEA ELECTRONIC DEVICES (SUZHOU) LTD.
MINEBEA (CAMBODIA) Co., Ltd.
Sartorius Mechatronics T&H GmbH.
Sartorius Mechatronics C&D GmbH & Co. KG
Sartorius Industrial Scales GmbH & Co. KG</td></tr>
<tr><td>HDD spindle motors</td><td>NMB-Minebea Thai Ltd.</td></tr>
<tr><td>Information motors</td><td>Minebea Co., Ltd.
NMB-Minebea Thai Ltd.
MINEBEA ELECTRONICS & HI-TECH COMPONENTS (SHANGHAI) LTD.
MINEBEA ELECTRONICS MOTOR (MALAYSIA) SDN.BHD.
MINEBEA ELECTRONICS MOTOR (ZHUHAI) CO., LTD.
MINEBEA (CAMBODIA) Co., Ltd.</td></tr>
<tr><td>Precision motors and Special devices</td><td>Minebea Co., Ltd.
NMB-Minebea Thai Ltd.</td></tr>
<tr><td>Global motors</td><td>Precision Motors Deutsche Minebea GmbH
MOATECH CO.,LTD.</td></tr>
</table>

Operational flowchart



3. Management Policy

(1) Basic Management Policy

The following five principles serve as the foundation of the Minebea Group's management policy.

(a) Be a company where our employees are proud to work
(b) Earn and preserve the trust of our valued customers
(c) Respond to our shareholders' expectations
(d) Work in harmony with the local community
(e) Promote and contribute to global society

This basic management policy is the driving force behind our commitment to developing top quality, high value-added products. Investing our resources in areas where we can leverage our unmatched ultra-precision machining and mass production technologies, has enabled us to bolster our financial and operational foundation as we work towards transparency in everything we do.

We take corporate citizenship seriously. That's why we conduct our business in a fair and ethical manner, continually look for better ways to make our operations and products more environmentally friendly, promote environmental initiatives, and work hand in hand with our stakeholders to build everlasting ties as we move forward to take our business operations to new heights.

(2) Management Index

Our consolidated forecasts for fiscal year ending March 31, 2016 are as follows:

(Amount: millions of yen)

	Fiscal year ending March 2016	
Net sales	650,000	(129.8%)
Operating income	67,000	(111.5%)
Ordinary income	66,000	(109.7%)
Net income attributable to owners of parent	48,000	(120.3%)
Capital investment	32,200	(85.7%)

(%):Year-on-year change

(3) Mid- and Long-term Management Strategies and Tasks

Following our basic management policy, we will work to boost the profitability of our existing lines while developing new high-value-added products. That includes leveraging the wealth of experience we have gained in manufacturing, sales, engineering and development as well as the commitment to restructuring our business portfolio, encompassing the hybrid component business that is driven by our combined technological strengths in electronic devices and components as well as machined components, in order to provide flexible prices and meet the needs of our customers. We will actively work on restructuring our business portfolio and increasing corporate value via M&As and alliances. At the same time we will focus on establishing large-scale overseas mass production facilities as well as R&D capabilities in light of regional risk assessment findings.

We announced the introduction of our "Five Arrows" strategies which we have been working to implement with an aim to making substantial headway on these initiatives and boost our bottom line. Since we already hit or are sure to soon hit some of the targets set under the strategy, we have developed a new "Five Arrows" strategies that will guide us through the fiscal year ending March 2018.

(a) Sell 180 million ball bearings externally per month on average.
Bearing sales have steadily grown and the monthly external sales volume has reached 150 million units. We will cultivate new demand in existing product markets and develop new applications to achieve monthly external sales of 180 million units on average.

(b) Develop and boost sales of new "Electro Mechanics Solutions®" (*registered in Japan) to take the EMS business to new heights.
While we have already achieved higher-than-projected EMS sales, we will work to establish the technological capability needed to make EMS more complex and sophisticated with an eye to developing and boosting sales of new products.

(c) Establish a business foundation for lighting devices and parts.
We will combine our optical and ultra-precision machining technologies with the wireless communication technology of PARADOX ENGINEERING SA, with which we have recently formed a capital alliance, to move forward with our smart city, LED adjustable light (SALL), and other businesses.

(d) Take sales of measuring components and related products to 50 billion yen.
We have raised the annual sales target from 20 billion yen to 50 billion yen as a result of the acquisition of the Sartorius Mechatronics T&H GmbH.

(e) Take aircraft components sales to 70 billion yen.
We will leverage our global presence and maximize synergy with our new subsidiary, CEROBEAR GmbH, to tap new demand in the commercial aircraft market and supply components for new aircraft models with an aim to bringing rod-end bearing and other aircraft component sales to 70 billion yen.

4.Basic Rationale for Selection of Accounting Standards

For the future application of IFRS, the Minebea Group is preparing for the internal guidelines and manuals for the adoption of IFRS and considering the timing for applying IFRS.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Amount: millions of yen)

	As of March 31, 2014	As of March 31, 2015
ASSETS		
Current assets	189,637	265,185
Cash and cash equivalents	38,615	45,327
Notes and accounts receivable	74,340	110,518
Marketable securities	1,284	1,487
Finished goods	23,697	36,900
Work in process	17,157	22,620
Raw materials	11,046	17,381
Supplies	4,581	5,162
Goods in transit	7,169	10,097
Deferred tax assets	4,198	3,631
Other	7,735	12,233
Allowance for doubtful receivables	(188)	(175)
Fixed assets	191,602	224,834
Tangible fixed assets	166,899	192,597
Buildings and structures	132,084	149,865
Machinery and transportation equipment	280,366	329,876
Tools, furniture and fixtures	50,402	55,742
Land	24,893	26,586
Leased assets	972	881
Construction in progress	2,811	9,035
Accumulated depreciation	(324,631)	(379,389)
Intangible fixed assets	5,529	12,152
Goodwill	2,998	6,539
Other	2,530	5,613
Investments and other assets	19,173	20,083
Investments in securities	10,947	10,929
Long-term loans receivable	368	330
Deferred tax assets	5,965	6,666
Other	2,521	2,893
Allowance for doubtful receivables	(630)	(735)
Deferred charges	37	23
Total assets	381,278	490,043

(Amount: millions of yen)

	As of March 31, 2014	As of March 31, 2015
LIABILITIES		
Current liabilities	120,937	167,620
Notes and accounts payable	29,898	59,906
Short-term loans payable	48,794	46,656
Current portion of long-term loans payable	15,250	20,100
Lease obligations	201	172
Accrued income taxes	3,189	8,219
Accrued bonuses	4,923	6,251
Allowance for bonuses to directors	193	201
Allowance for after-care of products	—	345
Allowance for environmental remediation expenses	356	410
Allowance for business restructuring losses	265	587
Other	17,864	24,768
Long-term liabilities	96,877	88,743
Bonds	10,000	10,000
Convertible bond-type bonds with subscription rights to shares	7,700	7,700
Long-term loans payable	66,754	54,005
Lease obligations	255	205
Allowance for retirement benefits to executive officers	165	182
Allowance for environmental remediation expenses	848	650
Net defined benefit liability	8,850	12,975
Other	2,303	3,024
Total liabilities	217,814	256,363
NET ASSETS		
Shareholders' equity	212,818	248,820
Common stock	68,258	68,258
Capital surplus	94,874	95,237
Retained earnings	59,190	94,730
Treasury stock	(9,505)	(9,406)
Total accumulated other comprehensive income	(54,955)	(22,682)
Difference on revaluation of available-for-sale securities	1,153	1,677
Deferred gains or losses on hedges	(7)	(2)
Foreign currency translation adjustments	(52,365)	(21,144)
Remeasurements of defined benefit plans	(3,737)	(3,213)
Subscription rights to shares	116	127
Minority interests in consolidated subsidiaries	5,483	7,413
Total net assets	163,463	233,679
Total liabilities and net assets	381,278	490,043

