

Business Results

Fiscal Year Ended March 31, 2023

MinebeaMitsumi Inc.

May 11, 2023

1. Financial Results

2. Management Policy & Business Strategy

Financial Results

Katsuhiko Yoshida

Director, President COO & CFO

Summary of Consolidated Business Results

Net sales, OP, etc. all hit record highs

(Net sales increased for 11 consecutive terms, OP increased for 2 consecutive terms)

(Millions of yen)	FY3/22	FY3/23	Change YoY	FY3/23 Forecast (February 2023 Forecast)	
	Full Year	Full Year		Full Year	VS. Forecast
Net sales	1,124,140	1,292,203	+15.0%	1,300,000	99.4%
Operating income	92,136	101,522	+10.2%	100,000	101.5%
Profit before taxes	90,788	96,120	+5.9%	95,000	101.2%
Profit for the period attributable to owners of the parent	68,935	77,010	+11.7%	71,000	108.5%
Earnings per share, basic (yen)	170.08	187.62	+10.3%	172.76	108.6%

Foreign Exchange Rates	FY3/22 Full Year	FY3/23 Full Year
US\$	¥111.55	¥134.19
Euro	¥130.47	¥139.90
Thai Baht	¥3.44	¥3.82
Chinese RMB	¥17.35	¥19.68

Summary of Consolidated Business Results for 4Q

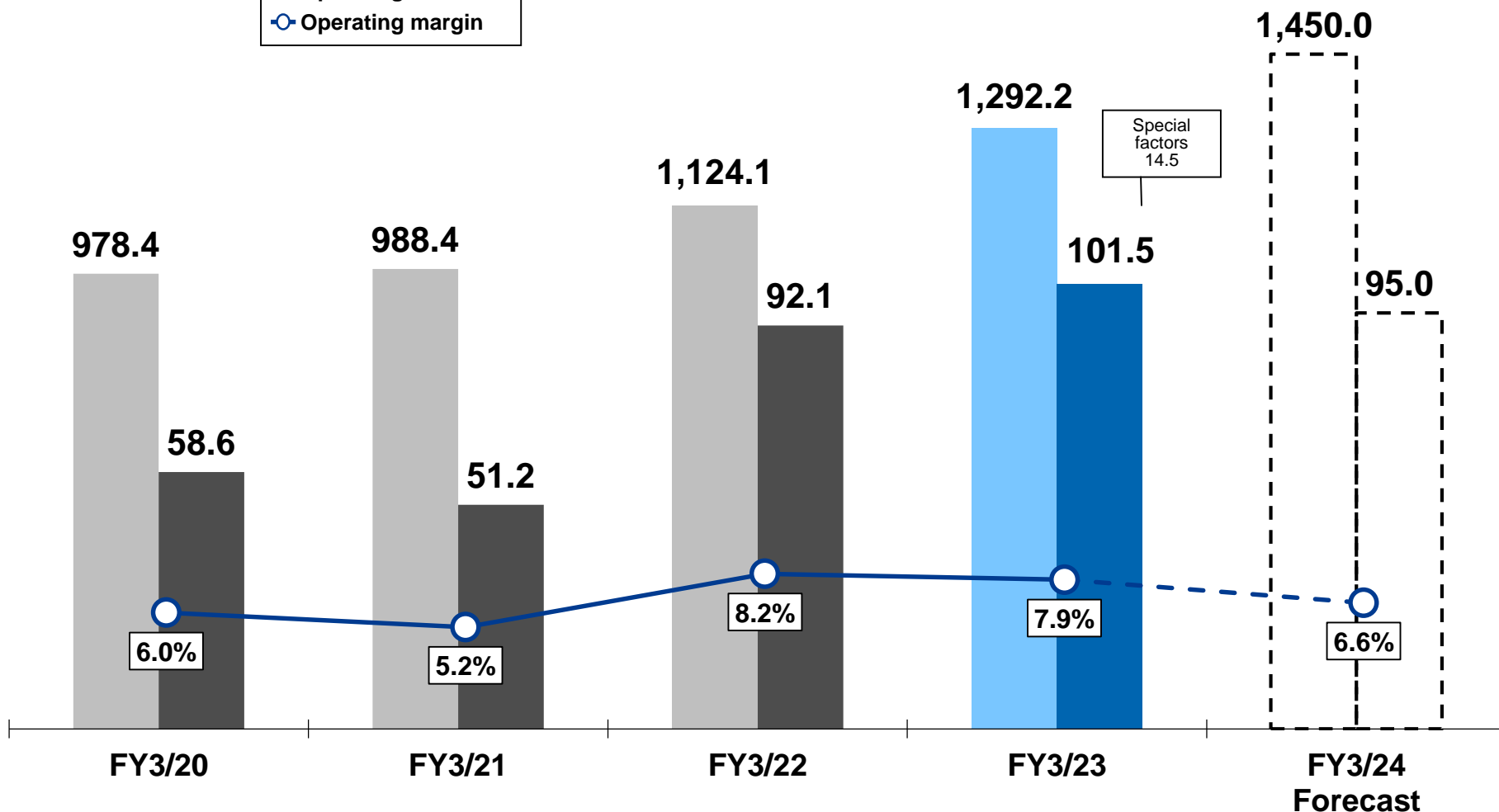
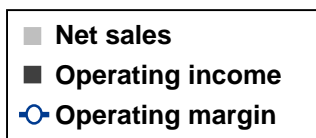
Net sales hit a 4Q record high
Operating income hit a quarterly record high

(Millions of yen)	FY3/22	FY3/23		Change	
	4Q	3Q	4Q	YoY	QoQ
Net sales	289,532	371,424	339,718	+17.3%	-8.5%
Operating income	21,671	26,432	34,441	+58.9%	+30.3%
Profit before taxes	21,347	20,463	33,199	+55.5%	+62.2%
Profit for the period attributable to owners of the parent	15,488	13,148	33,068	x2.1	x2.5
Earnings per share, basic (yen)	38.20	31.87	80.57	x2.1	x2.5

Foreign Exchange Rates	FY3/22 4Q	FY3/23 3Q	FY3/23 4Q
US\$	¥114.65	¥144.25	¥132.73
Euro	¥129.77	¥143.93	¥141.94
Thai Baht	¥3.46	¥3.89	¥3.91
Chinese RMB	¥18.03	¥20.22	¥19.32

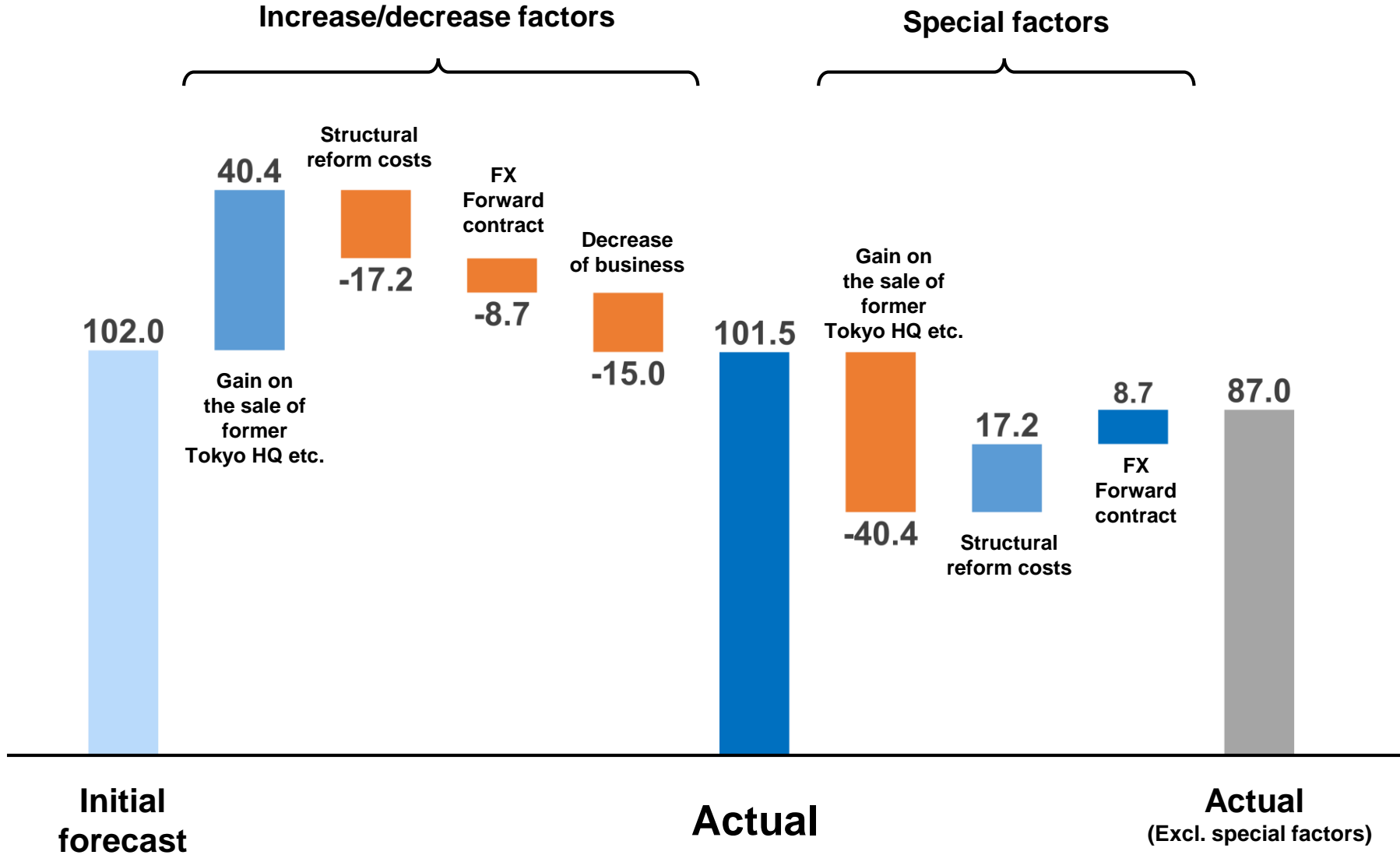
Net Sales, Operating Income / Margin

(Billions of yen)



Increase/Decrease & Special Factors of Full Year OP

(Billions of yen)



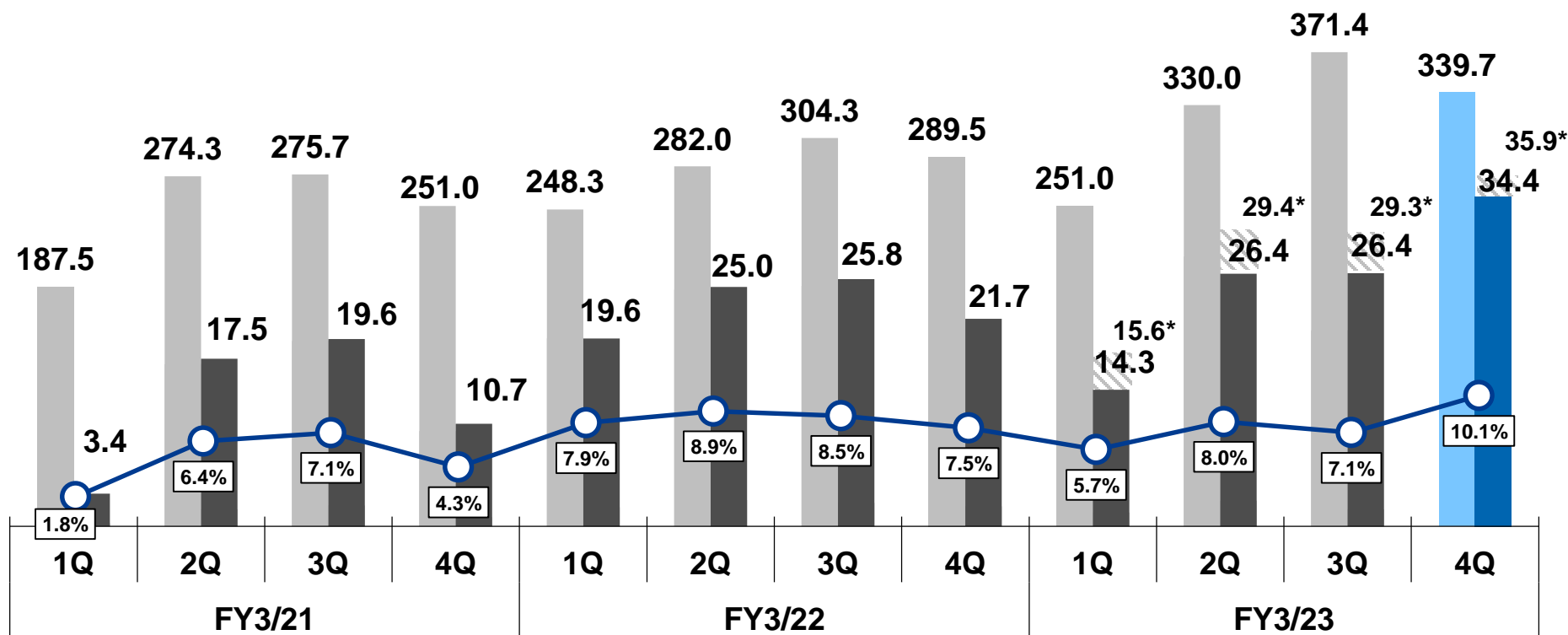
Net Sales, Operating Income / Margin

(Billions of yen)

■ Net sales
■ Operating income
○ Operating margin

	1Q	2Q	3Q	4Q	Full Year
FX forward contract	-1.3	-3.0	-2.9	-1.5	-8.7
Others	-	-	1.7	21.5	23.2
Total	-1.3	-3.0	-1.3	20.0	14.5

*Excl. FX forward contract



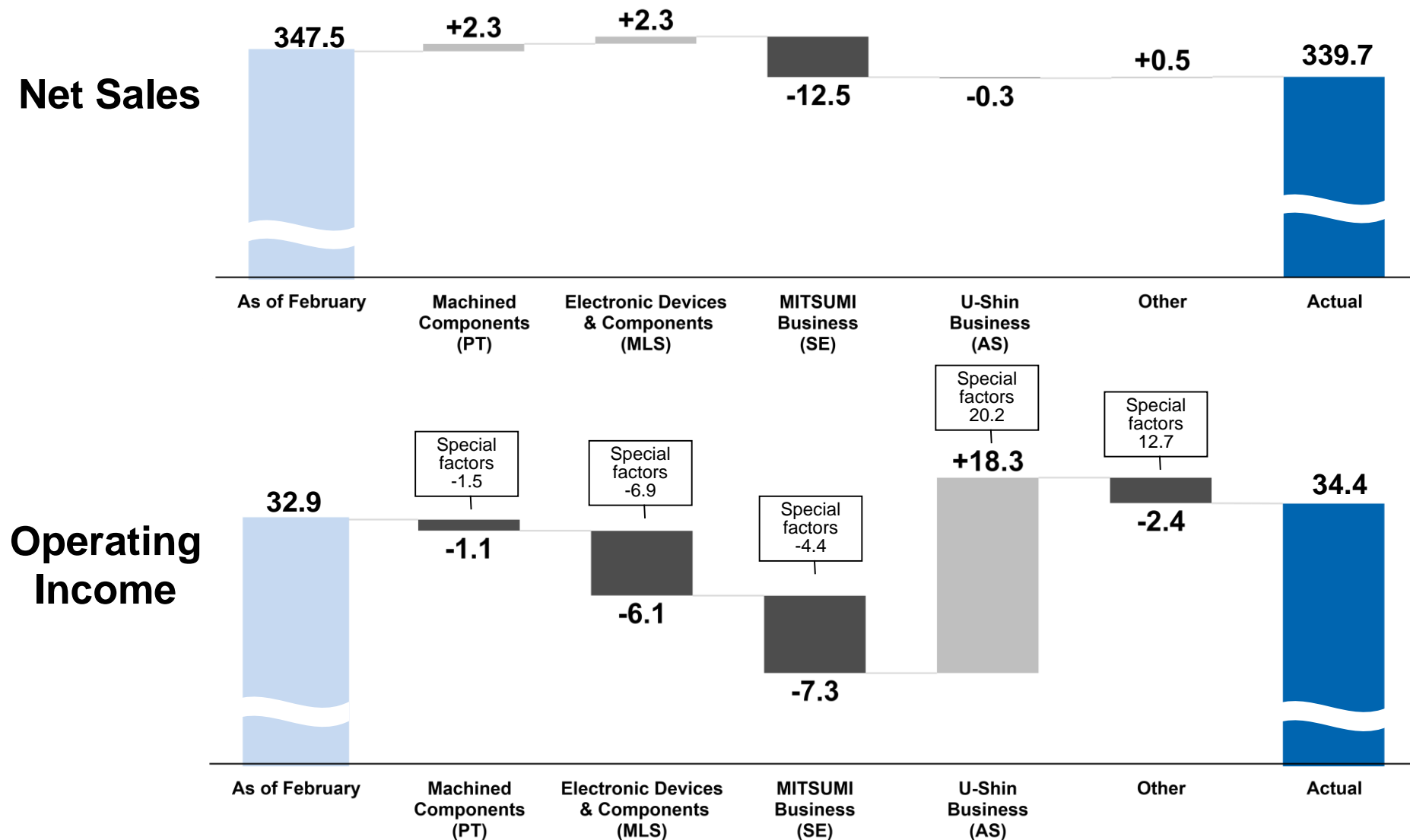
Enhancing corporate value by matching name and reality

Segment name (Old)	Segment name (New)	Abbreviation
Machined Components	Precision Technologies	PT
Electronic Devices & Components	Motor, Lighting & Sensing	MLS
MITSUMI Business	Semiconductors & Electronics	SE
U-Shin Business	Access Solutions	AS

