

To Our Shareholders

**The 77th Business Year
Interim Business Report**

April 1, 2022 ▶ September 30, 2022



Business Summary



Yoshihisa Kainuma
Representative Director, CEO & COO
November 2022

As the interim period of the 77th Business Year (April 1, 2022 - September 30, 2022) has ended, we would like to present our business summary.

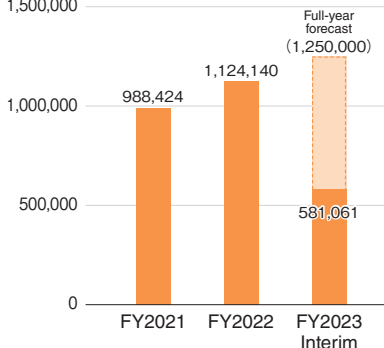
Overview of the interim period

During the six months ended September 30, 2022, the Japanese economy showed signs of a moderate recovery with a resumption of consumer spending owing to the easing of COVID-19 related restrictions on movement. This was despite soaring raw materials prices and an increase in the cost of living arising primarily from rapid depreciation of the yen. The United States has enjoyed moderate economic recovery owing to increases in employment and individual income and a steady increase in exports despite the cost of living continuing to rise sharply. In Europe, the cost of living has increased sharply due to a reduced supply of natural resources from Russia in conjunction with aggression against Ukraine, so the economy has retracted. The future of the Chinese economy remains uncertain due to stagnation of economic activity arising from restrictions on movement in each region implemented in response to the spread of COVID-19. In Southeast Asia, the return of economic activity following the easing of COVID-19 related restrictions on movement ensured economic recovery was on track.

Financial Highlights (Consolidated)

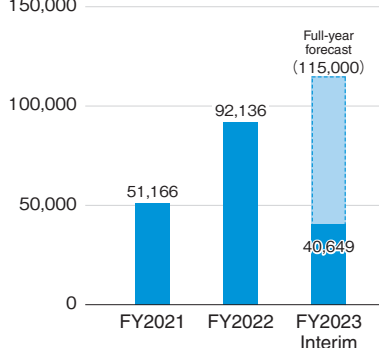
Net Sales

(Unit: millions of yen)



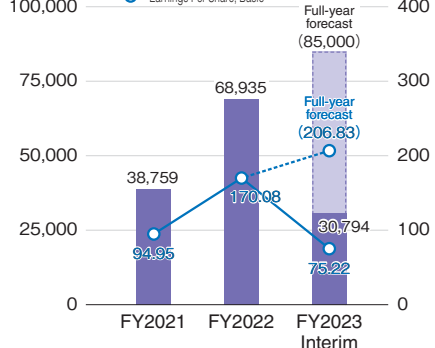
Operating Income

(Unit: millions of yen)



Profit for the Year Attributable to Owners of the Parent / Earnings Per Share, Basic

(Unit: millions of yen) — Profit for the Year Attributable to Owners of the Parent (Unit: yen) — Earnings Per Share, Basic



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

As a result, net sales were up 50,801 million yen (9.6%) year on year to 581,061 million yen. Operating income was down 3,984 million yen (-8.9%) year on year to 40,649 million yen, profit before income taxes was down 1,861 million yen (-4.2%) to 42,458 million yen, and profit for the period attributable to owners of the parent was down 4,258 million yen (-12.1%) to 30,794 million yen.

■ Outlook for the current fiscal year

We have reviewed the full-year consolidated forecast according to currently available information and revised it as shown below based on the results from the fiscal half-year ended September 30, 2022 and the most recent situation.

(Amount: millions of yen)

Net sales	1,250,000	Operating income	115,000	Profit for the year attributable to owners of the parent	85,000
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■ Basic policy for profit sharing and dividend for the current fiscal year

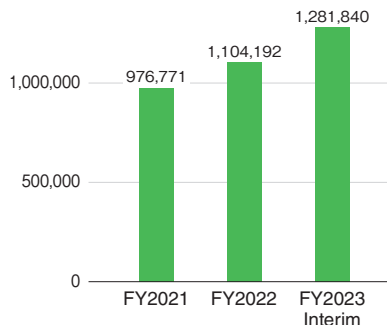
Sharing profits with our shareholders is first priority at MinebeaMitsumi. That is why our basic dividend policy gives priority to enhancing equity efficiency and improving returns to our shareholders. Dividends, while reflecting performance, are determined in light of the overall business environment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

Based on the basic policy above, the interim dividend for the current fiscal year will be 20 yen per share. The year-end dividend is undecided, and while considering the results this fiscal year, the dividends payout ratio will be set at around 20%.

We look forward to your continuous support and guidance.