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Income)

(Amount: millions of yen)

	Year ended March 31, 2014	Year ended March 31, 2015
Net sales	371,543	500,676
Cost of sales	285,768	380,585
Gross profit	85,775	120,091
Selling, general and administrative expenses	53,575	59,989
Operating income	32,199	60,101
Other income	1,721	3,082
Interest income	554	576
Dividends income	193	202
Foreign currency exchange gains	—	1,075
Share of profit of entities accounted for using equity method	—	15
Rent income of fixed assets	268	277
Dividends income of insurance	200	218
Other	503	717
Other expenses	5,855	3,043
Interest expenses	2,138	1,504
Foreign currency exchange loss	431	—
Share of loss of entities accounted for using equity method	777	—
Investigation related expenses	773	549
Other	1,734	990
Ordinary income	28,065	60,140
Extraordinary income	1,675	309
Gain on sales of fixed assets	62	95
Insurance income	328	50
Gain on sales of subsidiaries and affiliates' stocks	1,230	163
Gain on sales of investment securities	53	—
Extraordinary loss	2,928	8,677
Loss on sales of fixed assets	67	22
Loss on disposal of fixed assets	149	465
Impairment loss	975	78
Amortization of goodwill	300	—
Loss on disaster	548	5
Loss on sales of subsidiaries and affiliates' stocks	—	1,261
Business restructuring losses	749	1,111
Loss on abolishment of retirement benefit plan	—	3,115
Loss for after-care of products	74	398
Loss related to Anti-Monopoly Act	—	2,137
Allowance for environmental remediation expenses	63	82
Income before income taxes and minority interests	26,811	51,773
Income taxes		
Income taxes (including enterprise tax)	4,608	11,977
Adjustment of income taxes	1,825	314
Total income taxes	6,434	12,291
Income before minority interests	20,377	39,481
Minority interests in loss	(500)	(406)
Net income	20,878	39,887

(Consolidated Statements of Comprehensive Income)

(Amount: millions of yen)

	Year ended March 31, 2014	Year ended March 31, 2015
Income before minority interests	20,377	39,481
Other comprehensive income:		
Difference on revaluation of available-for-sale securities	64	514
Deferred gains or losses on hedges	(1)	5
Foreign currency translation adjustments	10,341	31,899
Unfunded retirement benefit obligation of foreign subsidiaries	1,040	—
Remeasurements of defined benefit plans	—	524
Share of other comprehensive income of associates accounted for using equity method	151	(44)
Total other comprehensive income	11,596	32,898
Total comprehensive income	31,974	72,380
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	31,261	72,161
Comprehensive income attributable to minority interests	713	218

(3) Consolidated Statements of Changes in Net Assets
(Year ended March 31, 2014)

(Amount: millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current fiscal year	68,258	94,756	40,925	(9,521)	194,419
Changes					
Cash dividend from retained earnings			(2,613)		(2,613)
Net income			20,878		20,878
Purchase of treasury stocks				(262)	(262)
Disposal of treasury stocks		118		278	396
Changes (net) in non-shareholders' equity items					
Total changes	—	118	18,264	15	18,398
Balance at end of current fiscal year	68,258	94,874	59,190	(9,505)	212,818

	Accumulated other comprehensive income						Subscription rights to shares	Minority interests in consolidated subsidiaries	Total net assets
	Difference on revaluation of available for sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Unfunded retirement benefit obligation of foreign subsidiaries	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current fiscal year	1,088	(6)	(61,643)	(2,531)	—	(63,092)	51	6,479	137,858
Changes									
Cash dividend from retained earnings									(2,613)
Net income									20,878
Purchase of treasury stocks									(262)
Disposal of treasury stocks									396
Changes (net) in non-shareholders' equity items	64	(1)	9,278	2,531	(3,737)	8,136	65	(995)	7,206
Total changes	64	(1)	9,278	2,531	(3,737)	8,136	65	(995)	25,605
Balance at end of current fiscal year	1,153	(7)	(52,365)	—	(3,737)	(54,955)	116	5,483	163,463

(Year ended March 31, 2015)

(Amount: millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current fiscal year	68,258	94,874	59,190	(9,505)	212,818
Cumulative effects of changes in accounting policies			(237)		(237)
Restated balance	68,258	94,874	58,952	(9,505)	212,581
Changes					
Cash dividend from retained earnings			(4,109)		(4,109)
Net income			39,887		39,887
Purchase of treasury stocks				(21)	(21)
Disposal of treasury stocks		362		120	483
Changes (net) in non-shareholders' equity items					
Total changes	―	362	35,777	98	36,239
Balance at end of current fiscal year	68,258	95,237	94,730	(9,406)	248,820

	Accumulated other comprehensive income					Subscription rights to shares	Minority interests in consolidated subsidiaries	Total net assets
	Difference on revaluation of available for sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current fiscal year	1,153	(7)	(52,365)	(3,737)	(54,955)	116	5,483	163,463
Cumulative effects of changes in accounting policies								(237)
Restated balance	1,153	(7)	(52,365)	(3,737)	(54,955)	116	5,483	163,225
Changes								
Cash dividend from retained earnings								(4,109)
Net income								39,887
Purchase of treasury stocks								(21)
Disposal of treasury stocks								483
Changes (net) in non-shareholders' equity items	523	5	31,221	524	32,273	10	1,929	34,214
Total changes	523	5	31,221	524	32,273	10	1,929	70,453
Balance at end of current fiscal year	1,677	(2)	(21,144)	(3,213)	(22,682)	127	7,413	233,679

(4) Consolidated Statements of Cash Flows

(Amount: millions of yen)

	Year ended March 31, 2014	Year ended March 31, 2015
1. Cash flows from operating activities:		
Income before income taxes and minority interests	26,811	51,773
Depreciation and amortization	23,740	28,775
Impairment loss	1,107	109
Amortization of goodwill	917	582
Loss on disaster	—	5
Business restructuring losses	53	200
Share of (profit) loss of entities accounted for using equity method	777	(15)
Loss on abolishment of retirement benefit plan	—	3,115
Loss related to Anti-Monopoly Act	—	2,137
Insurance income	(328)	(50)
Interest and dividends income	(747)	(778)
Interest expenses	2,138	1,504
Loss (gain) on sales of fixed assets	5	(73)
Loss on disposal of fixed assets	149	465
Loss (gain) on sales of investments in securities	(53)	—
Loss (gain) on sales of stocks of subsidiaries and affiliates	(1,230)	1,097
Decrease (increase) in notes and accounts receivable	(8,038)	(24,322)
Decrease (increase) in inventories	(1,139)	(18,430)
Increase (decrease) in notes and accounts payable	9,424	23,978
Increase (decrease) in allowance for doubtful receivables	31	0
Increase (decrease) in accrued bonuses	743	917
Increase (decrease) in allowance for bonuses to directors	193	7
Increase (decrease) in net defined benefit liability	5,942	(851)
Increase (decrease) in allowance for retirement benefits	(6,942)	—
Decrease (increase) in prepaid pension cost	1,013	—
Increase (decrease) in allowance for retirement benefits to executive officers	(13)	16
Increase (decrease) in allowance for after-care of products	—	345
Increase (decrease) in allowance for environmental remediation expenses	(129)	(298)
Increase (decrease) in allowance for business restructuring losses	(221)	247
Other	(1,902)	(2,079)
Sub-total	52,303	68,380
Interest and dividends received	724	755
Interest paid	(2,122)	(1,498)
Income taxes paid	(2,758)	(7,801)
Proceeds from income taxes refund	612	27
Proceeds from insurance income	413	—
Net cash provided by operating activities	49,173	59,864