*No changes made to the operations of each business segment

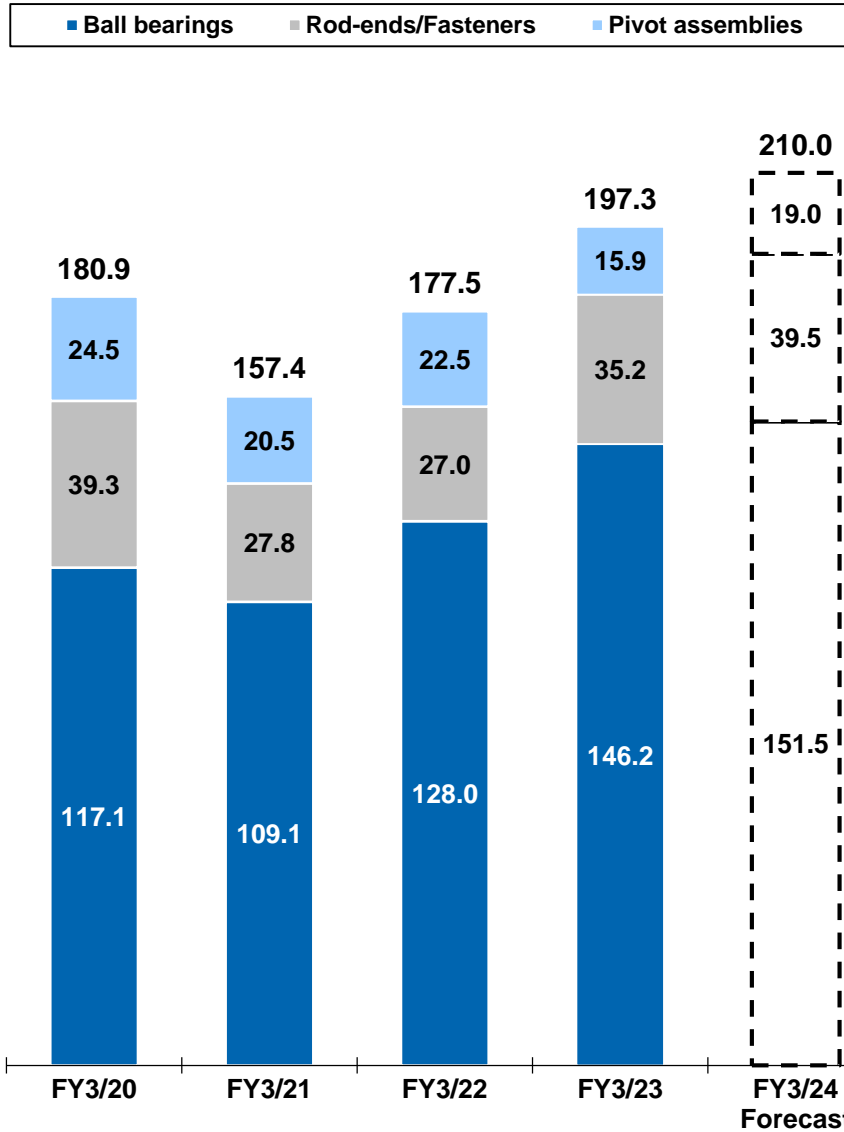
4Q Actual: Differences from the Forecast as of February

(Billions of yen)

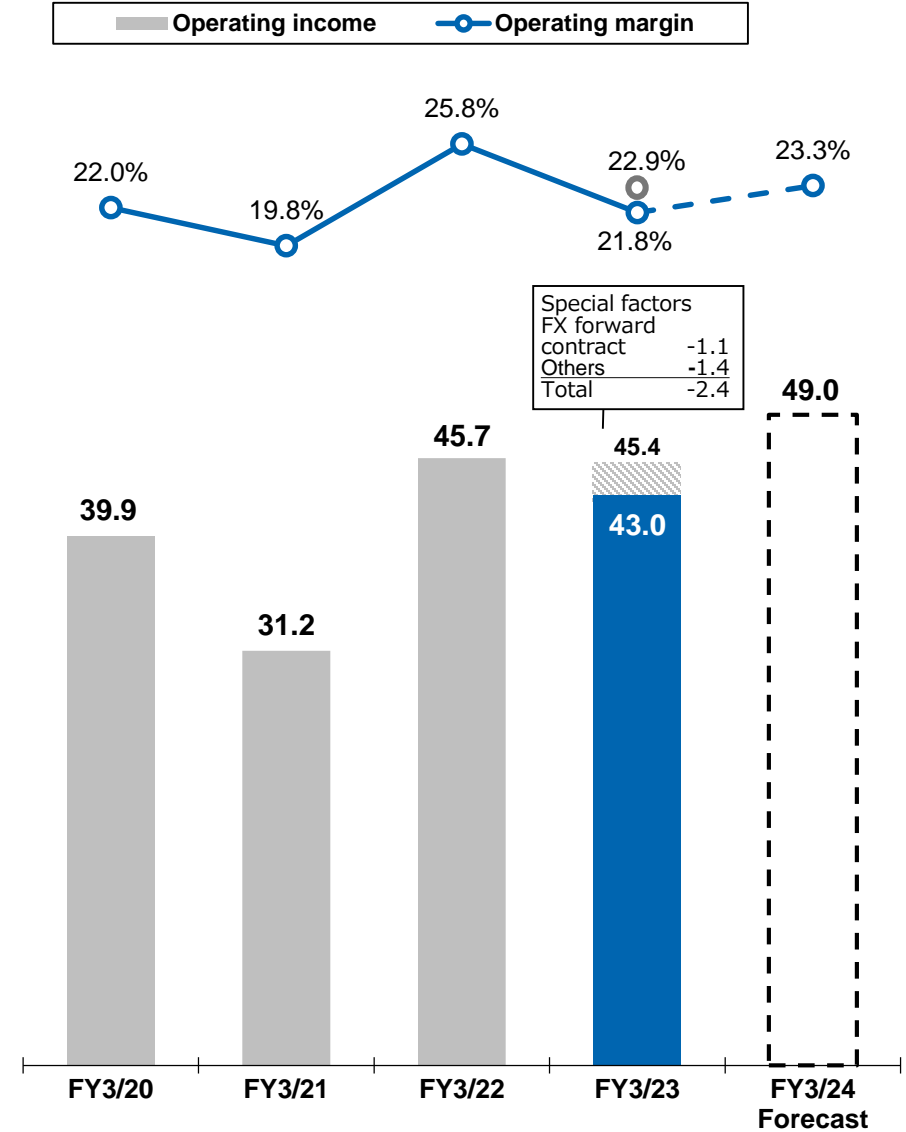


Machined Components / Precision Technologies (PT)

Net sales (Billions of yen)

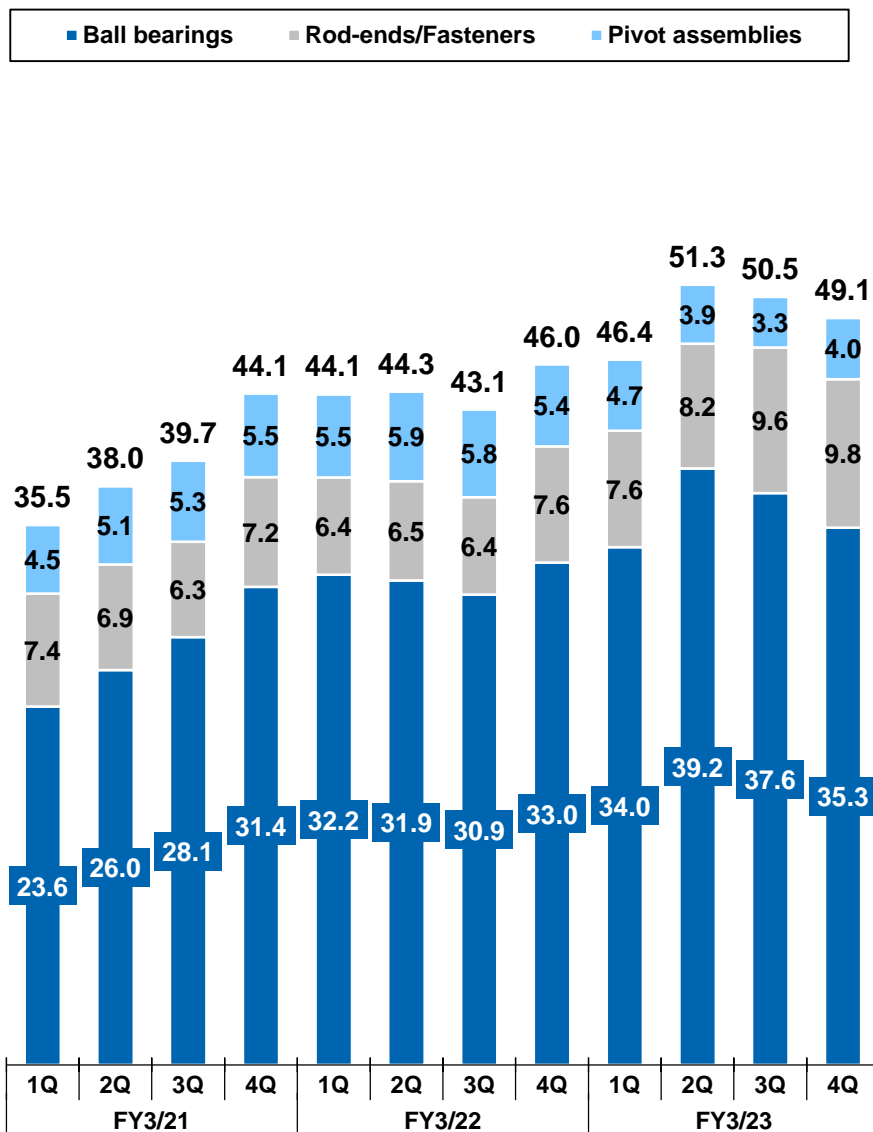


Operating income (Billions of yen)

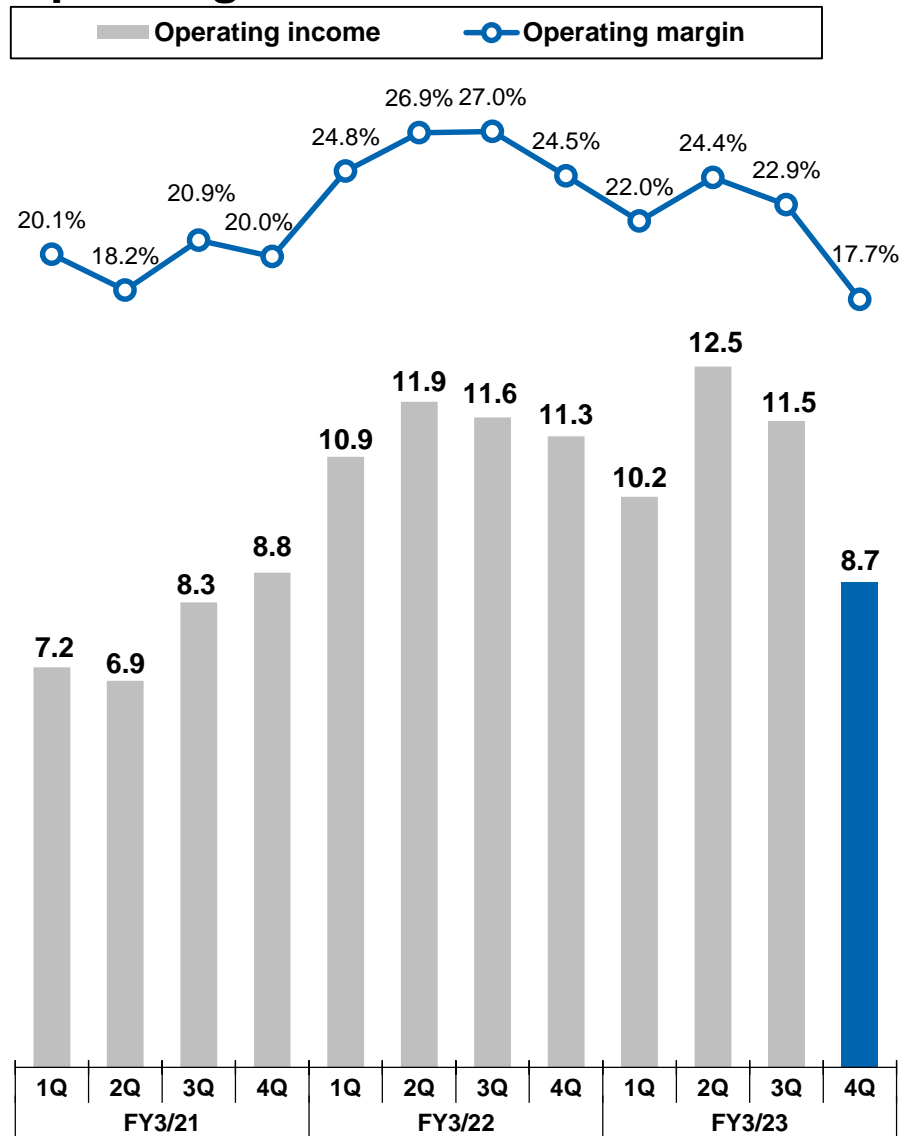


Machined Components / Precision Technologies (PT)

Net sales (Billions of yen)

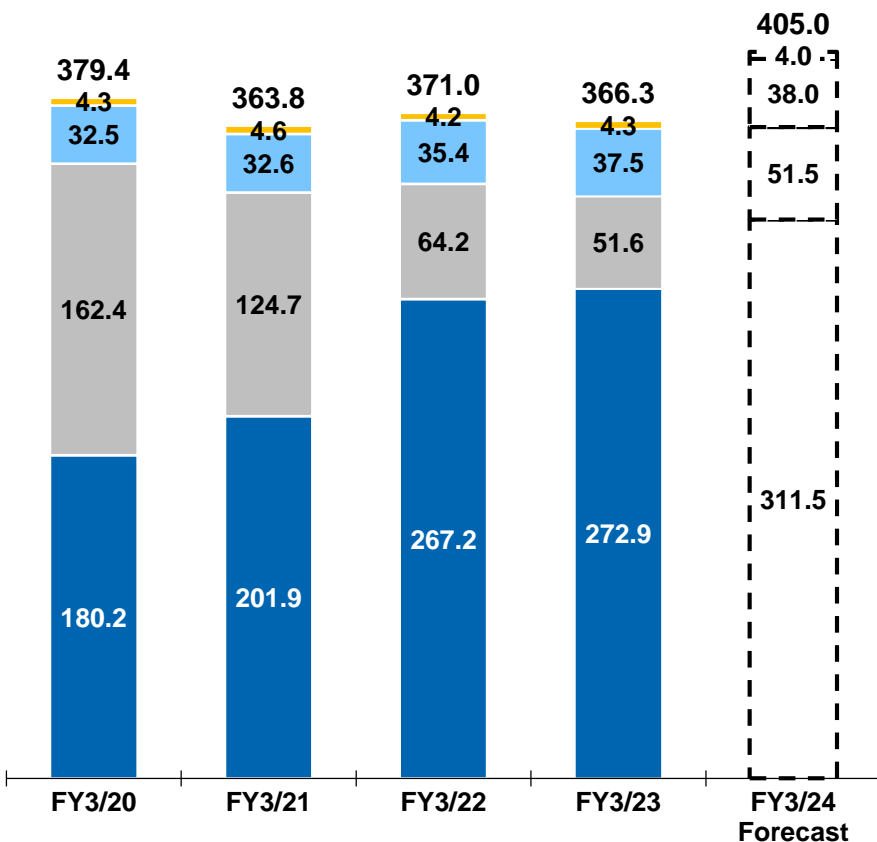
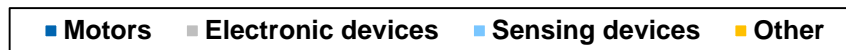


Operating income (Billions of yen)

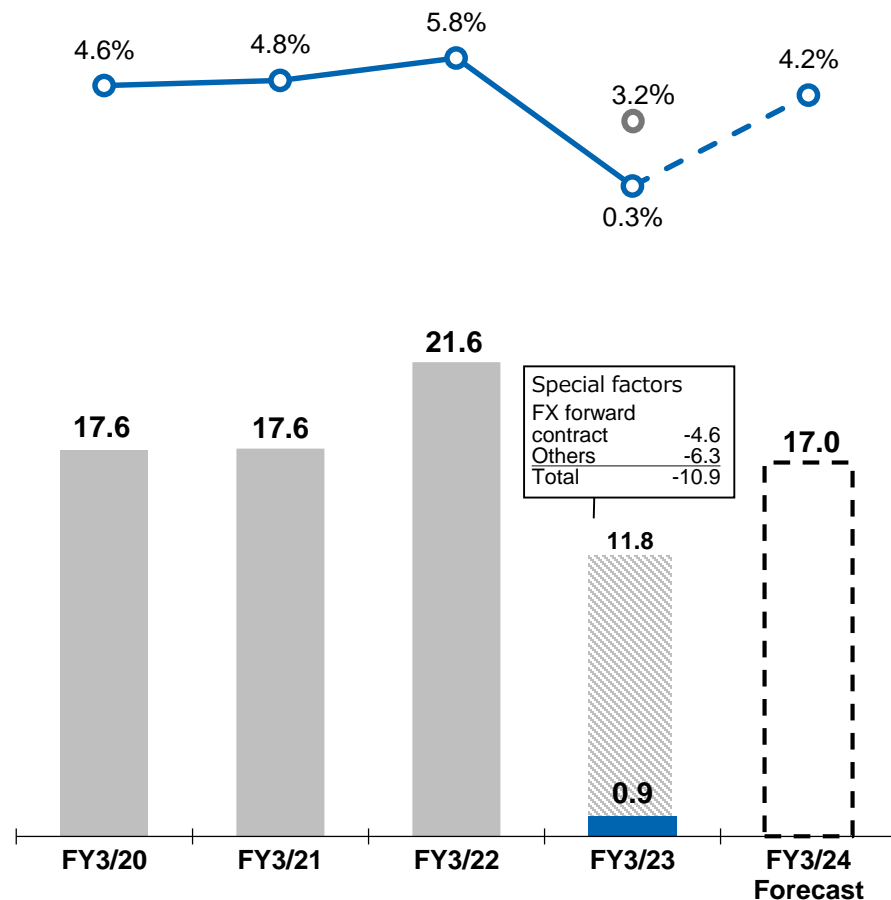
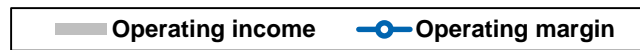