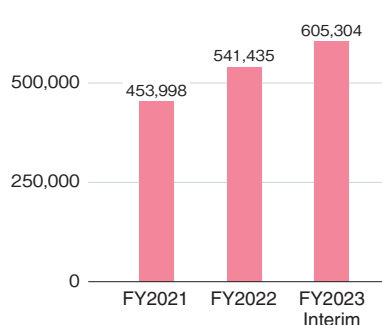
Total Assets

(Unit: millions of yen)
1,500,000



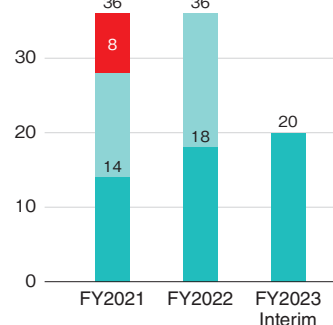
Total Equity

(Unit: millions of yen)
750,000

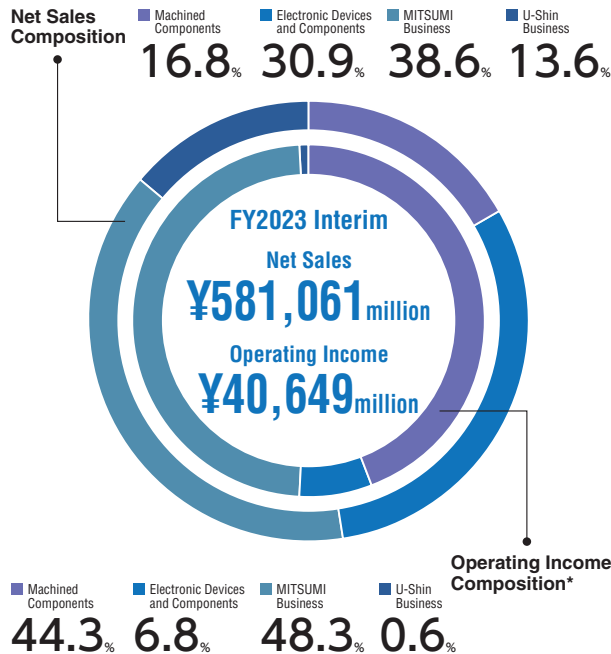


Dividends

(Unit: yen)
40



Overview by Business Segment



*The ratios were calculated exclusive of other adjustments.

Machined Components

Net Sales 97,688 million yen  **Up 10.6%**

Net sales of ball bearings and rod-end bearings, our mainstay products, increased due to higher aircraft-related demand.

As a result, net sales were up 9,331 million yen (10.6%) year on year to 97,688 million yen, while operating income was down 93 million yen (-0.4%) to 22,726 million yen.

Electronic Devices and Components

Net Sales 179,405 million yen  **Down 2.6%**

Net sales were down, primarily due a decreased demand for LED backlights.

As a result, net sales were down 4,722 million yen (-2.6%) year on year to 179,405 million yen, and operating income was down 10,478 million yen (-75.2%) to 3,463 million yen.

MITSUMI Business

Net Sales 224,164 million yen  **Up 19.4%**

Semiconductor devices and optical devices for camera actuators performed well, resulting in an increase in net sales.

Profit and loss of HONDA TSUSHIN KOGYO CO., LTD. are included in the MITSUMI business segment in conjunction with its acquisition.

As a result, net sales were up 36,454 million yen (19.4%) year on year to 224,164 million yen, and operating income was up 8,379 million yen (51.1%) to 24,793 million yen.

U-Shin Business

Net Sales 78,946 million yen  **Up 13.5%**

Net sales of automotive components were up owing to increased demand resulting from an increase in automobile production.

As a result, net sales were up 9,367 million yen (13.5%) year on year to 78,946 million yen, and operating income was up 405 million yen to 301 million yen.

Notes: 1. HONDA TSUSHIN KOGYO CO., LTD. was made a subsidiary on September 16, 2022. The company has been included in the scope of consolidation. This includes the company's profits and losses from the date of the business integration on.

As a result of the change in the corporate organization, some classifications in "Other Businesses" and "Adjustments" have changed from the first quarter of the fiscal year. The segment information disclosed for the first six months of the previous year has been prepared based on the classification of reporting segments after the corporate organization change.

2. Machines produced in-house are the main products in our Other business segment. Net sales were up 371 million yen (76.7%) year on year to 858 million yen, while the operating loss decreased 177 million yen year on year to total 692 million yen.

3. In addition to the figures noted above, 9,942 million yen in corporate expenses, etc. not belonging to any particular segment is indicated as adjustments. The total amount of adjustments was 7,568 million yen for the same period of the previous fiscal year.