(Amount: millions of yen)

	Year ended March 31, 2014	Year ended March 31, 2015
2. Cash flows from investing activities:		
Payments into time deposits	(15,637)	(10,227)
Proceeds from withdrawal of time deposits	12,737	11,690
Payments of marketable securities	(458)	(100)
Proceeds from sales of marketable securities	282	204
Purchase of tangible fixed assets	(18,342)	(34,979)
Proceeds from sales of tangible fixed assets	952	599
Purchase of intangible fixed assets	(860)	(2,577)
Purchase of investments in securities	(603)	(453)
Proceeds from investments in securities	161	68
Purchase of shares of subsidiaries	—	1,101
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,888)	(2,219)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	—	49
Proceeds from sales of investments in shares of subsidiaries resulting in change in scope of consolidation	—	1,261
Purchase of investments in subsidiaries	—	(400)
Purchase of shares of subsidiaries and affiliates	(615)	(392)
Proceeds from sales of shares in subsidiaries and affiliates	—	1,314
Payments of loans provided	(328)	(125)
Proceeds from collection of loans receivables	93	197
Other	(450)	(340)
Net cash used in investing activities	(24,957)	(35,326)
3. Cash flows from financing activities:		
Net increase (decrease) in short-term loans payable	(17,568)	(7,843)
Proceeds from long-term loans	15,000	7,850
Repayment of long-term loans	(19,654)	(15,764)
Payment for redemption of bonds with subscription rights to shares	(256)	—
Purchase of treasury stock	(262)	(21)
Proceeds from disposal of treasury stock	392	474
Cash dividends paid	(2,613)	(4,109)
Repayment of lease obligations	(269)	(211)
Other	0	0
Net cash used in financing activities	(25,233)	(19,627)
4. Effect of exchange rate changes on cash and cash equivalents	2,123	2,196
5. Net increase (decrease) in cash and cash equivalents	1,106	7,106
6. Cash and cash equivalents at beginning of year	28,223	29,031
7. Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	(298)	—
8. Cash and cash equivalents at end of year	29,031	36,137

(5) Notes on Consolidated Financial Statements

(Notes on Going Concern Assumptions)

Not applicable.

(Basis of Presenting Consolidated Financial Statements)

1. Scope of consolidation

(a) Number of consolidated companies.............66 companies

The names of principal consolidated subsidiaries, stated in 2. Condition of Group of Enterprises, are omitted.

(b) Non-consolidated subsidiaries etc.

Non-consolidated subsidiaries

NMB-MINEBEA DO BRASIL IMPORTACAO E COMERCIO DE COMPONENTES DE PRECISAO LTDA
Shiono Precision Co., Ltd.
Sartorius-Verwaltungs-GmbH
SARTORIUS MECHATORONICS PHILIPPINES, INC.

Among the companies noted above, Shiono Precision Co., Ltd., Sartorius-Verwaltungs-GmbH, as well as SARTORIUS MECHATORONICS PHILIPPINES, INC., in which we just recently acquired shares, have been added to our list of non-consolidated subsidiaries beginning this fiscal year.

Also beginning this fiscal year, the now liquidated MOATECH PHILIPPINES, INC. is no longer listed as one of our non-consolidated subsidiaries.

(Reason for exclusion from the scope of consolidation)

The reason is that non-consolidated subsidiaries are all small operations, and each of their total assets, sales, net income (amount equivalent to equity), retained earnings (amount equivalent to equity), etc. has no significant impact on our consolidated financial statements.

2. Changes in the scope of consolidation

Anew :	Establishment	(2 companies)	MIK Smart Lighting Network Corporation
			Cixi New MeiPeiLin Precision Bearing Co.,Ltd
	Acquisition of shares (Consolidated subsidiaries)	(18 companies)	JAPAN 3D DEVICES Co., Ltd.
			Sartorius Intec K.K.
			Sartorius Intec USA, Inc.
			SARTORIUS INTEC UK LIMITED
			Sartorius Mechatronics T&H GmbH.
			Sartorius Mechatronics C&D GmbH & Co. KG
			Sartorius Industrial Scales GmbH & Co. KG
			Sartorius Industrial Weighing Verwaltungs GmbH
			Sartorius Intec Austria GmbH
			SARTORIUS INTEC ITALY S.R.L.
			SARTORIUS INTEC FRANCE S.A.S.
			Sartorius Mechatronics Switzerland AG
			SARTORIUS INTEC BELGIUM
			Sartorius Intec Netherlands B.V.
			SARTORIUS INTEC SPAIN, S.L.
			SARTORIUS INTEC POLAND Sp. z o.o.
			Sartorius Industrial Weighing Equipment (Beijing) Co., Limited
			SARTORIUS MECHATORONICS INDIA PRIVATE LIMITED
Exclusion:	Liquidation	(2 companies)	NMB ELECTRO PRECISION INC.
			NMB Mechatronics Co., Ltd.
	Sales of shares	(1 company)	Hansen Corporation

3. Application of the equity method

(a) Number of affiliated companies	(3 companies)	SEFFICE Co. Ltd.
		PARADOX ENGINEERING SA
		KJ Pretech Co., Ltd.

Among the companies mentioned above, starting this fiscal year, we have changed the status of KJ Pretech Co., Ltd. to the affiliated company, which is accounted for by the equity method, as we acquired its additional shares.

HYSONIC CO., LTD. and HYSONIC PHILIPPINES, INC.are no longer categorized as equity-method affiliates beginning this fiscal year since we sold a portion of the shares.

(b) Non-consolidated subsidiaries not accounted for by the equity method

NMB-MINEBEA DO BRASIL IMPORTACAO E COMERCIO DE COMPONENTES DE PRECISAO LTDA, Shiono Precision Co., Ltd., Sartorius-Verwaltungs-GmbH, and SARTORIUS MECHATORONICS PHILIPPINES, INC. are excluded from the scope of application by the equity method, because their net income (amount equivalent to equity), retained earnings (amount equivalent to equity), etc. are not important for our consolidated financial statements.

(c) Of the companies under the equity method, regarding those which have different balance sheet dates, their preliminary financial statements prepared as of the consolidated balance sheet date are used in preparing the current consolidated financial statements.

4. Fiscal years, etc. of consolidated subsidiaries

Of the consolidated subsidiaries, the following companies' fiscal year ends differ from the consolidated balance date.