Electronic Devices & Components / Motor, Lighting & Sensing (MLS)

Net sales (Billions of yen)

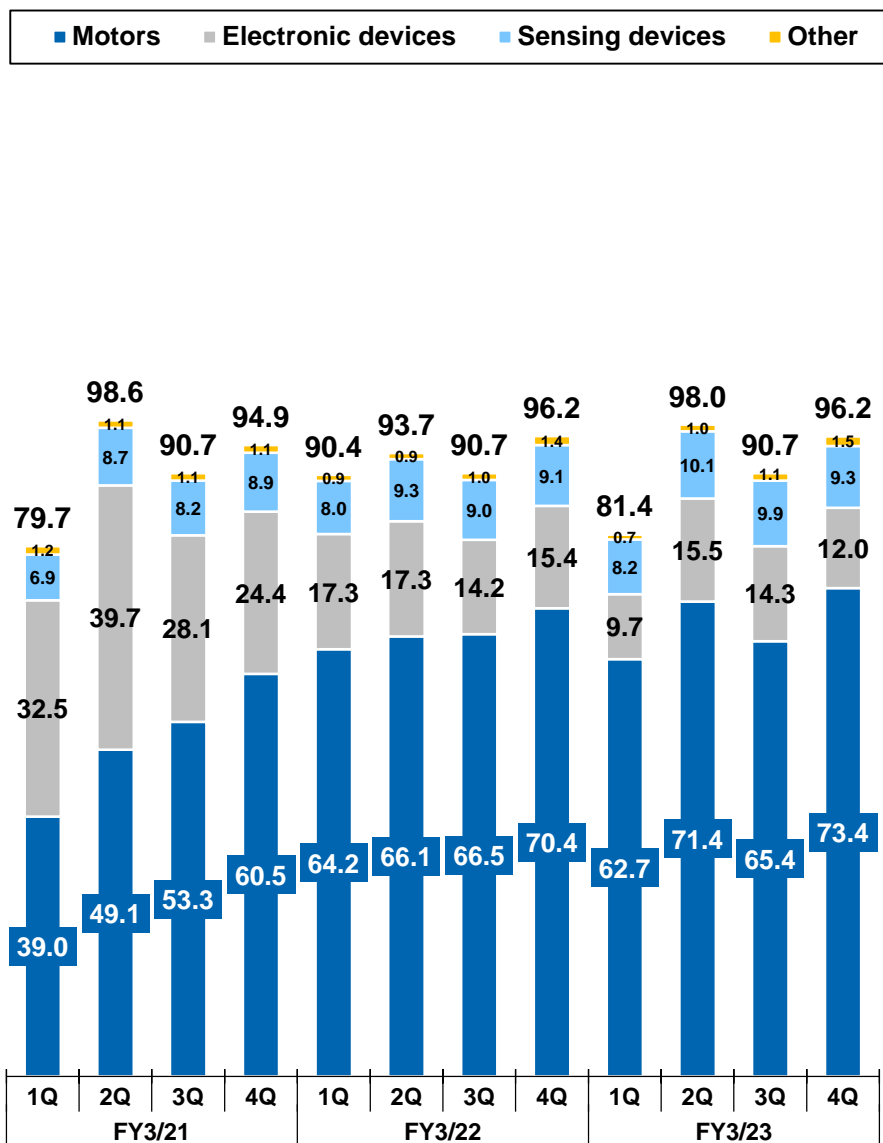


Operating income (Billions of yen)

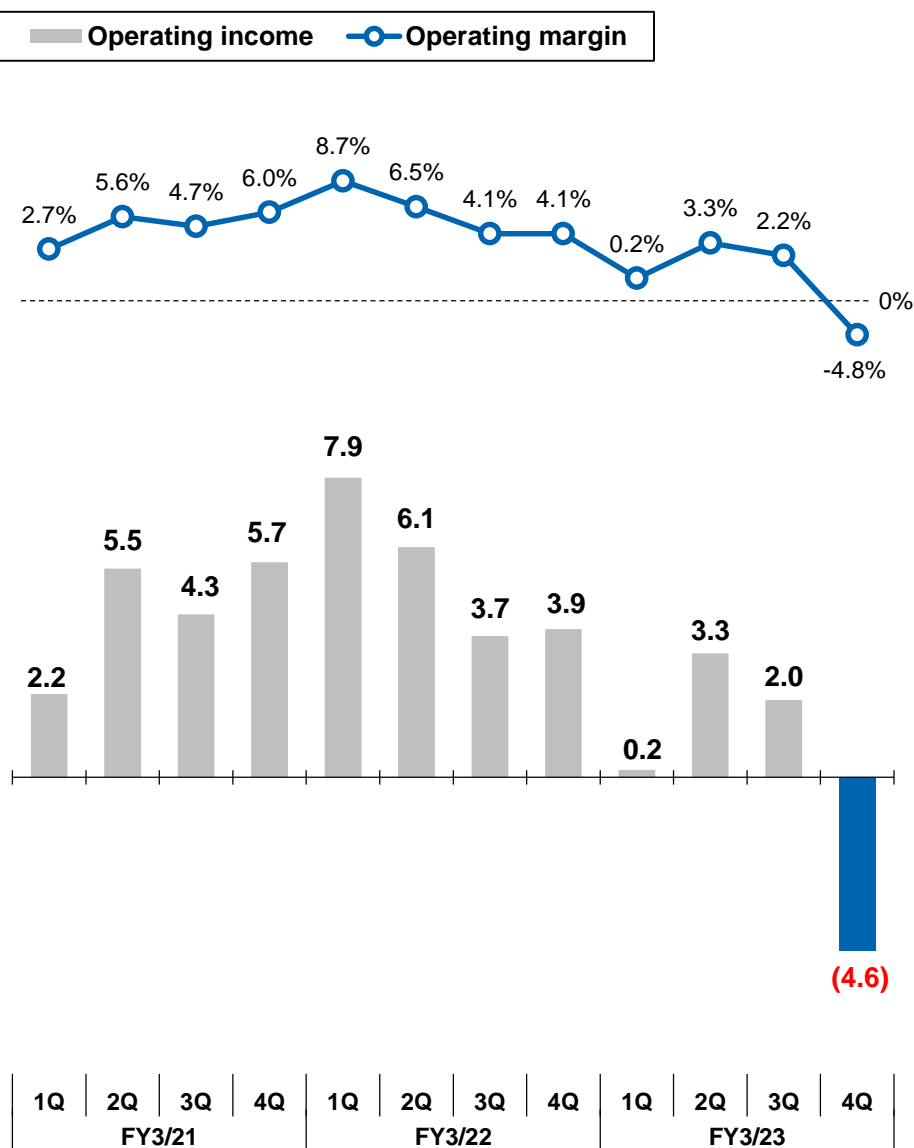


Electronic Devices & Components / Motor, Lighting & Sensing (MLS)

Net sales (Billions of yen)

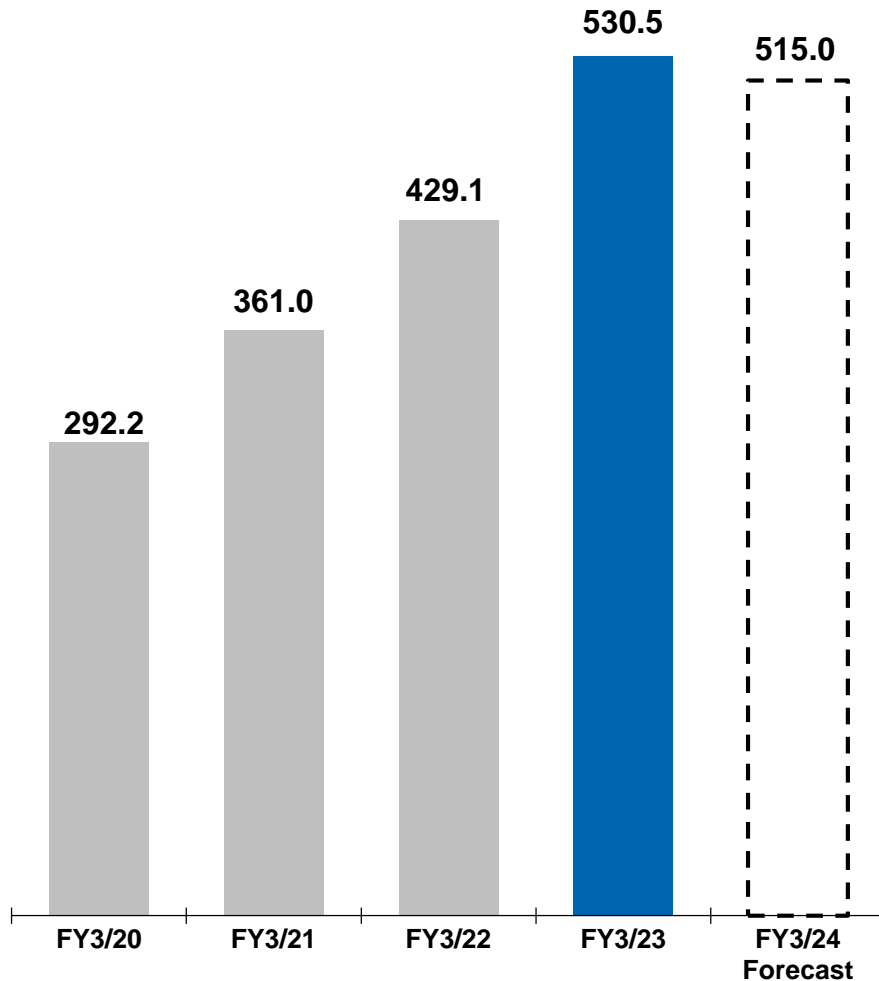


Operating income (Billions of yen)

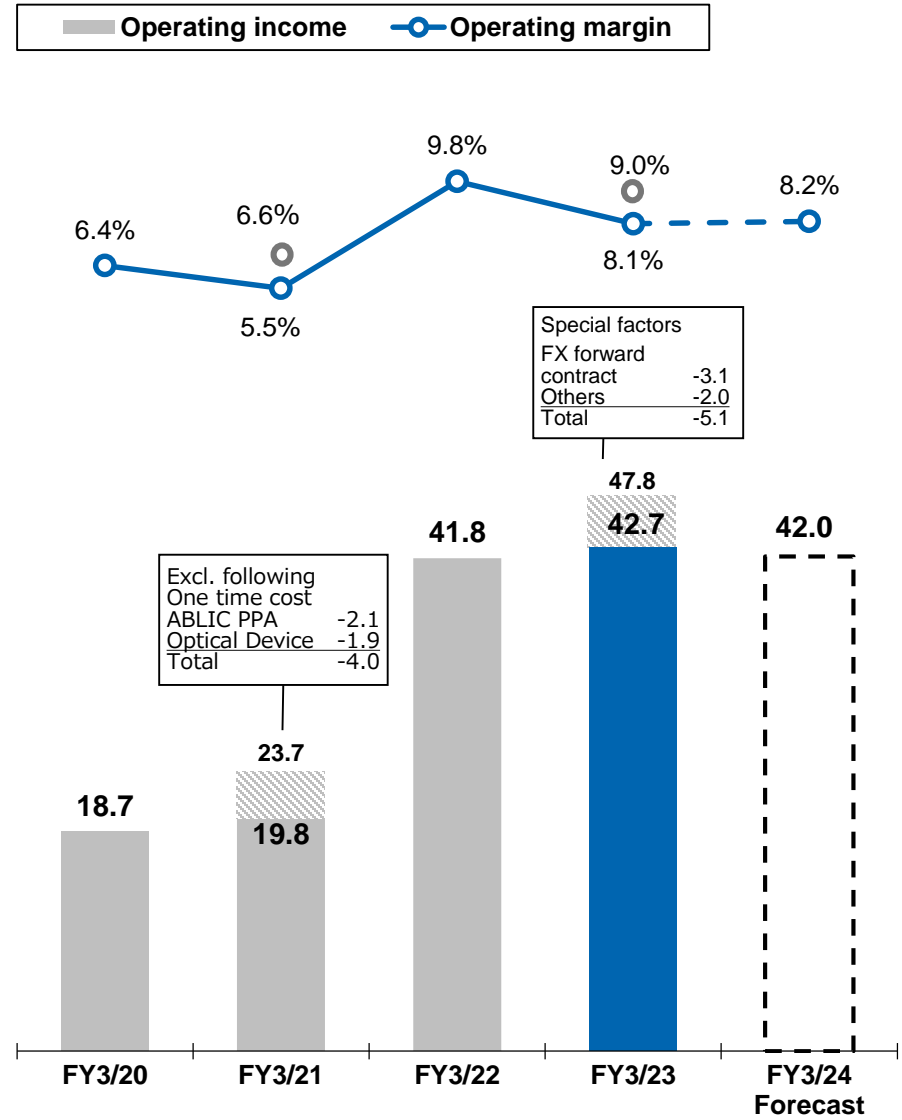


MITSUMI Business / Semiconductors & Electronics (SE)

Net sales (Billions of yen)

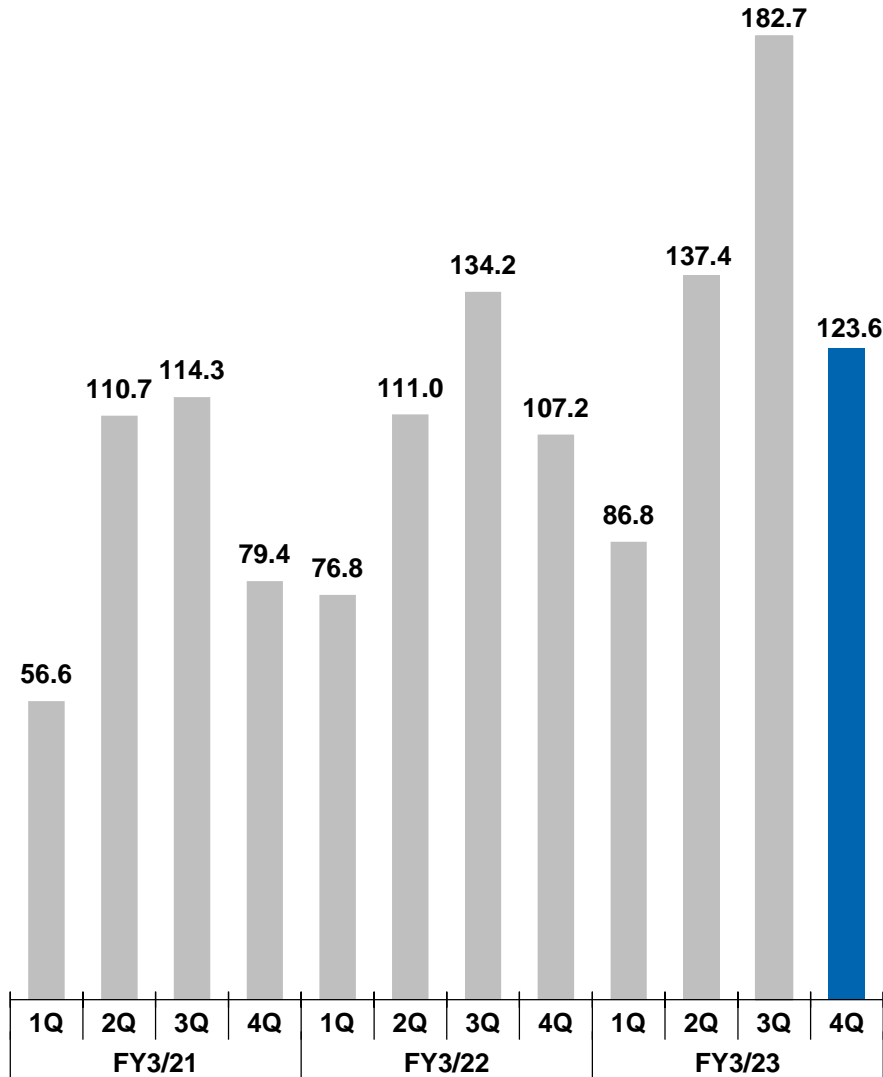


Operating income (Billions of yen)

