

# MITSUMI Business

Develop new products for future growth fields by taking an INTEGRATION approach using Eight Spear products to create business opportunities for the entire group

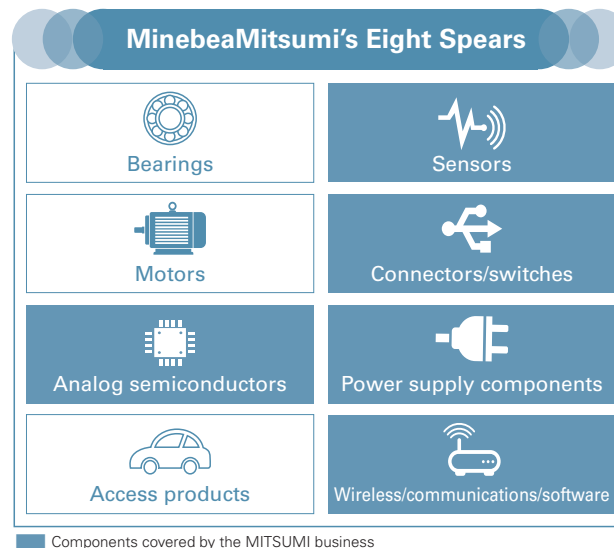
Director, Vice President Executive Officer  
Chief of MITSUMI Business Headquarters

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## Core competencies

The source of our competitiveness is our technological development capabilities that is required for ultra-precision processing typified by sensors, optics, MEMS (microelectromechanical systems) high-frequency technology, electric circuit technology and semiconductor design technology. Furthermore, by integrating our core technologies including, ultra-precision machining and vertical integration, which are a part of MinebeaMitsumi's DNA, we are creating an all-in-one system to respond to our customers' detailed needs from development through to mass production. More than half of the Eight Spear products belong to MITSUMI business, and thus are the driving force behind the creation of INTEGRATION for the entire group.



## Opportunities

- Expanding needs for even lower power consumption, smaller size, and higher precision in key fields such as automotive, communications, and medical.
- Expanding opportunities to utilize wireless communication technology and sensor ICs in response to increasing demand for contactless products.
- Using AI/Big Data will improve connectivity in automobiles, housing equipment, infrastructure, etc.

## Risks

- Rise of new technologies and applications to replace existing technologies.
- Rise of low-cost competitors in China.
- Tighter regulations on high-tech industries due to U.S.-China trade friction.
- Large-scale M&As and oligopolies due to semiconductor industry restructuring.

## Responding to opportunities and risks

- Focus on developing new products and cultivating new customers by leveraging our technological capabilities.
- Determine capital investment plans in line with business growth phases.
- Strengthen competitiveness by expanding analog semiconductor capacity and creating synergies with internal resources.

## Overview of the fiscal year ended March 2022

Increase in sales due to robust orders for analog semiconductors, in addition to substantial growth in optical devices. As a result, net sales were 429.1 billion yen, operating income was 41.8 billion yen, and operating margin was 9.8%.

## Outlook for the fiscal year ending March 2023

We expect a further increase in sales and profit with continuing growth anticipated, mainly in optical devices and semiconductors.

## Midterm Business Plan

### Drive growth by semiconductors and actuators

#### Main points

- Optical devices  
**Increase in the installation rate of our focus products and shift to next-generation technologies**
- Analog semiconductors  
**Start-up of Shiga Plant and expansion of MEMS sales  
Achieve stable growth through synergies and organic growth**
- Mechanical components  
**Utilizing INTEGRATION to develop new OEM business**
- Connectors/switches/power supply  
**Create next-generation semiconductors through in-house synergy**

## Strategy for "Becoming the one-of-a-kind through INTEGRATION capabilities"

The quality, performance, and profitability of our ten core technologies and Eight Spear products are strengthened through their close mutual association, leading to enhanced business performance. Our analog semiconductor business boasts a diverse and high-quality product line-up, which includes; battery protection ICs, MEMS, automotive ICs, etc. The characteristics of these semiconductor products are further enhanced by their incorporation into the Company's motors.

In 2021, the Company acquired an analog semiconductor business, the 8-inch plant (current Shiga Plant) and MEMS business from OMRON Corporation. In addition, we established semiconductor development centers in Gunma and Gifu, and strengthened our technological development team, with the aim of deepening our analog semiconductor technologies and expanding our product lineup. Looking ahead, we will focus on eight business domains in the analog semiconductor business, including INTEGRATION in motor driver ICs and logic-related products, aiming to be the one-of-a-kind through INTEGRATION capabilities company.



Shiga Plant

## Developing products and supplying components for solving social issues

The precision components business of the MITSUMI business manufactures and sells electronic components, including connectors, switches, and coils. Because factors such as the mold precision significantly influences product characteristics, this business has a high affinity with MinebeaMitsumi's ultra-precision machining technologies and mass production technologies. We specialize in miniaturization and precision parts, and these parts are being utilized more and more by our customers in a many applications.

For example, automobiles are connected to various external infrastructure information (GPS, Wi-Fi, TV, etc.). This digitized information is transmitted to the in-vehicle equipment through our FAKRA connectors. Because travel routes and speed are

optimized based on this information, equipping automobiles with our high-performance connectors can reduce gasoline consumption, thereby reducing environmental impacts.

In this way, we will strive to achieve the SDGs by actively engaging in the resolution of a variety of social issues through the provision of precision electronic components.



FAKRA connectors