Company	Fiscal Year End	
MINEBEA ELECTRONICS & HI-TECH COMPONENTS (SHANGHAI) LTD.	December 31	*1
MINEBEA TRADING (SHANGHAI) LTD.	December 31	*1
SHANGHAI SHUN DING TECHNOLOGIES LTD.	December 31	*1
MINEBEA (SHENZHEN) LTD.	December 31	*1
MINEBEA ELECTRONICS MOTOR (ZHUHAI) CO., LTD.	December 31	*1
MINEBEA ELECTRONIC DEVICES (SUZHOU) LTD.	December 31	*1
Cixi New MeiPeiLin Precision Bearing Co.,Ltd	December 31	*1
DONGGUAN CHENGQU DAIICHI PRECISION MOLD CO. LTD	December 31	*1
MINEBEA (CAMBODIA) Co., Ltd.	December 31	*1
Sartorius Intec K.K.	December 31	*2
Sartorius Intec USA, Inc.	December 31	*2
SARTORIUS INTEC UK LIMITED	December 31	*2
Sartorius Mechatronics T&H GmbH.	December 31	*2
Sartorius Mechatronics C&D GmbH & Co. KG	December 31	*2
Sartorius Industrial Scales GmbH & Co. KG	December 31	*2
Sartorius Industrial Weighing Verwaltungs GmbH	December 31	*2
Sartorius Intec Austria GmbH	December 31	*2
SARTORIUS INTEC ITALY S.R.L.	December 31	*2
SARTORIUS INTEC FRANCE S.A.S.	December 31	*2
Sartorius Mechatronics Switzerland AG	December 31	*2
SARTORIUS INTEC BELGIUM	December 31	*2
Sartorius Intec Netherlands B.V.	December 31	*2
SARTORIUS INTEC SPAIN, S.L.	December 31	*2
SARTORIUS INTEC POLAND Sp. z o.o.	December 31	*2
Sartorius Industrial Weighing Equipment (Beijing) Co., Limited	December 31	*2
SARTORIUS MECHATORONICS INDIA PRIVATE LIMITED	December 31	*2
MOATECH CO., LTD.	December 31	*2
MOATECH MANUFACTURING PHILS., INC.	December 31	*2
MOATECH REALTY, INC.	December 31	*2
MOATECH ELECTRONICS (BEIHAI) CO., LTD.	December 31	*2
MOATECH HONGKONG LIMITED	December 31	*2
DONGGUAN DONGMA ELECTRONICS CO., LTD.	December 31	*2

(Notes) *1.Uses their preliminary financial statements prepared as of the consolidated balance sheet date.

*2.Uses the consolidated subsidiaries financial statements as of its fiscal year end. But regarding the significant transactions that occur between the fiscal year end and the consolidated balance sheet date, necessary adjustments are made for consolidation.

5. Accounting policies

(Notes) The differences in accounting standards between our domestic consolidated companies and overseas consolidated companies are mainly due to overseas consolidated companies complying with the regulation "interim accounting procedures for overseas subsidiaries for the creation of consolidated financial statements" (Business Response Report No. 18).

(a) Valuation basis and method of significant assets

1. Securities

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 net asset method and the sales costs are calculated by the moving average method.

The Company's consolidated overseas subsidiaries also used primarily the same accounting method.

Securities without market value

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

2. Derivatives

Market value method

The Company's consolidated overseas subsidiaries also used primarily the same accounting method.

3. Inventories

The Company and consolidated domestic subsidiaries state primarily at the moving average cost. (The balance sheet amounts of the inventories are calculated at the lowered book values reflecting potential decline in profitability).

Consolidated overseas subsidiaries state at the lower of average cost or market.

(b) Method of significant depreciation

1. Tangible fixed assets (excluding leased assets)

The Company and consolidated domestic subsidiaries adopt the declining balance method.

Their major useful lives are as follows:

Buildings and structures	2 to 50 years
Machinery and transportation equipment	2 to 15 years
Tools, furniture and fixtures	2 to 20 years

They also collectively show equal charges for small depreciable assets (whose acquisition values are not less than 100,000 yen and less than 200,000 yen) over the 3 years each consolidated fiscal year.

Consolidated overseas subsidiaries mainly adopt the straight-line method.

2. Intangible fixed assets (excluding leased assets)

The Company and consolidated domestic subsidiaries mainly adopt the straight-line method. However, depreciation of software (for internal use) is computed on the straight-line method based on our expected useful period (5 years).

Consolidated overseas subsidiaries mainly adopt the straight-line method.

3. Leased assets

Lease assets related to finance lease transactions that do not involve transfer of ownership

The Company adopts the straight-line method of making lease periods depreciable lives and salvage values zero.

The Company's consolidated overseas subsidiaries also used primarily the same accounting method.

(c) Valuation basis of significant allowances

1. Allowance for doubtful receivables

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

Consolidated overseas subsidiaries post in the amount required for the estimated uncollectible receivables based on the collectability of each receivable for possible losses on the receivables.

2. 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 post on accrual basis.

3. Allowance for bonuses to directors

To provide for payment of bonuses to directors, the Company posts an amount, based upon the estimated amount of payment for the current consolidated fiscal year.

4. Allowance for retirement benefits to executive officers

We post retirement allowances to be required for payment at the end of the current consolidated fiscal year in accordance with regulations.

5. Allowance for after-care of products

We post reasonably projected amounts to be incurred in the future as expenses for after-care of products.

6. Allowance for environmental remediation expenses

Our consolidated overseas subsidiaries post reasonably projected amounts to be incurred in the future as environment-related expenses in the U.S.

7. Allowance for business restructuring losses

The Company and consolidated domestic subsidiaries post reasonably projected amounts to be incurred in the future, based on the decision of restructuring plans, such as the closures.

The Company's consolidated overseas subsidiaries also used primarily the same accounting method.

(d) Method to Allocate Projected Benefit Obligation

1. Attributing expected retirement benefits to periods

We calculate retirement benefit obligations by attributing projected benefit obligations to periods up to the end of the current fiscal year on a benefit formula basis.

2. Actuarial gains or losses and past service costs

Past service costs are amortized on a straight-line basis over a specified number of years (10 years).

Actuarial gains or losses are amortized in subsequent fiscal years on a straight-line basis over a specified number of years (5 years).

3. Unrecognized actuarial gains or losses and unrecognized past service costs

Actuarial gains or losses as well as past service costs that are yet to be recognized in profit or loss are recognized, after adjusting for taxes, as remeasurements of defined benefit plans included in accumulated other comprehensive income, which is posted under net assets.

(e) Translation of foreign currency assets and liabilities in financial statements of the Company and consolidated subsidiaries

The Company and consolidated domestic subsidiaries translate monetary receivables and payables in foreign currency into yen at the spot exchange rates on the balance sheets date. The resulting exchange differences are accounted for as an exchange gain or loss.

Our consolidated overseas subsidiaries, assets and liabilities are translated into yen at the spot exchange rates at the consolidation date, while revenues and expenses are translated into yen at the average rates for the year. Exchange differences are included in foreign currency translation adjustments and minority interests in net assets.

(f) Accounting method of significant hedge transactions

1. Method of hedge accounting

The Company adopts the allocation method to account for the forward exchange contracts for foreign currency-denominated receivables and payables, and the deferred hedge method to account for the forward exchange contracts for foreign currency-denominated anticipated transactions. The Company also adopts the special method to account for the interest rate swaps, which meet the requirements of special accounting.

2. Hedging vehicles and hedged items

(Hedging vehicles)
Forward exchange contracts
Interest rate swaps
(Hedged items)
Monetary receivables and payables in foreign currency
Anticipated transactions in foreign currencies
Interest rates on borrowings

3. Hedge policy

Under the guidance of its Corporate Finance Department, the Company makes forward exchange contracts to hedge risks in foreign exchange fluctuations arising from export and import transactions, and from lending in foreign currency. The Company also makes interest rate swaps to hedge fluctuation risks in interest rates on borrowings.

4. Method of assessing hedge effectiveness

Regarding forward exchange contracts, in principle, the Company allocates them to monetary receivable and payable with same maturities and same amounts in foreign currency at closing of forward exchange contracts in accordance with the risk management policy. This completely ensures correlations reflecting subsequent exchange rate fluctuations. The Company assesses hedge effectiveness based upon such correlations.

Also, regarding interest rate swaps, the Company assesses hedge effectiveness based upon the fulfillment of the accounting requirements for special treatment.

(Notes) The Company's consolidated overseas subsidiaries also used primarily the same accounting method listed above in 1-4.

(g) Amortization of goodwill and negative goodwill

The goodwill is equally amortized 10 years

(h) 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 3 months from acquisition date, have high liquidity and are easily turned into cash.

(i) Others

1. Amortization of deferred charges

Deferred charges are equally amortized over the term of bonds issued (5 years).