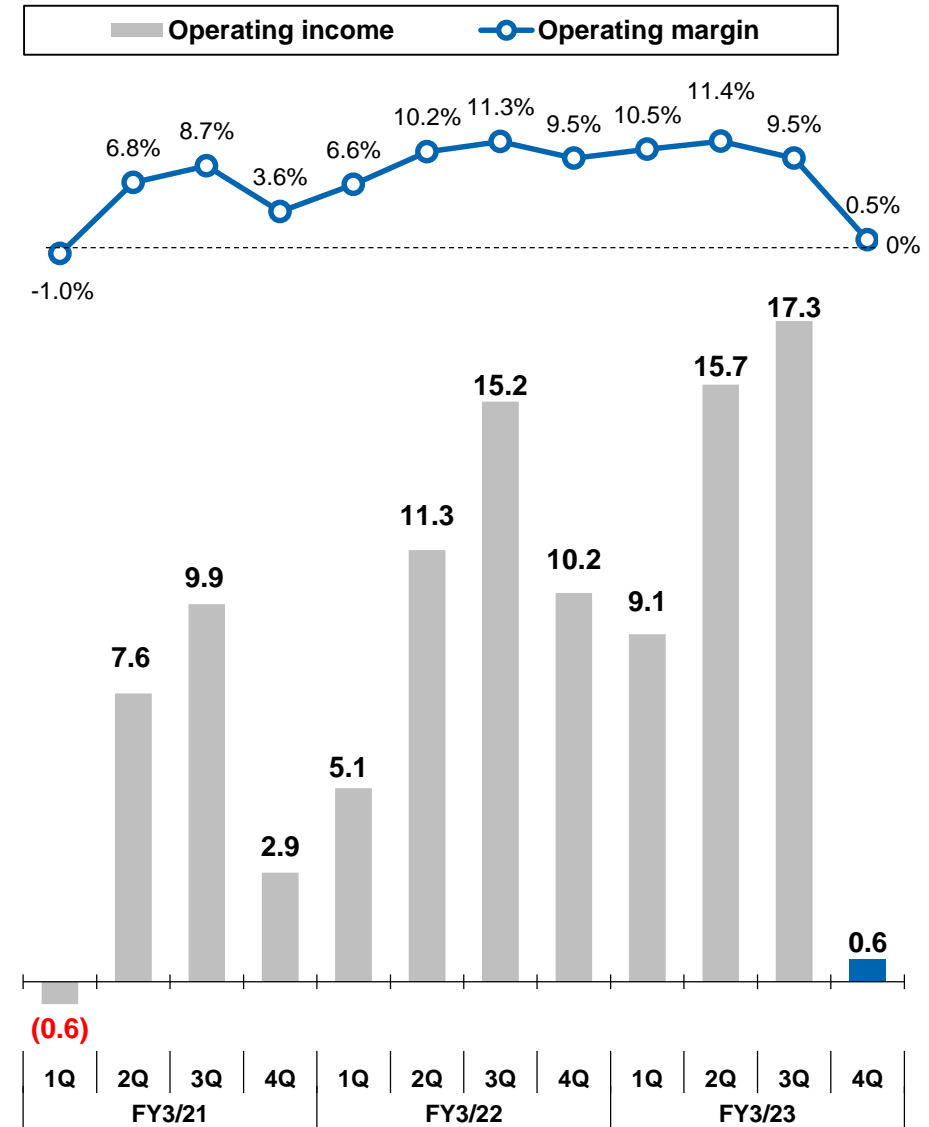


MITSUMI Business / Semiconductors & Electronics (SE)

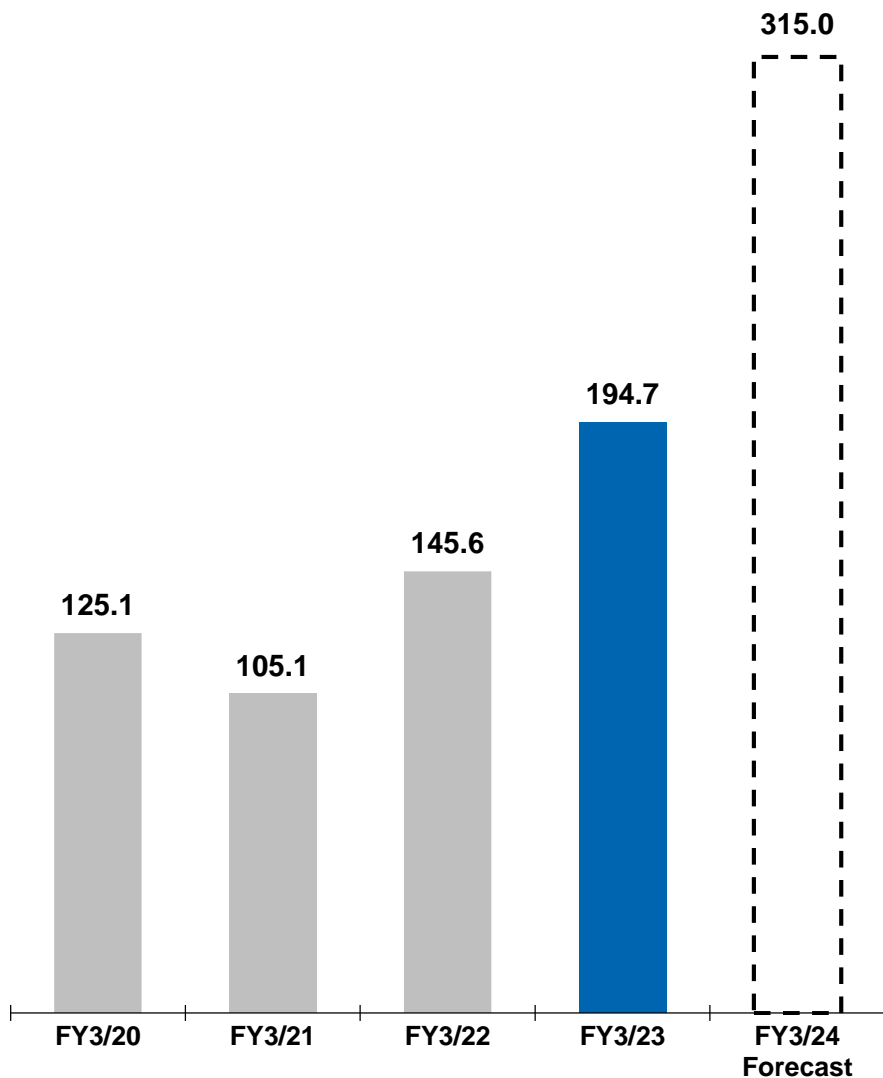
Net sales (Billions of yen)



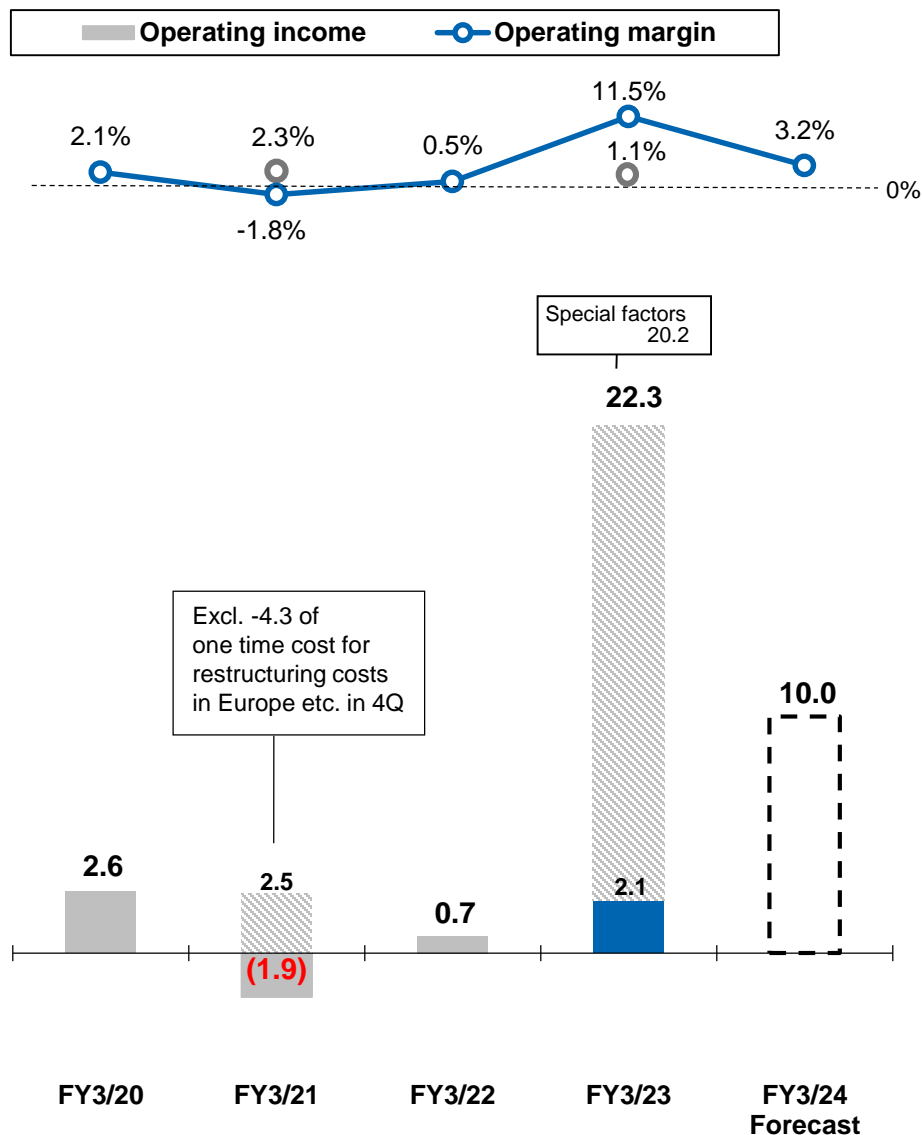
Operating income (Billions of yen)



Net sales (Billions of yen)

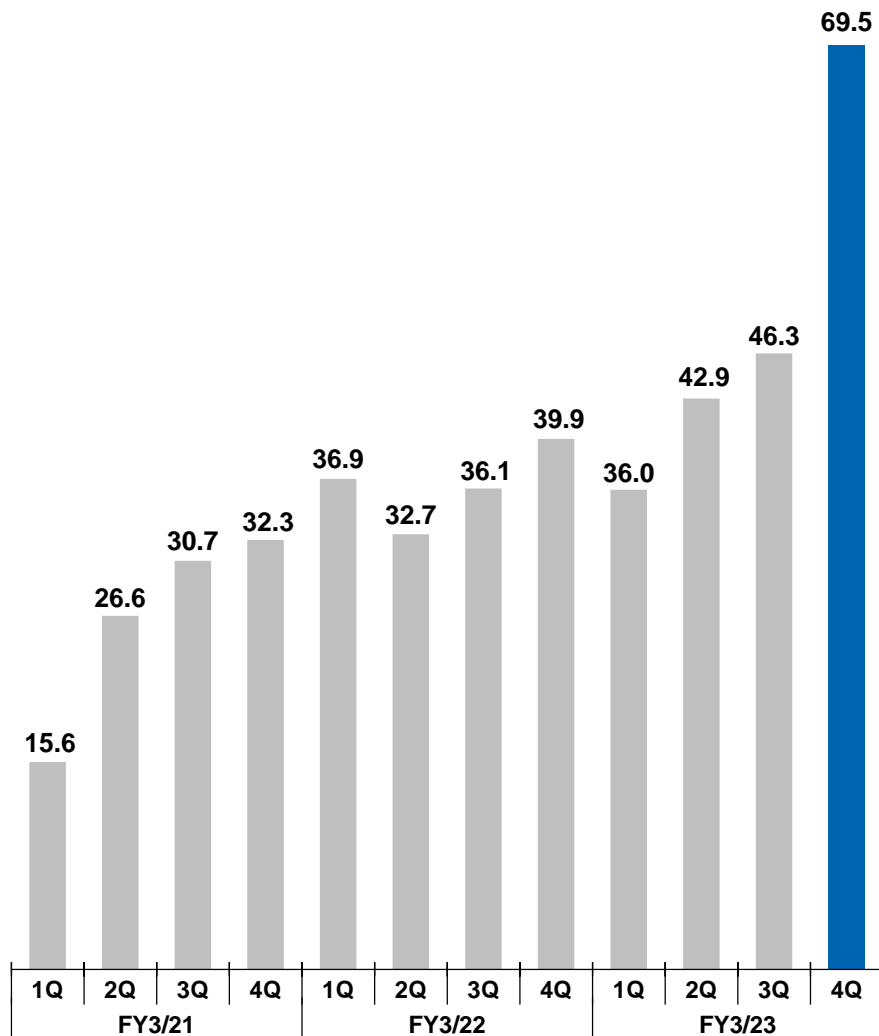


Operating income (Billions of yen)

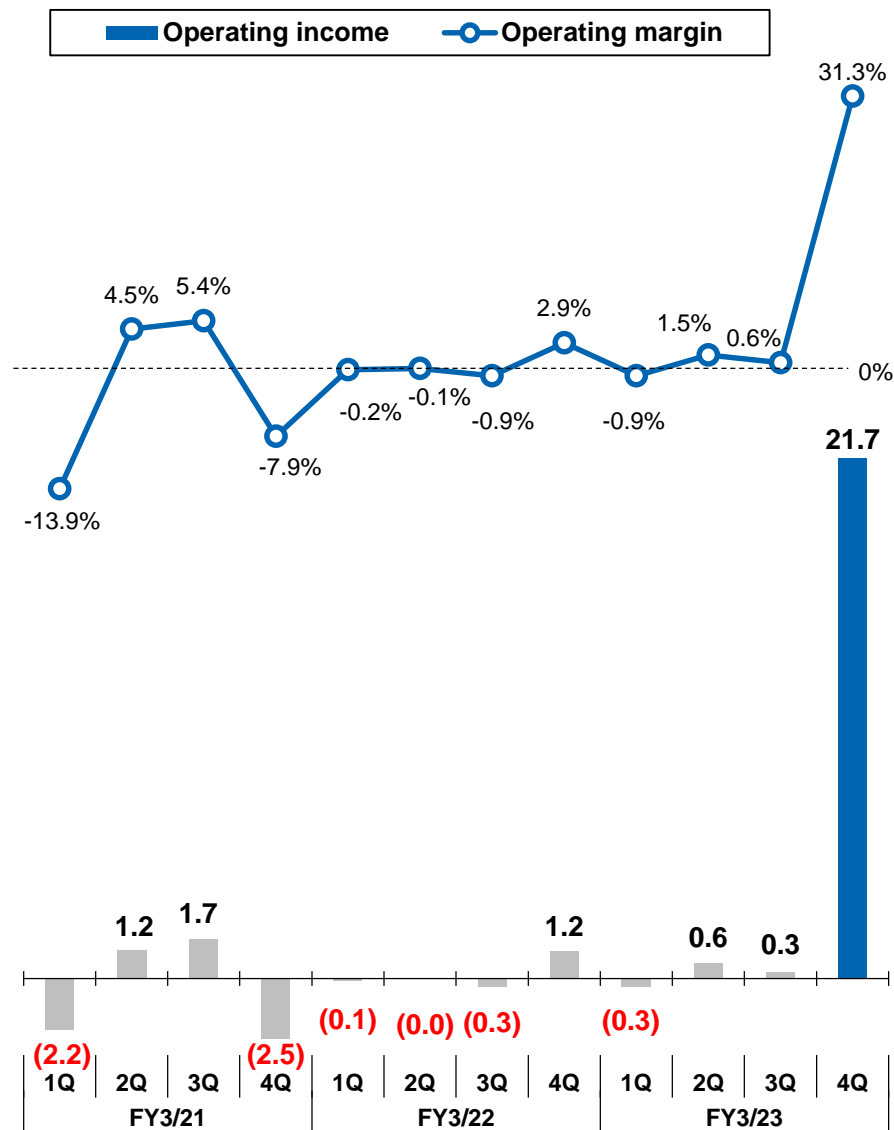


U-Shin Business / Access Solutions (AS)

Net sales (Billions of yen)



Operating income (Billions of yen)

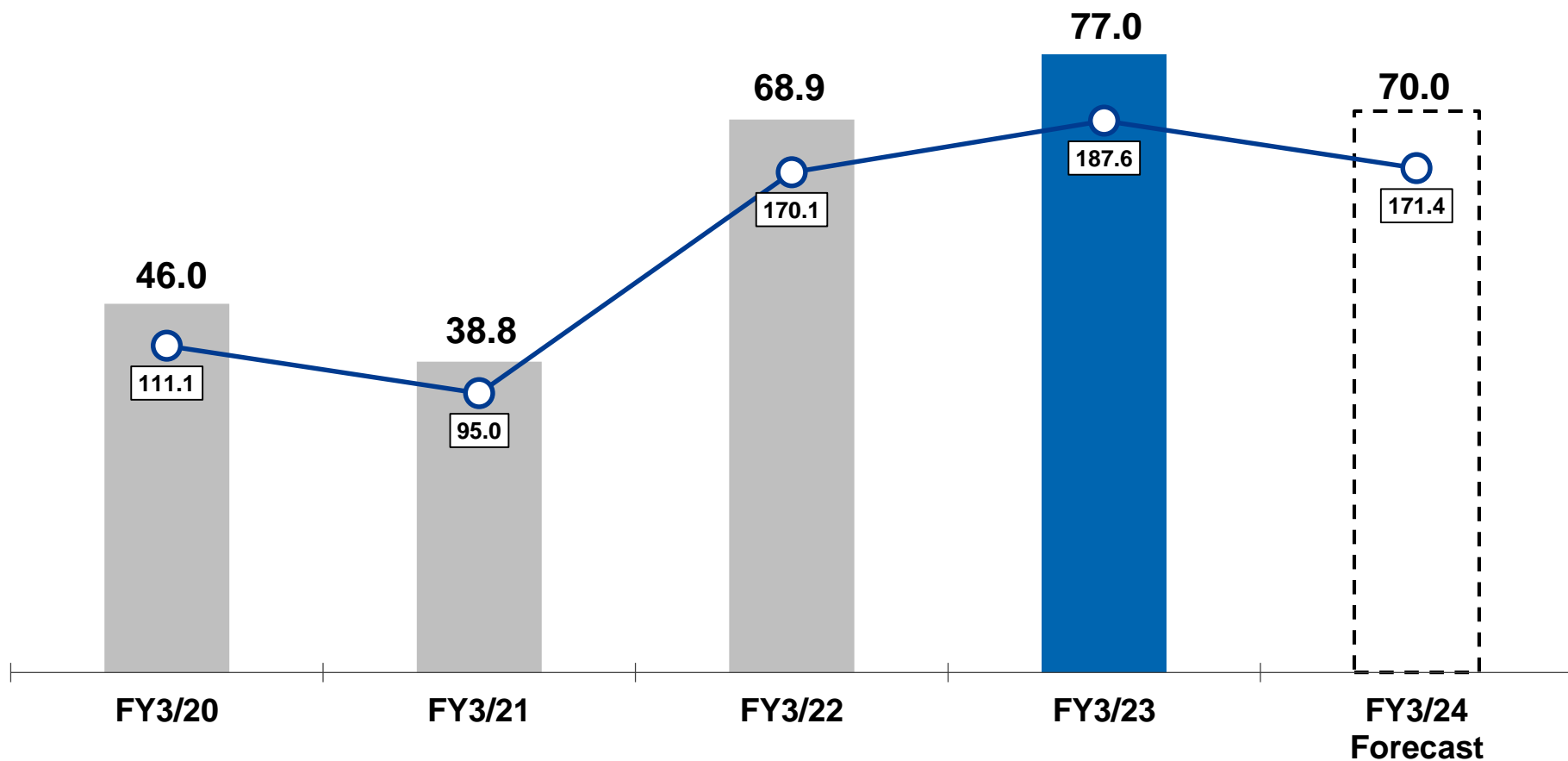


Profit Attributable to Owners of the Parent / EPS

(Billions of yen)