2. Accounting method of consumption tax and other

Consumption tax and other related taxes are excluded from revenue and purchases of the Company.

(Changes in Accounting Policy)

(Adoption of accounting standard for retirement benefits, etc.)

This fiscal year, Minebea adopted the provisions set forth in Section 35 of the Accounting Standard for Retirement Benefits (ASBJ Statement No. 26, May 17, 2012) and Section 67 of the Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, March 26, 2015). Accordingly, the method used to calculate retirement benefit obligations and service costs has been revised, and the method to attribute expected retirement benefits to each period has been changed from the straight-line basis to the benefit formula basis. Additionally the method for determining the discount rate no longer employs a single discount rate based on the average number of years approximating the residual terms of all employees, but instead uses multiple discount rates based on the expected benefit payments attributed to periods of service of relevant employees.

In accordance with transitional accounting as stipulated in Section 37 of the Accounting Standard for Retirement Benefits, the effect of the changes in accounting policies arising from the revision of liabilities for retirement benefits and service costs is recognized as retained earnings on a consolidated basis at the beginning of this fiscal year.

As a result of these adjustments, liabilities for retirement benefits increased by 368 million yen, and retained earnings decreased by 237 million yen at the beginning of this fiscal year. The effect of these adjustments on consolidated operating income, ordinary income and income before income taxes and minority interests for this fiscal year is immaterial.

Net assets per share for this fiscal year declined 0.64 yen. No material impact is expected on net income per share and fully diluted net income per share.

(Application of practical solution on transactions of delivering the Company's own stock to employees etc. through trusts)

Practical Solution on Transactions of Delivering the Company's Own Stock to Employees etc. through Trusts (ASBJ Practical Issues Task Force (PITF) No. 30, issued on March 26, 2015), have been applied since this fiscal year. The accounting for those transactions has been conducted according to the conventional method which had been put into practice previously.

(Change in Accounting Estimates)

(Change in the useful life of fixed assets)

After taking a comprehensive and more realistic look at the product life cycle of certain machinery used for manufacturing LED backlights for LCDs products, some of our consolidated subsidiaries changed their useful life estimate from 5 to 10 years to 2 years beginning with this fiscal year.

As a result, depreciation and amortization costs for this fiscal year increased while operating income, ordinary income, and income before income taxes and minority interests decreased by 2,013 million yen respectively.

(Accounting Standards, etc. That Are Not Applied Herein)

(Accounting standard for business combinations, etc.)

- Revised Accounting Standard for Business Combinations (ASBJ Statement No. 21, September 13, 2013)
- Revised Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, September 13, 2013)
- Revised Accounting Standard for Business Divestitures (ASBJ Statement No. 7, September 13, 2013)
- Revised Accounting Standard for Earnings Per Share (ASBJ Statement No. 2, September 13, 2013)
- Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (ASBJ Guidance No. 10, September 13, 2013)
- Revised Guidance on Accounting Standard for Earnings Per Share (ASBJ Guidance No. 4, September 13, 2013)

(a) Outline

Revisions to these accounting standards and guidelines were made primarily concerning (1) changes in a parent company's interest in a subsidiary that do not result in a loss of control after the parent company acquires additional shares in the subsidiary; (2) expenses related to the acquisition of shares; (3) recording of net income as well as a change from minority interest to non-controlling interest; and (4) provisional accounting treatment.

(b) Effective dates

These revisions will become effective at the beginning of the fiscal year ending March 31, 2016.

Provisional accounting treatment will become applicable for business combinations after the beginning of the fiscal year ending March 31, 2016.

(c) Impacts resulting from the application of these accounting standards

The figures to be affected by the revisions ASBJ Statement No.21 Revised Accounting Standard for Business Combinations, etc. on consolidated financial statements are currently under evaluation.

(Additional Information)

(Investigations by Korean, the U.S. and Singaporean competition authorities)

As already announced, some of our consolidated subsidiaries have been investigated by Korean, U.S., and Singapore competition authorities for the alleged infringement of competition laws related to the trading of small-sized ball bearing products, etc.

The Korea Fair Trade Commission (KFTC) issued an order for corrective action to Minebea and its Korean subsidiary in November 2014 for violating the Monopoly Regulation and Fair Trade Act (a competition law) in connection with the trading of small-sized ball bearings in Korea. Minebea was fined a total of 4,912 million won and thus posted a loss related to competition laws totaling 527 million yen as an extraordinary loss.

The KFTC also announced that it would press criminal charges against Minebea and its Korean subsidiary for violating Korea's Monopoly Regulation and Fair Trade Act.

Minebea reached an agreement in February 2015 with the U.S. Department of Justice and pleaded guilty to violating U.S. antitrust laws concerning the sale of certain small-sized ball bearing products. We paid a fine totaling 13.5 million dollars, and as a result, a loss related to competition laws totaling 1,610 million yen was posted as an extraordinary loss.

A class action suit in relation to the investigations of these cases has been brought against Minebea in Canada.

Minebea and some of its subsidiaries are also cooperating with competition authorities in Singapore in investigations there. There has been no significant progress made this fiscal year.

Depending on the outcome of the above-mentioned lawsuits and investigations, we may incur losses from fines, etc. However we can neither reasonably project the amount of said losses at this time nor predict whether they will affect our operating performance or financial standing, etc.

(Transactions to transfer the Company shares to the employees through the trust)

(a) Outline of the transactions

The Company has introduced the "Trust-type Employee Shareholding Incentive Plan" (the "Plan"), in order to provide the Company group's employees with incentives to increase the enterprise value of the Company, and to promote the benefit and welfare of the employees of the Company group and others. The Plan is an incentive plan, in which all employees of the Company group who are members of the "Minebea Employee Stock Holding Partnership" ("Stock Holding Partnership") (a Company group employee who is a member of the Stock Holding Partnership is hereinafter referred to as an "Employee") may participate. Based on the Plan, as of May 10, 2012, Minebea entered into the Minebea Employee Stock Holding Partnership Exclusive Trust Agreement (the "Trust Agreement") with the bank in which the Company is Truster and the Bank is Trustee. As per the Plan and the Trust Agreement, the "Minebea Employee Stock Holding Partnership Exclusive Trust Account" (the "Trust"), which had been established for the purpose of securing the Company shares for the Stock Holding Partnership to effect purchases, has borrowed money from banks (the Company guarantees the Trust's borrowings) for a considerable number of Company shares that were expected to be acquired by the Stock Holding Partnership by the end of May 2017, and acquired Company shares in a number equal to such borrowings from the market at the time the Plan was introduced in May 2012. Subsequently, the Trust is to continuously transfer the Company shares to the Stock Holding Partnership in accordance with certain plans (conditions and methods) and terminate, e.g. if all of the Company shares belonging to the trust assets of the Trust are transferred. If any capital gains, such as gains on sale of the Company shares, accumulate within the Trust by the time of its termination, and if any money remains within the Trust after repaying all the debts such as borrowings to be borne by the Trust, then such money is to be distributed as residual assets to those Employees that fulfill the requirements for eligible beneficiaries.

A trust administrator or an agent of the beneficiaries gives instructions to the trustee of the Trust with regard to preserving and exercising the rights (including the exercise of voting rights) relating to the Company shares held as the trust assets in the Trust, while eligible beneficiaries of the Trust will preserve and exercise their rights in accordance with such instructions. A trust administrator or an agent of the beneficiaries of the Trust shall follow the guidelines relating to the exercise of the voting rights stipulated in the Trust Agreement, in case of executing instructions regarding the exercise of voting rights on behalf of beneficiaries.

(b) Aforementioned transactions have been carried out in accordance with the Trust Agreement that had been entered into before the beginning of this fiscal year. As such, the accounting for those transactions has been conducted according to the conventional method.