Profit for the period attributable to owners of the parent

Earnings per share, basic (yen)

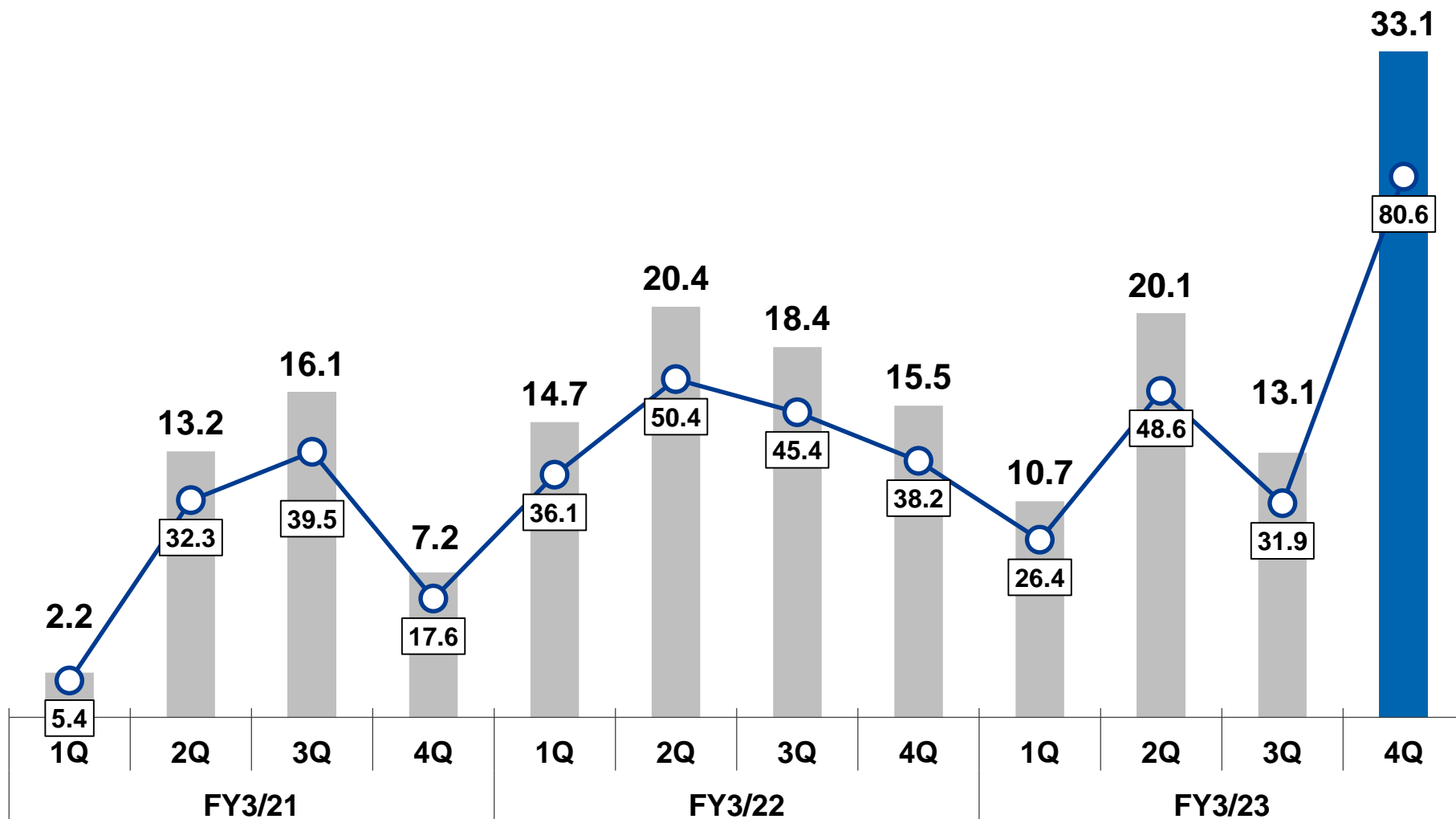


Profit Attributable to Owners of the Parent / EPS

(Billions of yen)

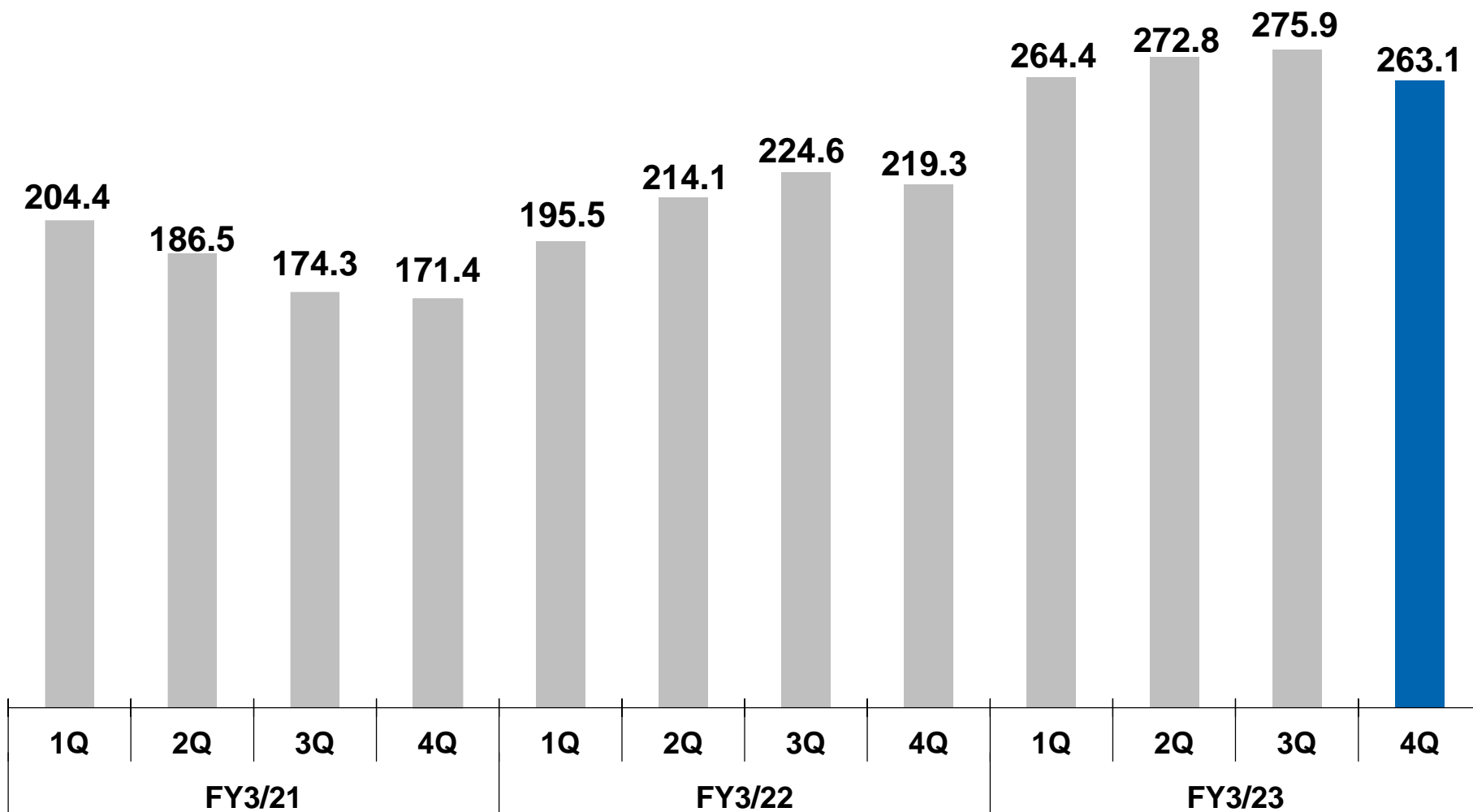
Profit for the period attributable to owners of the parent

Earnings per share, basic (yen)



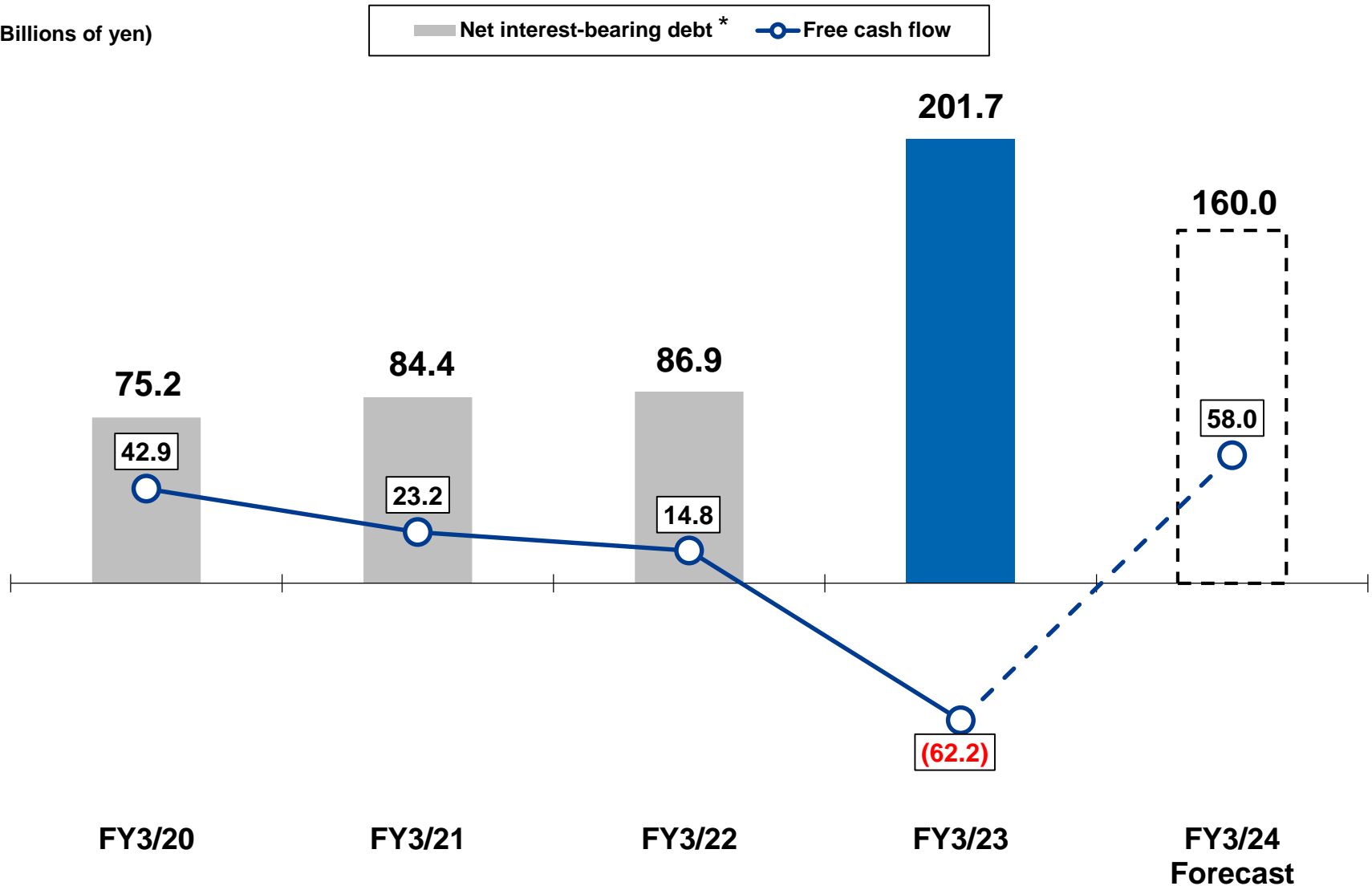
Inventory

(Billions of yen)



Net Interest-bearing Debt / Free Cash Flow

(Billions of yen)



*Net interest-bearing debts: "Bonds and borrowings" - ("Cash and cash equivalents" + Time deposit more than 3 months)

Forecast for Fiscal Year Ending March 31, 2024

Full year forecast for net sales to hit record high

(Millions of yen)	FY3/23	FY3/24			
	Full Year	1st Half	2nd Half	Full Year	YoY
Net sales	1,292,203	663,000	787,000	1,450,000	+12.2%
Operating income	101,522	28,000	67,000	95,000	-6.4%
Profit before taxes	96,120	26,500	65,500	92,000	-4.3%
Profit for the period attributable to owners of the parent	77,010	20,000	50,000	70,000	-9.1%
Earnings per share, basic (yen)	187.62	48.97	122.44	171.41	-8.6%

Foreign Exchange Rates	FY3/23 Full Year	FY3/24 Assumptions
US\$	¥134.19	¥130.00
Euro	¥139.90	¥140.00
Thai Baht	¥3.82	¥3.85
Chinese RMB	¥19.68	¥19.40

Forecast for Business Segment

(Millions of yen)	FY3/23 Full Year	FY3/24			
		1st Half	2nd Half	Full Year	YoY
Net sales	1,292,203	663,000	787,000	1,450,000	+12.2%
Precision Technologies	197,300	99,500	110,500	210,000	+6.4%
Motor, Lighting & Sensing	366,275	187,000	218,000	405,000	+10.6%
Semiconductors & Electronics	530,464	226,000	289,000	515,000	-2.9%
Access Solutions	194,699	148,500	166,500	315,000	+61.8%
Other	3,465	2,000	3,000	5,000	+44.3%
Operating income	101,522	28,000	67,000	95,000	-6.4%
Precision Technologies	42,951	22,500	26,500	49,000	+14.1%
Motor, Lighting & Sensing	922	4,000	13,000	17,000	x18.4
Semiconductors & Electronics	42,740	11,500	30,500	42,000	-1.7%
Access Solutions	22,302	1,500	8,500	10,000	-55.2%
Other	-1,290	-500	-500	-1,000	-
Adjustment	-6,103	-11,000	-11,000	-22,000	-

Management Policy & Business Strategy

May 11, 2023

Yoshihisa Kainuma

Representative Director, Chairman CEO



Summary of Fiscal Year ended 3/23

Overall

- Net sales, operating income, and net profit all **hit record highs**.
- **Operating income totaled 100 billion yen** partly due to one-time gains, despite unexpected factors such as the automobile sector's lagging recovery and slowdown in the smartphone and data storage-related.
- Resumed M&As (four cases) and implemented restructuring and other measures to pave the way to achieve 2.5 trillion yen in net sales and 250 billion yen in operating income by FY3/2029.

The launch pad construction for the big leap is complete.

→ Connectors, analog semiconductors, access solutions, etc.

Precision Technologies (PT)

- Ball bearing production is all set to go with completion of capacity increase. Depreciation begins as production increases.
- The aircraft components business is back on track as planned and moving toward further growth.

Motor, Lighting & Sensing (MLS) Semiconductors & Electronics (SE)

- **Despite falling short of our forecast, the SE earned record high profits and is now on a par with the PT.**
- HDD motors were affected by customers' production adjustments.
- Sales of motors other than HDD motors remained robust, boosting profitability.
- Optical device sales became number one in both name and reality, exceeding the initial forecast.

Access Solutions (AS)

- The integration of Minebea AccessSolutions completed, **PMI in progress**.
- Now we just wait for automobile production to bounce back.

Aiming for record profits on a business basis excluding special factors

Expect market recovery in data centers, automobiles, etc.

Key Points

- Precision Technologies (PT): Market recovery, including aircraft, will be in the second half of the year
- Motor, Lighting & Sensing (MLS): Gradual recovery in automotive applications, growth in motors, and full-scale contribution to earnings
- Semiconductors & Electronics (SE): Steady optical device and analog semiconductor businesses to offset sales decline in game business
- Access Solutions (AS): Keep sales and profit growth on track with market recovery and reap the fruits of the integration effect

(Millions of yen)

	FY3/23 Full Year	FY3/24			
		1st Half	2nd Half	Full Year	YoY
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Earnings per share, basic (yen)	187.62	48.97	122.44	171.41	-8.6%

Long-term Trend of Sales and OP

Toward 2.5 trillion yen in sales and 250 billion yen in OP

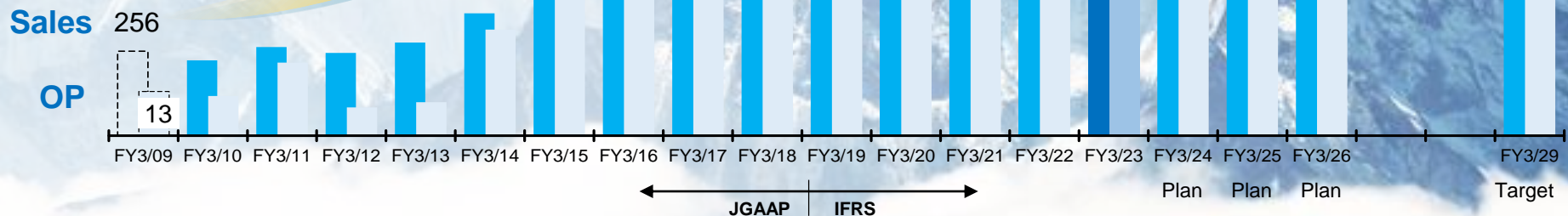
**Record sales for
10 consecutive terms!**

*FY3/24-FY3/26 plan does not include additions from new M&As.