(c) The items relating to the Company shares owned by the Trust

1. Book value of the Company shares owned by the Trust
   - As of March 31, 2014: 1,491 million yen
   - As of March 31, 2015: 1,377 million yen
2. The Company shares owned by the Trust are accounted for as treasury stock.
3. Number of the Company shares owned by the Trust at the end of the last fiscal year and the average number of shares owned by the Trust
   - Number of the Company shares owned by the Trust at the end of the last fiscal year
     - As of March 31, 2014: 4,619,000 shares
     - As of March 31, 2015: 4,267,000 shares
   - Average number of shares owned by the Trust
     - As of March 31, 2014: 4,926,780 shares
     - As of March 31, 2015: 4,419,652 shares

4. The number of the Company shares mentioned in part 3. was included in the treasury stock to be deducted in terms of calculating relevant per share indicators.

(Consolidated Balance Sheets)

1. Lawsuit

(Year ended March 31, 2014)

NMB-Minebea Thai Ltd., our consolidated subsidiary company located in Thailand, received (1) a revised assessment of income tax liability in the amount of 502 million baht on August 25, 2008; (2) another revised assessment of income tax liability in the amount of 125 million baht on August 25, 2010; (3) a third revised assessment of income tax liability in the amount of 101 million baht on August 11 and 22, 2011; (4) a fourth revised assessment of income tax liability in the amount of 71 million baht on July 2,August 8 and 17, 2012; (5) a fifth revised assessment of income tax liability in the amount of 366 million baht on April 5, 2013; (6) a sixth revised assessment of income tax liability in the amount of 14 million baht on August 26, 2013 from the Revenue Department of the Kingdom of Thailand. The company has not accepted these revised assessments, believing them to be unjust and without legal grounds, and regarding item (1), the Company took the case to the Tax Court of Thailand on August 25, 2009, following the petition to the Revenue Department, and regarding items (2), (3), (4), (5) and (6) has petitioned the Revenue Department for redress.

Regarding item (1), the Company has won the case as a result of the decision at the Tax Court of the Kingdom of Thailand on October 13, 2010, but the Revenue Department disagreed with this decision and appealed the case to the Supreme Court on December 9, 2010.

Payment of these amounts was made in subrogation on (1) September 22, 2008, (2) September 23, 2010, (3) August 16, 2011, (4) August 23, 2012, (5) April 26, 2013 and (6) September 16, 2013, respectively, using a surety bond from a bank with which the Company does business.

(Year ended March 31, 2015)

NMB-Minebea Thai Ltd., our consolidated subsidiary company located in Thailand, received (1) a revised assessment of income tax liability in the amount of 502 million baht on August 25, 2008; (2) another revised assessment of income tax liability in the amount of 125 million baht on August 25, 2010; (3) a third revised assessment of income tax liability in the amount of 101 million baht on August 11 and 22, 2011; (4) a fourth revised assessment of income tax liability in the amount of 71 million baht on July 2,August 8 and 17, 2012; (5) a fifth revised assessment of income tax liability in the amount of 366 million baht on April 5, 2013; (6) a sixth revised assessment of income tax liability in the amount of 14 million baht on August 26, 2013 from the Revenue Department of the Kingdom of Thailand. The company has not accepted these revised assessments, believing them to be unjust and without legal grounds, and regarding item (1), the Company took the case to the Tax Court of Thailand on August 25, 2009, following the petition to the Revenue Department, and regarding items (2), (3), (4), (5) and (6) has petitioned the Revenue Department for redress. Regarding item (2), the Company, among these cases, plans to bring the case before the Tax Court of Thailand.

Regarding item (1), the Company has won the case as a result of the decision at the Tax Court of the Kingdom of Thailand on October 13, 2010, but the Revenue Department disagreed with this decision and appealed the case to the Supreme Court on December 9, 2010.

Payment of these amounts was made in subrogation on (1) September 22, 2008, (2) September 23, 2010, (3) August 16, 2011, (4) August 23, 2012, (5) April 26, 2013 and (6) September 16, 2013, respectively, using a surety bond from a bank with which the Company does business.

(Consolidated Statements of Income)

1. Impairment loss

(Year ended March 31, 2014)

Outline of the asset groups on which impairment losses were recognized (Amount: millions of yen)

Use	Location	Impairment loss	
		Class	Amount
Idle assets	Two facilities- Former Ichinoseki plant and Kanegasaki plant (Ichinoseki City, Iwate Pref., etc.)	Land	12
		Total	12
Business assets	Fan motor business (Shanghai, China)	Machinery and transportation equipment	963
		Total	963
	Inverter business (Lopburi, Thailand)	Buildings and structures	0
		Machinery and transportation equipment	93
		Tools, furniture and fixtures	0
		Total	93
	Small-sized motor business (South Korea etc.)	Machinery and transportation equipment	31
		Tools, furniture and fixtures	4
		Total	36
	Speaker business (Hamamatsu factory)	Buildings and structures	1
		Software	0
		Total	2
Total			1,107

Asset grouping method

Based on its business classification, the Minebea Group has grouped assets in the smallest units of its operating businesses, which generate almost independent cash flows.

Reason for the recognition of impairment losses

The above Idle assets (Land) have no future utilization plans. Due to this, the Company recognized impairment losses.

Regarding business assets (Buildings and structures, Machinery and transportation equipment, Tools, furniture and fixtures, Software), we recognized an impairment loss because their cash flow is expected to be lower than the book value of the assets group in the future due to unprofitable business compression and lower capacity utilization rate, and reduced the value to a recoverable value based on the net sale value or use value. Of these assets, 131 million yen (Inverter business 93 million yen, Small-sized motor business 36 million yen, and Speaker business 2 million yen,) is included in "Business restructuring losses" under "Extraordinary loss."

Calculation method of collectable amounts

Idle assets are measured by net sales values, and calculated based on appraisal values by third party. Other business assets are measured by use values, and the future cash flows of fan motor business were discounted by 14.0%. The full amount of book value is recorded as impairment loss for other businesses because their cash flow is not expected in the future.

2.Amortization of goodwill

(Year ended March 31, 2014)

This loss is incurred by writing-down stocks of our domestic consolidated subsidiaries, DAIICHI SEIMITSU SANGYO CO., LTD.

3. Loss on disaster

(Year ended March 31, 2014)

Disaster losses include fixed costs totaling 219 million yen associated with the slowdown following the factory explosion at our consolidated subsidiary in the U.S., losses on disposal of inventory assets totaling 328 million yen.

4. Loss on sales of subsidiaries and affiliates' stocks

(Year ended March 31, 2015)

This loss was incurred by the sale of shares of our foreign consolidated subsidiary in the U.S., namely Hansen Corporation.

5. Business restructuring losses

(Year ended March 31, 2014)

Losses on restructuring include a loss of 215 million yen associated with the withdrawal from the inverter business, a loss of 174 million yen associated with personnel cutbacks at our consolidated subsidiary in the U.S., a loss of 157 million yen associated with the withdrawal from the membrane business, and other losses totaling 202 million yen.

(Year ended March 31, 2015)

These business restructuring losses consist of a loss of 602 million yen incurred by the personnel reduction in one of the foreign consolidated subsidiaries located in the U.S.; a loss of 496 million yen incurred by the rationalization of small-sized motor business; and other losses totaling 12 million yen.

6. Loss on abolishment of retirement benefit plan

(Year ended March 31, 2015)

This is due to the loss on abolishment of retirement benefit plan in our consolidated subsidiaries in the U.S..

(Business Combination, etc.)

(Year Ended March 31, 2015)

Divestitures

The Company entered into the share transfer agreement with ElectroCraft, Inc. as of June 30, 2014, to transfer all the shares held by the Company in its consolidated subsidiary, Hansen Corporation, to ElectroCraft, Inc. and concluded the transfer.

1. Outline of the divestiture

(1) Name of the company to be divested and its business activities

ElectroCraft, Inc.

(2) Outline of the business to be transferred

Manufacture and sales of small-sized motors

(3) Major reasons for the divestiture

Hansen Corporation (“Hansen”), with its production base located in Indiana, the U.S., exclusively focuses on manufacture and sales of motors and became a Minebea Group company in 1977.

Hansen’s major product line includes permanent magnet synchronous motors primarily used in residential air conditioning system, etc. Even though we would anticipate a constant demand for synchronous motors going forward, due to the fact that the demand for synchronous motors has shifted from the United States to Europe in recent years and that the motor itself is a motor of an old structure so that the Company do not expect desirable synergetic effects to be generated with its product lines. As such, we have decided to transfer the business to ElectroCraft, Inc., one of the global leaders in the manufacture of fractional-horsepower motors for use in motion control solutions, with its head office located in the United States as well.

(4) Effective date of the divestiture

June 30, 2014

Hansen’s business performances from April 1, 2014 through June 30, 2014 (the end of the first quarter) have been included it the consolidated financial statements.

(5) Legal structure of the divestiture

Method of legally transferring the business	By way of the share transfer agreement
The number of shares to be transferred	100 shares
Transfer cost of shares	1,279 million yen (US$12,619 thousand)

2. Outline of the accounting method to be implemented

(1) The amount of transfer gains and losses

Loss on sales of subsidiaries and affiliates’ stocks 1,261 million yen

(2) Fair book values of assets and liabilities of the transferred business and their details

Current assets	1,325	million yen
Fixed assets	488	
Total assets	1,813	
Current liabilities	319	
Long-term liabilities	—	
Total liabilities	319	

3. Business segment in which the divested business was included

Electronic devices and components business segment

4. Approximate estimates of profits and losses related to the divested business segment to be accounted for on the consolidated financial statements in the current fiscal year

Total sales	757	million yen
Operating income	27	

Business Combination through Acquisitions

1. Outline of the business combination

(1) Name of the acquired company and its business activities

Name of the acquired company: Sartorius Mechatronics T&H GmbH.

Business activities: Manufacturing tank and hopper, industrial scales, inspection equipment.
Providing modifications and adjustments, repair, and process optimization services

(2) Major reasons for the business combination

With production facilities in Germany, India and China, advanced measurement technologies and highly reliable detection technologies within the high growth potential industrial measurement instruments market, Sartorius Mechatronics T&H GmbH. (Sartorius' Industrial Technologies Division, hereinafter "Sartorius MTH") is a manufacturer of industrial measuring instruments and process inspection equipment which includes product lines from load cell, industrial scale, and process instrument to detection device etc., as well as an aftermarket business providing modifications and adjustments, repair, and process optimization services worldwide.

The Company has decided to acquire Sartorius MTH through acquisition of shares with the intention of combining its own leading industrial strengths in the automobile, consumer electronics, healthcare and industrial products with Sartorius MTH's leading position in the food, beverage, chemical and pharmaceutical industries, thereby increasing its product line-up significantly and being able to develop the combined companies into a more efficient business across the globe.

(3) Effective date of the business combination

February 6, 2015

(4) Legal structure of the business combination

Stock acquisition with cash considerations

(5) Name of the company subsequent to the business combination

Sartorius Mechatronics T&H GmbH.

(6) Percentage of voting rights acquired by Minebea

Percentage of voting rights immediately before the stock acquisition	－%
Percentage of voting rights to be acquired on the effective date of the business combination	51.0%
Percentage of voting rights subsequent to the stock acquisition	51.0%

(7) Primary basis for acquiring the controlling interest in the acquired company

Due to the fact that the Company has acquired 51.0% of the voting rights of the acquired company through stock acquisition with cash considerations.

2. Period of business performances of the acquired company to be included in the consolidated financial statements

Fiscal year end of the acquired company is December 31. Since the effective date of the business combination is February 6, 2015, none of the business performance of the acquired company is included in the consolidated financial statements for the current fiscal year.

3.Acquisition cost of the acquired company and its details

Consideration for the acquisition	Purchase price of shares (cash)	4,196	million yen
Direct cost for the acquisition	Advisory cost, etc.	300	
Acquisition cost		4,496	

4. Amount of goodwill amortization, and the source, method and period of goodwill amortization

(1) Amount of goodwill

4,016 million yen

(2) The source of the transaction

Primarily due to Sartorius MTH's product development capability and sales and marketing ability as well as the expected excess earning power resulting therefrom.

(3) Method and period of goodwill amortization

The goodwill is equally amortized 10 years.

5. Amount of assets and liabilities received at the effective date of business combination and its details

Current assets	7,420	million yen
Fixed assets	1,647	
Goodwill	4,016	
Total assets	13,083	
Current liabilities	6,817	
Long-term liabilities	1,308	
Total liabilities	8,125	

6. Allocation of acquisition costs

The evaluation of the identifiable assets and liabilities and the calculation of their market prices associated with the acquisition on the effective date of the business combination have not been determined as of the fiscal year end on the consolidated financial statements and the allocation of the acquisition costs has not been concluded. Therefore, the Company settled the temporary accounts based on the information reasonably made available at the end of the fiscal year.

7. Assuming that the business combination has been completed at the beginning date of the current consolidated fiscal year, approximate estimates of impacts of such business combination on the consolidated financial statements and the method for calculating such amounts

Total sales	14,410	million yen
Operating Income	886	
Ordinary Income	761	
Income before income taxes and minority interests	761	

(Method for calculating approximate estimates)

The differences between total sales and the relevant profit and loss information based on the assumption that the business combination has been completed at the beginning date of the consolidated fiscal year, and the total sales and the relevant profit and loss information on the consolidated financial statements as recorded hereof are used as the approximate estimates of impacts of the business combination on the consolidated financial statements.

Please be noted that such approximate estimates have not been audited and attested by the audit certification.

(Segment Information etc.)

〔Segment Information〕

(a) Summary of reportable segments

Our reportable segments are segments for which separated financial information is available and subject to periodical reviews in order for the Company's Board of Directors to determine the distribution of management resources and evaluate performance.

The Company establishes business divisions by product in key business centers, therein Machined Component Manufacturing Headquarters supervises the production of machined components, while Electronic Device and Component Manufacturing Headquarters oversees the manufacture of small-sized motors, electronic devices and components and optical products, etc. Each of such manufacturing headquarters formulates comprehensive domestic and overseas strategies regarding products in order to deploy its business activities. Therefore, we have two reportable segments consisting of "Machined components business" and "Electronic devices and components business."

Our core products in the "Machined components business" are mechanical parts, such as ball bearings, rod-end bearings, pivot assemblies of HDDs, fasteners for automobile and aircraft, etc. The "Electronic devices and components business" includes electronic devices and components (LED backlights for LCDs and measuring instruments, etc.) and a wide variety of motors such as spindle motors for HDDs, information motors (stepping motors, DC brushless motors, DC brush motors and fan motors), and precision motors as well as special components, etc.

(b) Calculation method of amounts

The accounting method for the reported business segments is almost the same as that explained in "Basis of Presenting Consolidated Financial Statements".

Segment earnings are operating income-based figures. Inter-segment earnings and transfer are calculated based on invoice prices—the comprehensive judgment made after having considered factors including market prices and manufacturing costs.

(Adoption of accounting standard for retirement benefits, etc.)