3/09-3/23 CAGR
Sales 12.3%
OP 15.5%

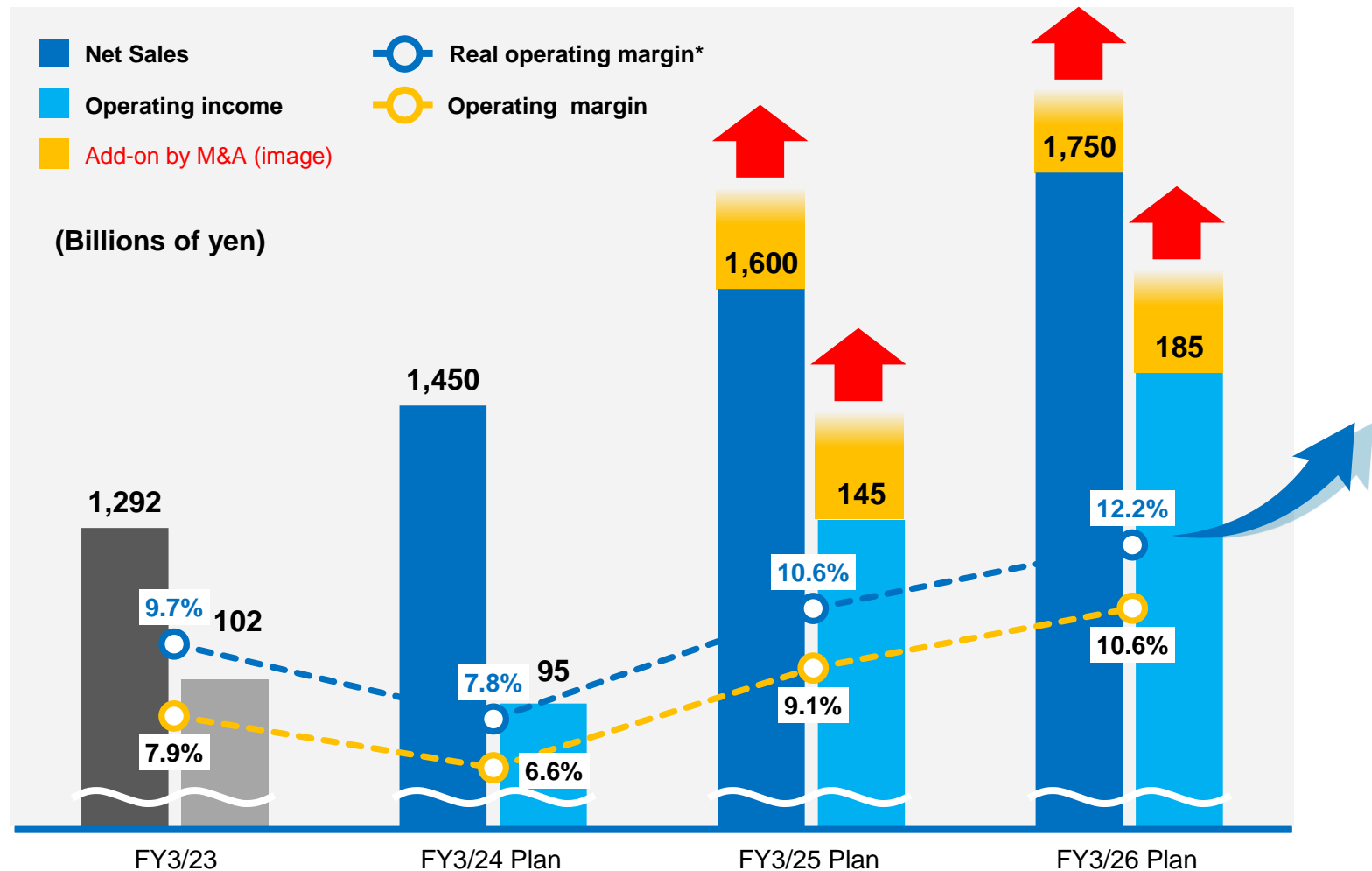
3/23-3/29 CAGR
Sales 11.6%
OP 16.3%

(Billions of yen)



Real operating margin* to reach 15% level thanks to mix improvement

Increase in sales of bearing, rod-ends and analog semiconductors
as well as improvement in profit margin of other products



*Real operating margin: Operating margin excluding sales of supplied parts etc.

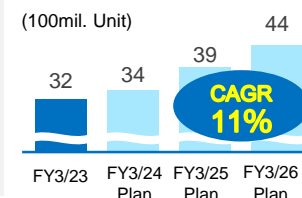
Catch the trends and changes to expand business opportunities

Bearings



- Electrification** ➤ Shift to EVs, Robotics
- Automation** ➤ CASE, Robotics
- Ultra-high-speed communication** ➤ Data center, Base station

- Super Bearings
- Medium sized Bearings
- High-speed Bearings

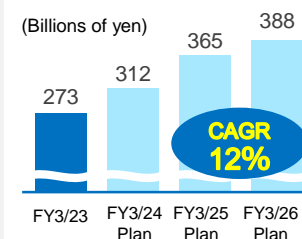


Motors



- Electrification** ➤ Shift to EVs, Robotics
- Automation** ➤ CASE, Robotics
- Ultra-high-speed communication** ➤ Data center, Base station
- Sensing** ➤ Control algorithm

- Heat management motors
- Resolvers
- Motors for LiDAR, LATM
- High-speed fan motors
- Smart actuators

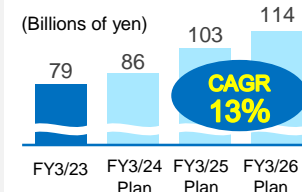


Analog semiconductors



- Electrification** ➤ Battery control, High voltage control
- Ultra-high-speed communication** ➤ Analog data processing
- Sensing** ➤ Analog data processing

- Power semiconductors, multi cell IC
- High-speed ADC
- CLEAN-Boost®
- MEMS, Magnetic sensors

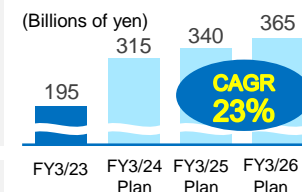


Access products



- Automation** ➤ Automobile electrification
- Ultra-high-speed communication** ➤ OTA, V2X

- E-latch, Flash handle
- CSD, Smart key
- 5G antenna, Combo antenna

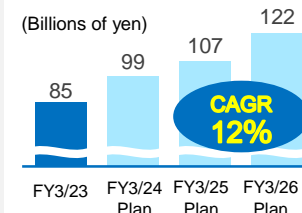


Others

- Sensors
- Connectors
- Power supply components

- Electrification** ➤ Battery control, High voltage control
- Automation** ➤ Various sensor networks
- Ultra-high-speed communication** ➤ High-speed transmission
- Sensing** ➤ High-precision and high-sensitivity sensing

- High-power battery module
- High-voltage transformers
- High-speed communication module
- High-speed transmission connector
- MINEGE™



Generate new biz. opportunity for CASE generation

Connected

- 5G antenna / Combo antenna 
- WiFi/BT, GNSS, LTE module 
- High speed transmission connector  ➤ HMI  etc.

Shared

- Smart Key (UWB) 
- E-latch 
- Flash handle  etc.











Autonomous

- Brushless motor for LiDAR 
- LATM for LiDAR *1 
- ECU cooling fan 
- Sensor 
- High speed ADC  etc.

*1 LATM: Limited Angle Torque Motor

*2 AGA : Active grill shutter actuator

Electric

- Motor for water pump 
- Cooling fan for secondary battery 
- Resolver 
- HVAC module 
- Battery protection module 
- AGA *2 
- Battery module 
- IGBT 
- CSD 
- E-Shifter  etc.

Automotive

Automotive antenna

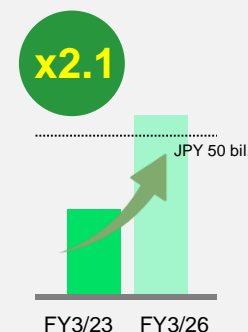
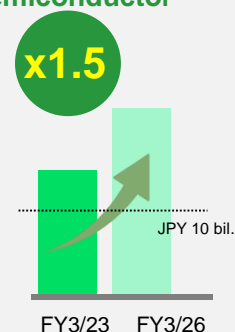
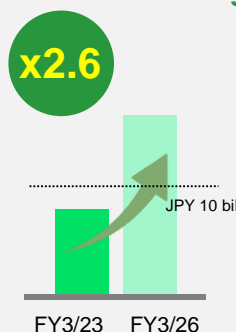
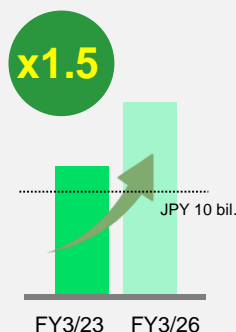
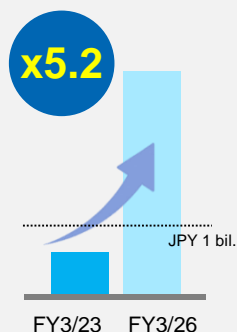
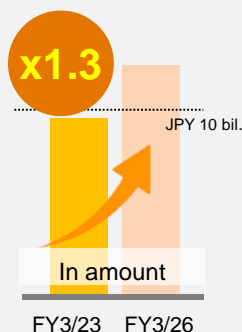
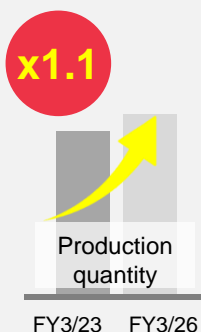
LiDAR

In-vehicle fans

Resolver

In-vehicle semiconductor

Motor actuator



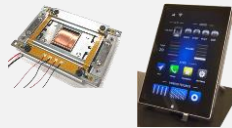
INTEGRATION of 8 spears (automotive example)

INTEGRATED 8 Spears

HMI

Human Machine Interface

- ✓ Systems for tactile feedback



LATM

Limited Angle Torque Motor

- ✓ High-speed, high-precision control of LiDAR mirrors



HVAC LIN

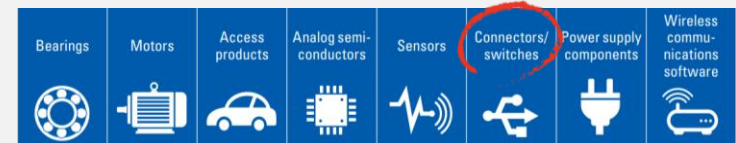
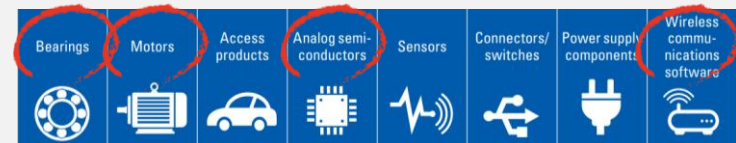
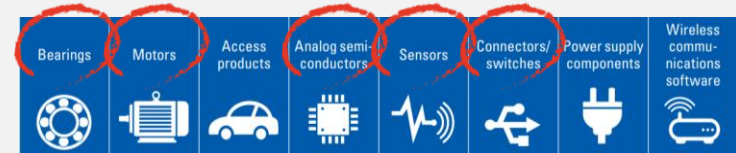
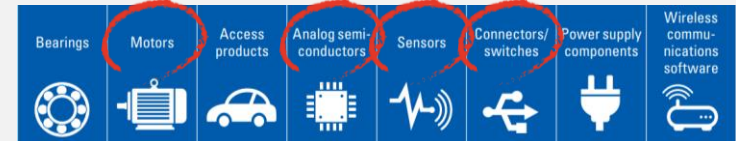
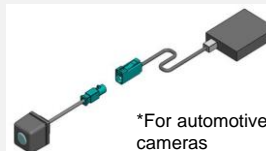
Heating, Ventilation, and Air Conditioning with Local Interconnect Network

- ✓ Enhancing comfort features and efficiency of air conditioners

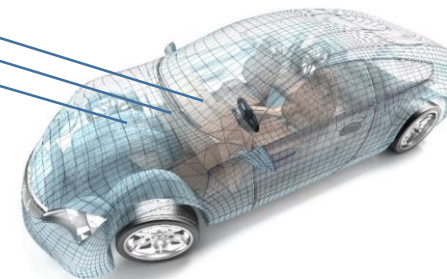


Camera connector

- ✓ Provide total solutions by HTK, Minebea Connect, and Mitsumi



*INTEGRATION means “combining” rather than “simple gathering” of the Company’s proprietary technologies to evolve the “Eight Spears” and to create new products in various fields through the INTEGRATION of our advanced technology



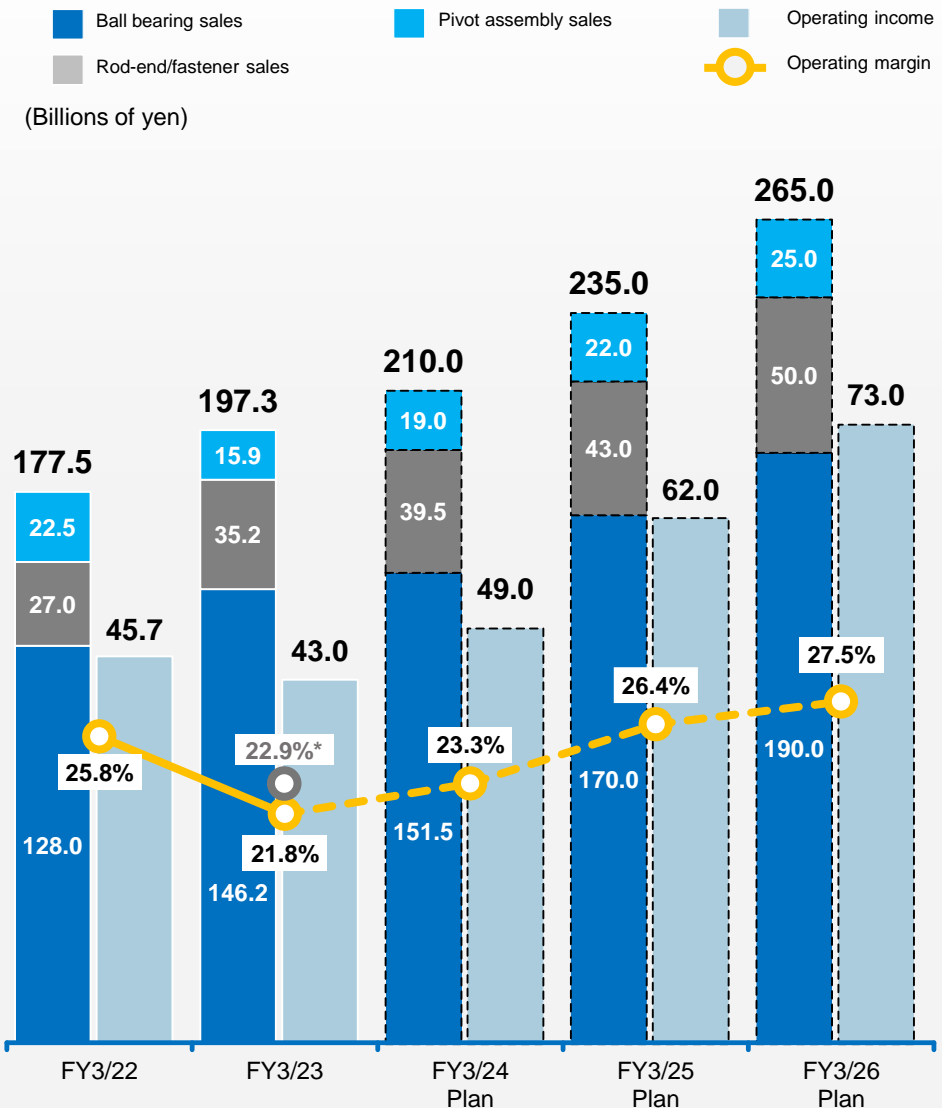
Growth in ball bearing plus recovery & growth in aerospace

Key Points

1 Ball bearing sales
Steady growth over the medium to long term, despite current production adjustments in automobile and data center