This fiscal year, Minebea adopted the provisions set forth in Section 35 of the Accounting Standard for Retirement Benefits (ASBJ Statement No. 26, May 17, 2012) and Section 67 of the Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, March 26, 2015). Accordingly, the method used to calculate retirement benefit obligations and service costs has been revised, and the method to attribute expected retirement benefits to each period has been changed from the straight-line basis to the benefit formula basis. Additionally the method for determining the discount rate no longer employs a single discount rate based on the average number of years approximating the residual terms of all employees, but instead uses multiple discount rates based on the expected benefit payments attributed to periods of service of relevant employees.

As a result, the effect of this change on segment income for this fiscal year is immaterial.

(Change in the useful life of fixed assets)

After taking a comprehensive and more realistic look at the product life cycle of certain machinery used for manufacturing LED backlights for LCDs products, some of our consolidated subsidiaries changed their useful life estimate from 5 to 10 years to 2 years beginning with this fiscal year.

Due to this change, depreciation and amortization costs for this fiscal year increased while segment income for Electronic devices and components business decreased by 2,013 million yen.

(c) Information on net sales, profit or loss, assets, liabilities and other amounts by reported segment
(Year ended March 31, 2014) (Amount: millions of yen)

	Reportable segments			Other *1	Total	Adjustment *2	Consolidated Financial Statements amount *3
	Machined components business	Electronic devices and components business	Total				
Total sales							
(1) Sales to customers	140,032	230,514	370,546	996	371,543	—	371,543
(2) Sales to other segment	3,635	1,470	5,106	23,831	28,937	(28,937)	—
Total	143,668	231,984	375,652	24,827	400,480	(28,937)	371,543
Segment income	33,550	9,581	43,132	866	43,998	(11,799)	32,199
Segment assets	99,299	118,117	217,417	8,080	225,498	155,779	381,278
Other							
Depreciation	9,378	8,069	17,447	2,090	19,537	4,202	23,740
Increase in fixed assets	3,866	8,646	12,513	1,392	13,905	6,773	20,679

(Year ended March 31, 2015) (Amount: millions of yen)

	Reportable segments			Other *1	Total	Adjustment *2	Consolidated Financial Statements amount *3
	Machined components business	Electronic devices and components business	Total				
Total sales							
(1) Sales to customers	154,986	343,842	498,828	1,848	500,676	—	500,676
(2) Sales to other segment	3,928	2,488	6,416	28,879	35,296	(35,296)	—
Total	158,914	346,330	505,245	30,727	535,972	(35,296)	500,676
Segment income	39,713	29,720	69,433	859	70,293	(10,191)	60,101
Segment assets	116,481	179,175	295,657	18,244	313,902	176,141	490,043
Other							
Depreciation	9,520	13,158	22,678	2,173	24,852	3,923	28,775
Increase in fixed assets	5,731	16,427	22,159	7,042	29,201	8,356	37,557

(Notes) *1. The classification of "Other" is the business segment, which is not included in the reportable segments, and its products are mainly dies and parts produced in-house.

*2. The amount of the adjustment is as follows.

(a) Adjustments to segment income include amortization of goodwill (-617 million yen last fiscal year, -582 million yen this fiscal year), as well as corporate expenses such as selling, general & administrative expenses in addition to research and development costs that do not belong to the reportable segments (-11,181 million yen last fiscal year, -9,608 million this fiscal year).

(b) Adjustments to segment assets include unamortized goodwill (2,998 million yen last fiscal year, 6,539 million yen this fiscal year), as well as assets related to administrative divisions that do not belong to the reportable segments (152,781 million yen last fiscal year, 169,601 million yen this fiscal year).

(c) The major part of the adjustments in depreciation is depreciation of equipment related to the administrative division, which does not belong to the reportable segments.

(d) The major part of the adjustments in increased tangible fixed assets and intangible fixed assets is capital investments in equipment related to the administrative division, which does not belong to the reportable segments.

*3. Segment income is adjusted with operating income in the Consolidated Financial Statements.

〔Information related to impairment loss of fixed assets by reportable segment〕

(Year ended March 31, 2014) (Amount: millions of yen)

	Reportable segments			Other	All companies	Total
	Machined components business	Electronic devices and components business	Total			
Impairment loss	—	1,095	1,095	—	12	1,107

(Year ended March 31, 2015) (Amount: millions of yen)

	Reportable segments			Other	All companies	Total
	Machined components business	Electronic devices and components business	Total			
Impairment loss	—	30	30	—	78	109

(Per Share Data)

	Year ended March 31, 2014	Year ended March 31, 2015
Net assets per share (yen)	422.62	604.83
Net income per share (yen)	55.94	106.73
Fully diluted net income per share (yen)	53.14	101.32

(Notes) 1. The following are the basis for calculating net assets per share.

	As of March 31, 2014	As of March 31, 2015
Total net assets (millions of yen)	163,463	233,679
Deduction from total net assets (millions of yen)	5,600	7,541
(Minority interests)	(5,483)	(7,413)
(Subscription rights to shares)	(116)	(127)
Year-end net assets related to common stock (millions of yen)	157,862	226,138
Year-end common stock used for the calculation of net assets per share (shares)	373,530,149	373,885,780

2. The following are the basis for calculating net income per share and fully diluted net income per share.

	Year ended March 31, 2014	Year ended March 31, 2015
Net income (millions of yen)	20,878	39,887
Amount not available for common stock (millions of yen)	—	—
Net income related to common stock (millions of yen)	20,878	39,887
Average shares of common stock outstanding (shares)	373,225,855	373,727,342
Fully diluted net income per share		
Net income adjustments (millions of yen)	28	29
(Interest expense (after tax equivalents) (millions of yen))	(28)	(29)
Increased shares of common stock (shares)	20,222,480	20,244,441
(Convertible bond-type bonds with subscription rights to shares (shares))	(20,157,000)	(20,157,000)
(Subscription rights to shares (shares))	(65,480)	(87,441)
Outline of the residual shares not included in the calculation of diluted net income per share due to no dilution effects	Subscription rights to shares issued by consolidated subsidiaries: 2 types (the number of subscription rights to shares: 14 units)	Subscription rights to shares issued by consolidated subsidiaries: 2 types (the number of subscription rights to shares: 14 units)

3. "Number of shares of common stock outstanding at year end used to calculate net assets per share" and "Average shares of common stock outstanding" deduct our shares, which are owned by the Employee Stock Holding Partnership Exclusive Trust Account.

(Subsequent Events)
Not applicable.

6. Others

(1) Amounts of Production, Orders Received, Sales

(a) Production (Amount: millions of yen)

Business segments	Year ended March 31, 2015	Year - on - year
Machined components business	155,705	110.8%
Electronic devices and components business	344,081	151.4%
Other	880	107.2%
Total	500,666	135.8%

(Notes) Amounts are provided on the basis of their sales prices, after offsetting and eliminating transactions between the two business segments and do not include consumption taxes.

(b) Orders Received (Amount: millions of yen)

Business segments	Orders received	Year - on – year	Order backlog	Year - on - year
Machined components business	167,293	116.0%	61,752	124.9%
Electronic devices and components business	353,720	148.8%	44,491	128.5%
Other	1,736	152.2%	213	65.5%
Total	522,749	136.5%	106,456	126.2%

(Notes) Amounts are provided after offsetting and eliminating transactions between the two business segments and do not include consumption taxes.

(c) Sales (Amount: millions of yen)

Business segments	Year ended March 31, 2015	Year - on - year
Machined components business	154,986	110.7%
Electronic devices and components business	343,842	149.2%
Other	1,848	185.5%
Total	500,676	134.8%

(Notes) Amounts are provided after offsetting and eliminating transactions between the two business segments and do not include consumption taxes.