2 Ball bearing production
Production can be increased up to 370 million units at any time

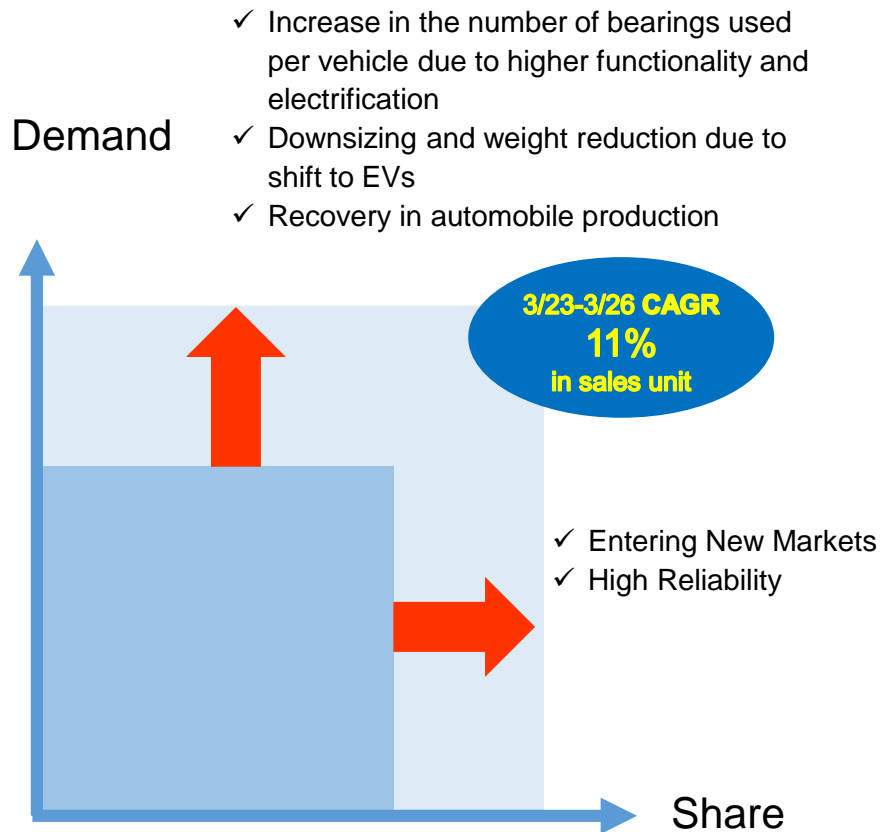
3 Rod-ends & fasteners
Shifting from COVID recovery to continuing growth



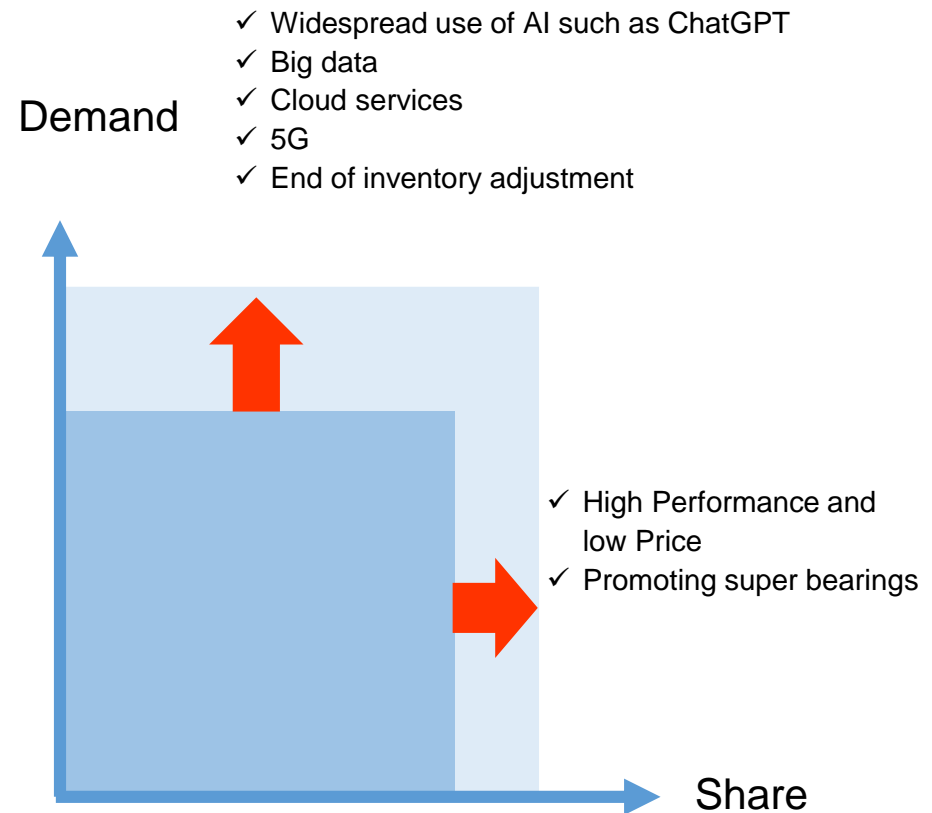
*Excl. special factors

Growth in automotive and data center applications due to expansion of Market share and increase of demand

Automotive



Data center applications

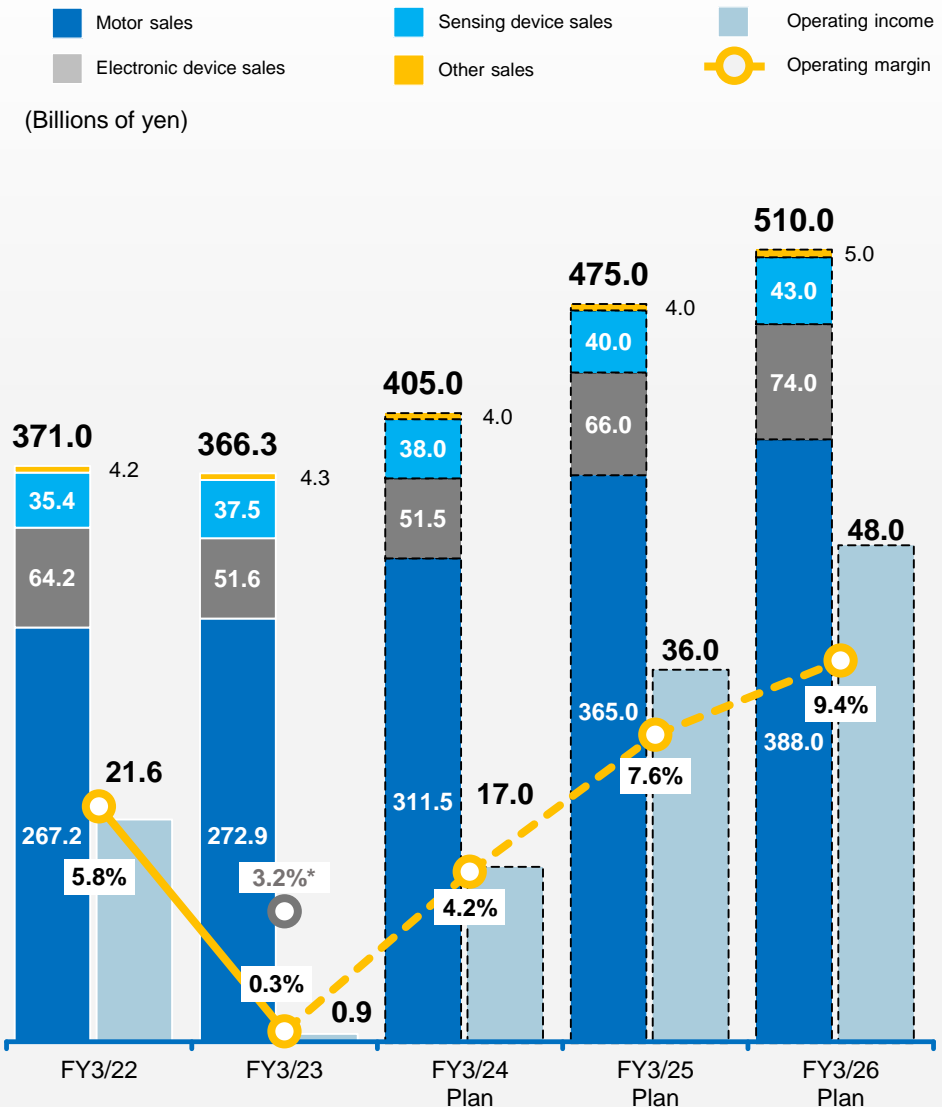


Motor, Lighting & Sensing (MLS) Targets

**Growth to accelerate
with motors as profit driver**

Key Points

- 1 **Motors**
Top-line growth in HVAC, LiDAR, actuator and other automotive motors will increase profitability
- 2 **Electronic devices**
Resonant devices to contribute to profits, and structural transformation of backlight business
- 3 **Sensing devices**
Growing demand for sensor products used in rechargeable batteries and vaccine production equipment

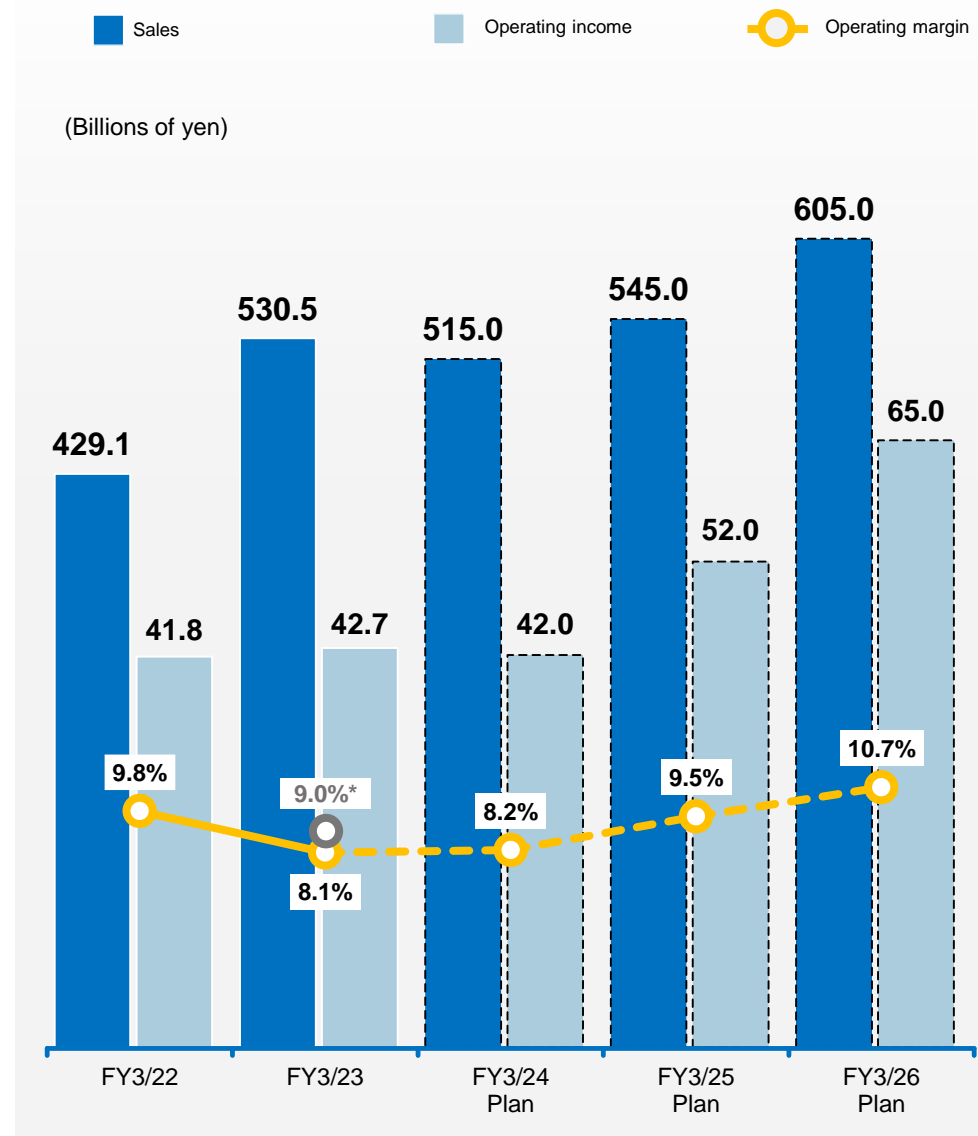


*Excl. special factors

Maintain high profit and achieve further growth

Key Points

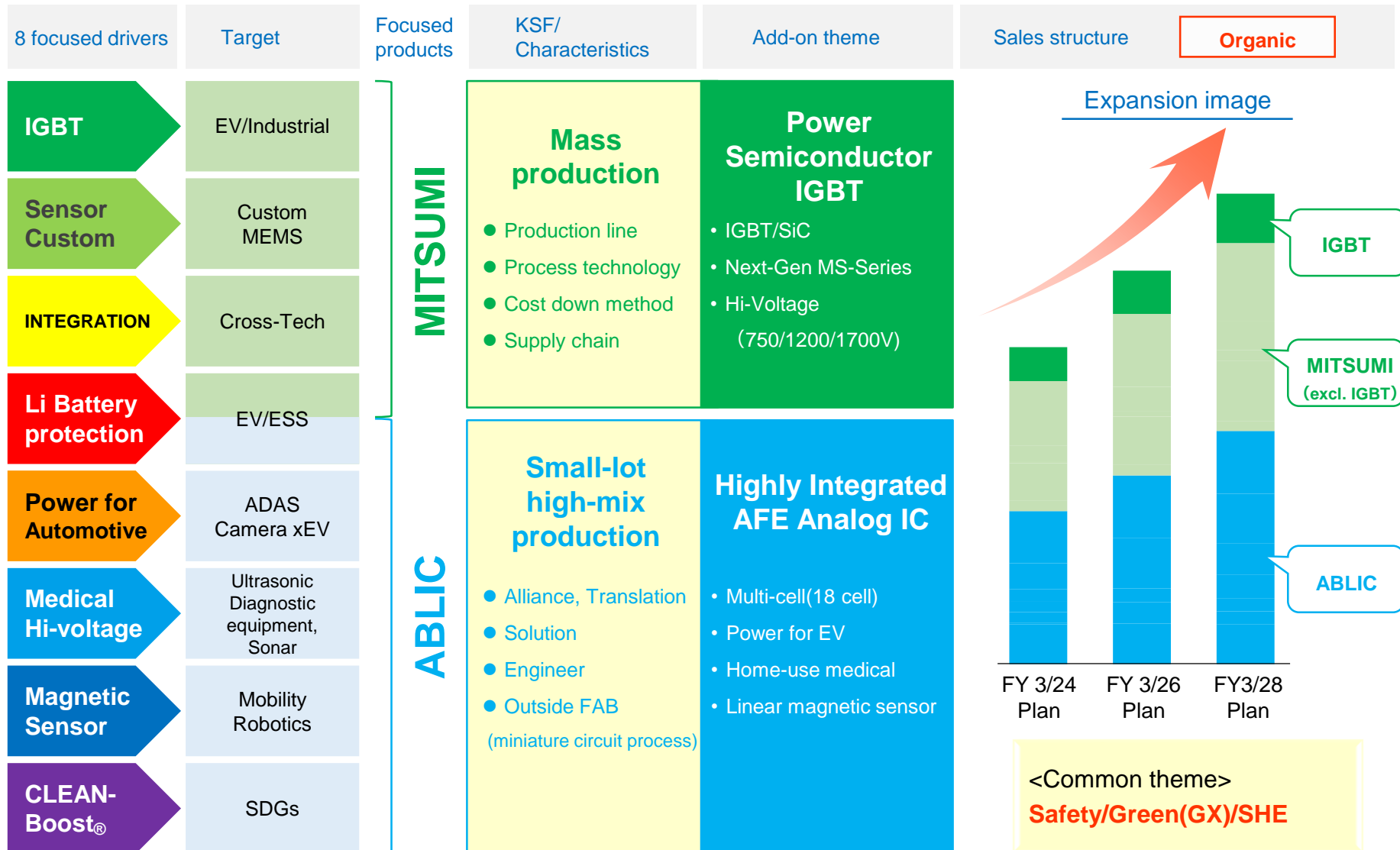
- 1** Optical devices
Increase in the adoption rate of our products keeps sales steady
- 2** Analog semiconductors
Market recovery and contribution of Shiga Plant
Accelerate in-depth growth investment for continued stable growth
- 3** Mechanical components
Leverage INTEGRATION capabilities to develop new OEM businesses
- 4** Connectors
Leverage M&A effects to achieve growth



*Excl. special factors

Analog Semiconductor Business Update

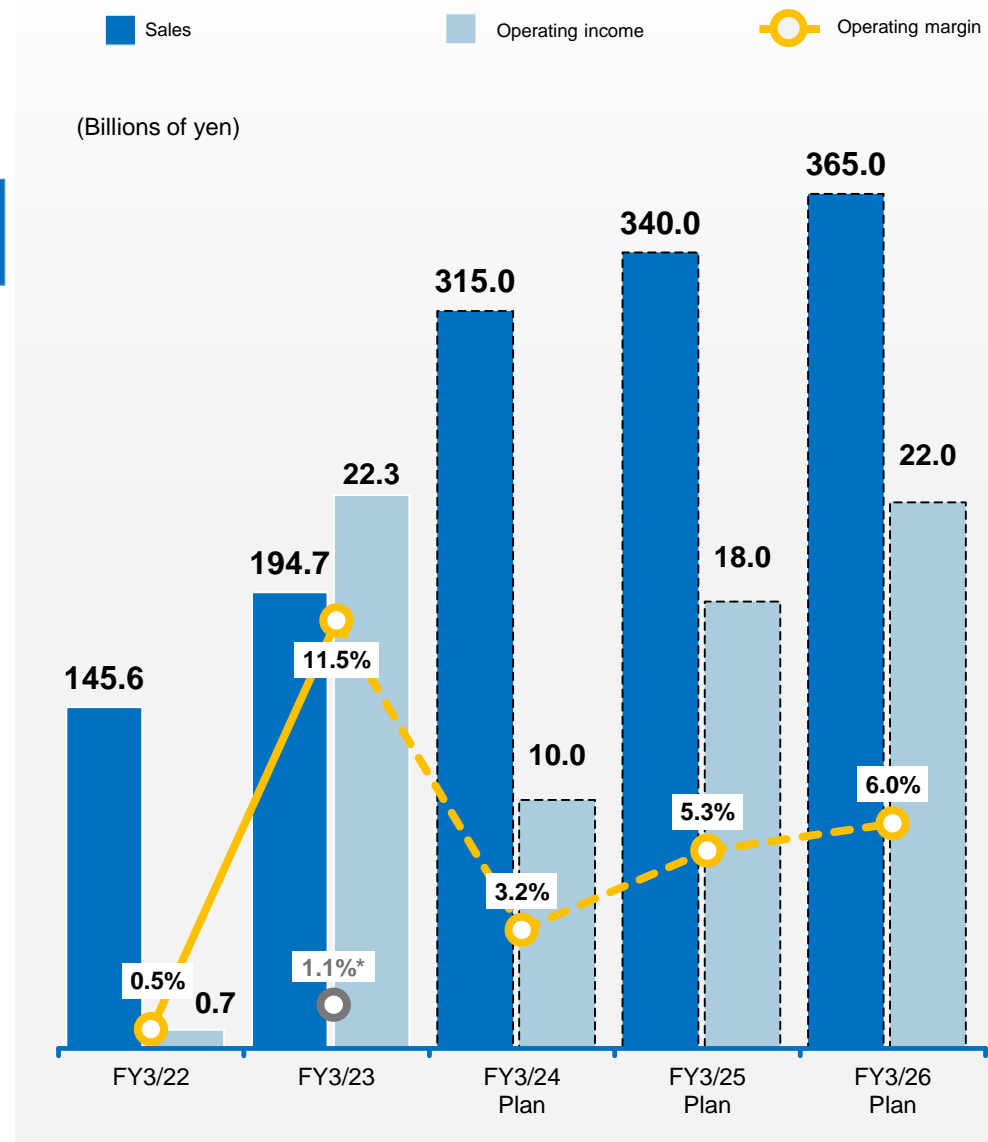
Maximize each own strength to realize 100 bil. within FY 3/25 and grow upward



Significant improvement in profit through market recovery and M&A effects

Key Points

- 1 Realizing the benefits of restructuring as the market recovers
- 2 Cutting costs utilizing M&As
- 3 Shift to high value-added products
 1. CSD
 2. Flush handle
 3. E-Latch
 4. CPD (Charge Port Door)



*Excl. special factors

Strengthen various initiatives as a growth strategy

Keywords

1

Expand “MMI Beyond Zero”

Further increasing the volume of avoided CO₂ emissions
Setting new targets

2

Implement renewable energy

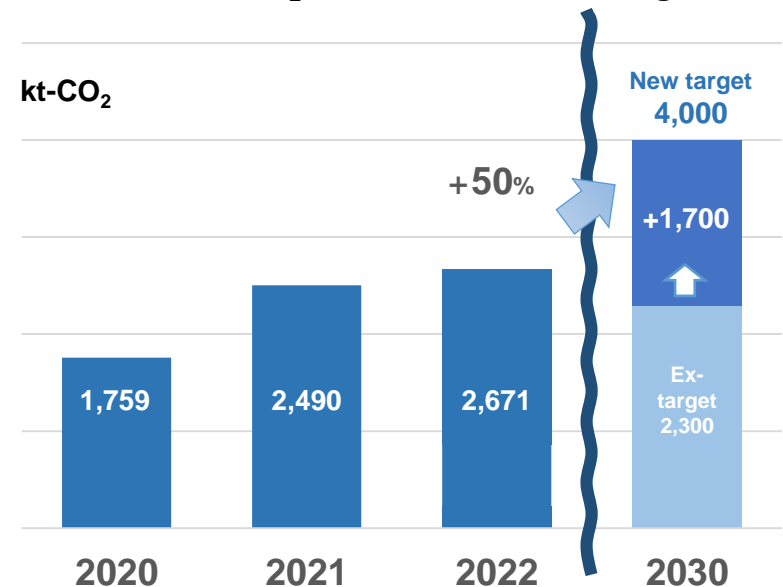
Signed renewable energy contracts in addition to installing solar panels for in-house power generation, and started considering purchase of renewable energy certificates to cover any shortfall

3

Address initiatives

Complied with TCFD and will set an SBT
-> More details will be available in Integrated Report 2023

Volume of avoided CO₂ emissions and new targets



Estimate of planned procurement of renewable energy

- | | |
|-------------------------|-------------------------------|
| Renewable energy | private power generation |
| ➤ Already started | 26GWh/year (BPI, LPB, Wuhan) |
| ➤ Under construction | 15GWh/year (Chatsworth, Cebu) |
| Renewable energy | contract |
| ➤ Domestic | 2.6GWh/year |

Further enhancement of management efficiency and increase synergistic effects

Keywords

1 **Secure talented human resources**

From new graduates to career hires, acquire and develop talented and diverse human resources

2 **Stimulating internal and external exchanges**

Pursue collaborative creation, including industry-academia partnerships, that transcends not only internal company locations, divisions, and generations, but also external industry boundaries

3 **INTEGRATION and toughening of proprietary technologies**

Promote activities involved in the INTEGRATION of diverse know-how and "talents."

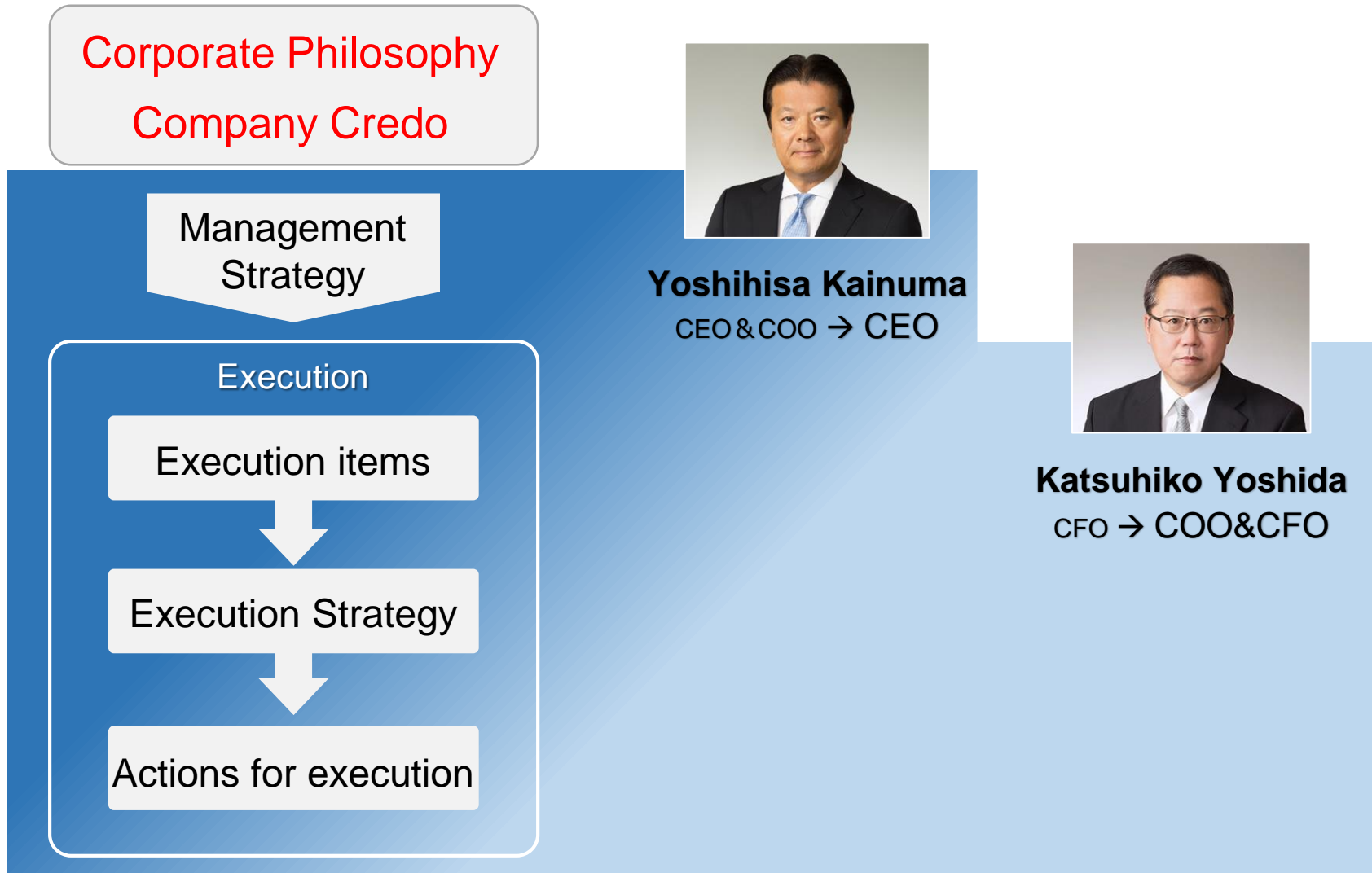


MinebeaMitsumi Tokyo X Tech Garden

Starting date :March 27, 2023 (Mon.)

Size :28 stories above ground and 4below

Division of roles for strategy and execution toward next generation



FY3/23

Year-end **20** yen/share Annual **40** yen/share

Increased 2 yen from the previous fiscal year's result of 18 yen

FY3/24 Plan

The annual dividend is targeted around 20% of consolidated payout ratio in principle, maintaining a sustainable and stable dividend in total consideration of business environment.



Any statements in this presentation which are not historical are future projections based on certain assumptions and executive judgments drawn from currently available information.

Please note that actual performance may vary significantly from any particular projection due to various factors.

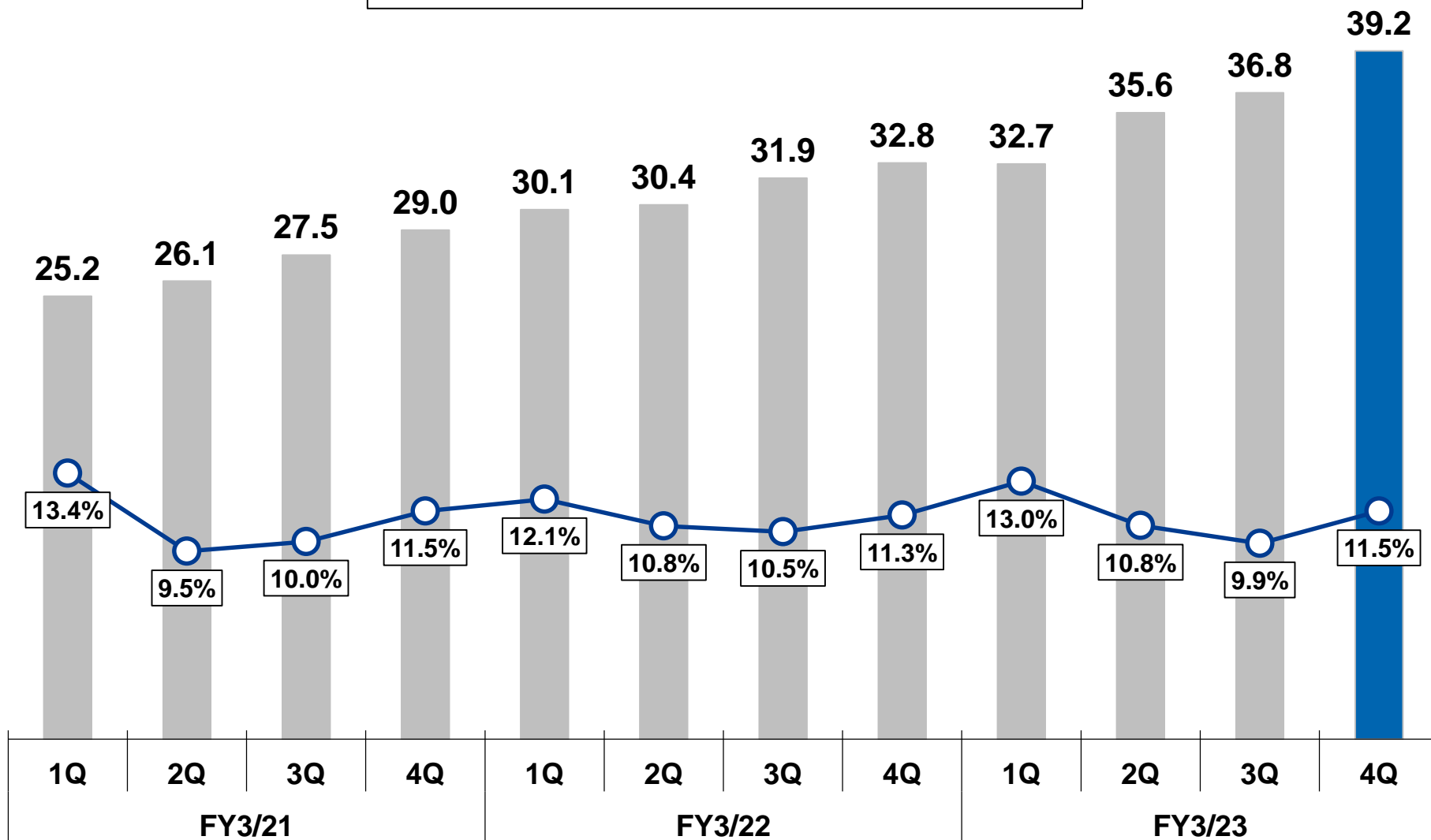
Factors affecting our actual performance include but are not limited to: (i) changes in economic conditions or demand trends related to MinebeaMitsumi's business operations; (ii) fluctuation of foreign exchange rates or interest rates; and (iii) our ability to continue R&D, manufacturing and marketing in a timely manner in the electronics business sector, where technological innovations are rapid and new products are launched continuously.

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Reference

S.G.&A. Expense / Ratio

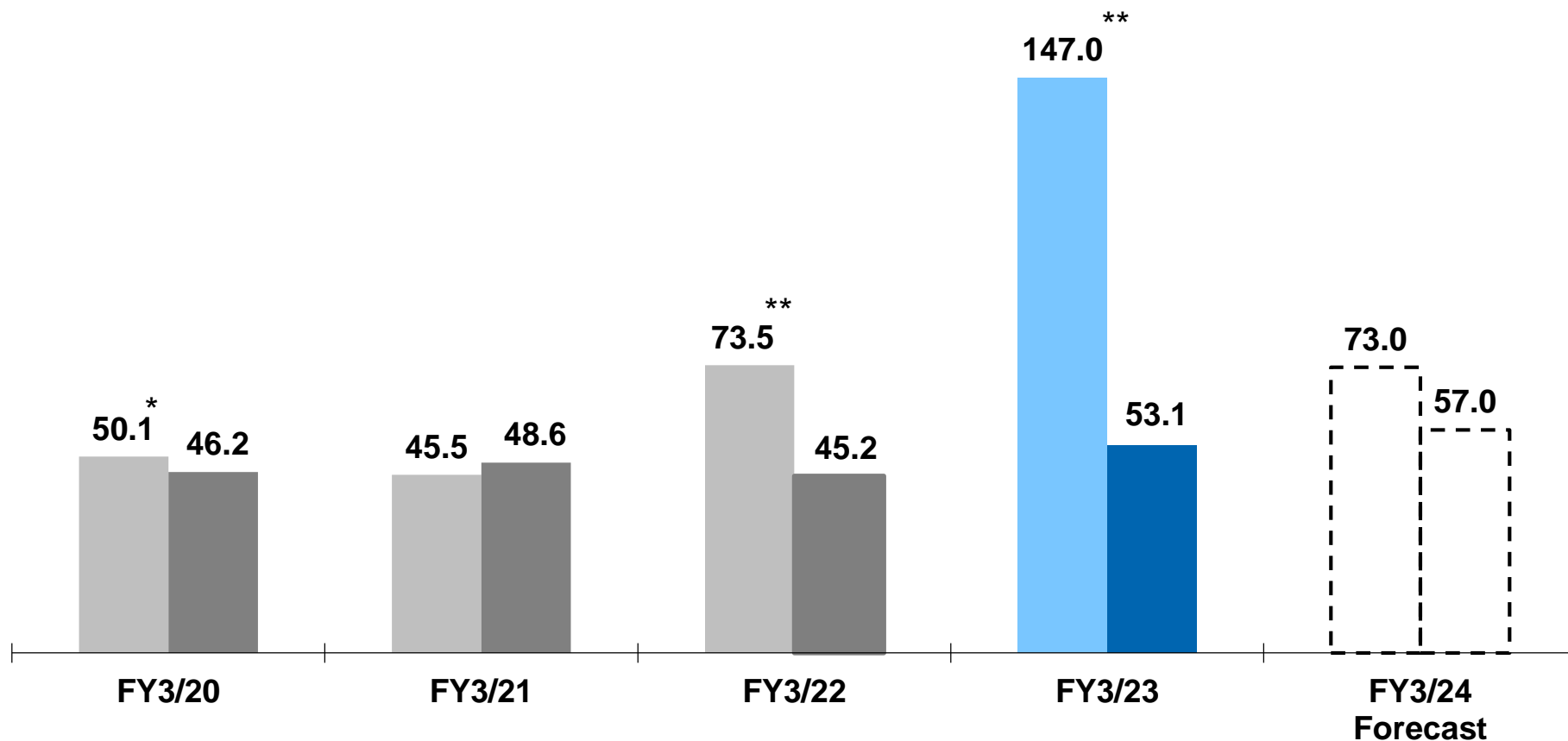
(Billions of yen)



Capital Expenditure / D&A Expense

(Billions of yen)

■ Capital expenditure ■ Depreciation & Amortization expenses



* Capital expenditures of FY3/20 do not include the increase of asset from lease contracts at the IFRS16 application start date

** Capital expenditures of FY3/22 & FY3/23 include new HQ building acquisition expenses

ROIC (Return On Invested Capital)

ROIC for U-Shin (AS) business is pre-merger result and based on JGAAP, and is not included in the Total of FY3/19.

$$\text{MinebeaMitsumi ROIC} = \frac{\text{NOPAT (Operating income + extraordinary profit/loss) x (1-tax rate)}}{\text{Invested capital (Notes receivable/accounts receivable + inventories + non-current assets - notes payable/accounts payable)}}$$

Calculated using business assets (trade receivable/payable, inventories, non-current assets) by segment