Commenced sales of a new smart lock product, the “SADIOT LOCK2”



Comprehensive manufacturer of door locks and security systems U-Shin Showa Ltd., a Group company, commenced sales of a new smart lock product, the “SADIOT* LOCK2,” in November 2022.

“SADIOT LOCK” is a specialized device that can use a smartphone to lock and unlock entrance doors. It is a retrofit-type smart lock that can be easily attached to the door with a double-sided tape.

This “SADIOT LOCK2,” which we are currently releasing, marks a significant evolution from the previous model launched in February 2021. It is equipped with double security measures through encryption of communication using a security chip and individual authentication through the cloud. To ensure smoother locking and unlocking, we have reduced the speed to unlock using the app to approximately five seconds through a better connection

with an approximately 25% increase in the intensity of the Bluetooth radio waves compared to the previous model.

In addition, we have added the “NFC Tag,” which enables the door to be locked and unlocked simply by holding the smartphone nearby without launching the app, as well as two other functions: ability to set the Amazon Alexa compatible function to allow the key to be activated by voice when your hands are full, and an autolock function, which locks when the sensor detects that the door is closed.

Apart from the Company's official website “SADIOT LOCK WEBSITE,” the product is sold through Amazon.co.jp, Rakuten Ichiba, and Yahoo! JAPAN Shopping.

The Company's official website
“SADIOT LOCK WEBSITE”

➔ <https://sadiot.com/>

*SADIOT is the abbreviation of Smart Actuation Devices with Internet Of Things.



Simple locking/unlocking with NFC tag

If the NFC tag is attached to the wall with double-sided tape, even without launching the app the door can be simply locked and unlocked by holding a smartphone nearby.

*Current products can also be used with software updates.



A spotlight with a beautiful light that can be freely changed for any application Launched the “SALIOT Moving Spotlight”

The Company has released a new model of the smart lighting device “SALIOT Moving Spotlight,” which emits a beautiful light that users can control using a dedicated smartphone app.

We anticipate that this new product will be used in spaces with ceiling heights of 2.4 to 2.8 m such as in homes, small shops and offices.

In addition to having a compact size, simple design and silent operation, it beautifully illuminates spaces and objects through the high color rendering (Ra97)* demanded by art galleries and museums.

*Color rendering: The appearance of an object's color when illuminated by light / Ra: The value of the average color rendering index. The closer the value is to 100, the higher the original natural color reproduction property.

The Company's official website
“MinebeaMitsumi Online Shop”

➔ <https://shop.minebeamitsumi.com/spotlight/>



Easily installed

If there is a lighting duct rail, the lights can be easily installed without tools. Its weight is easy to hold in one hand.



It can be operated and set on a timer with a smartphone.

The angle of the light and the direction and brightness can be operated with the dedicated smartphone app.

Business integration of Honda Tsushin Kogyo Co., Ltd. with MINEBEA CONNECT Inc. (Formerly, SUMIKO TEC CO., LTD.)

Through M&A, we seek to further temper the Connector Business, which is one of the “Eight Spears” of our core business, while strengthening our earnings base.

The Company acquired 86.09% (voting rights basis) of the shares of Honda Tsushin Kogyo Co., Ltd. and turned it into a subsidiary on September 16, 2022.

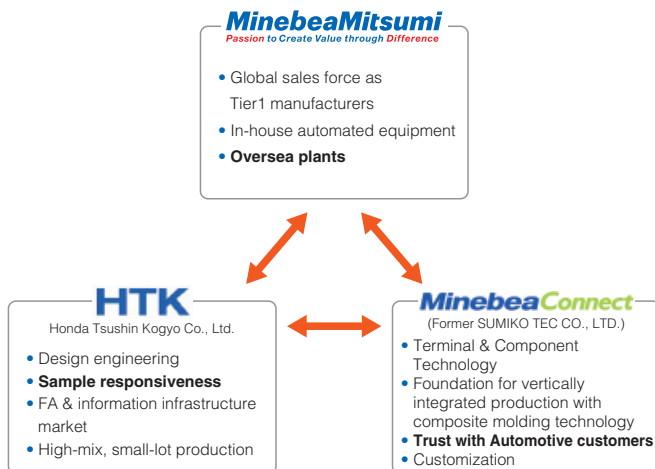
In addition, the Company's subsidiary MITSUMI ELECTRIC CO., LTD. acquired all the shares of SUMIKO TEC CO., LTD. and turned it into a subsidiary on November 1, 2022. (SUMIKO TEC CO., LTD. changed its name to MINEBEA CONNECT Inc. on the same day.)

The Company aims to achieve synergies in technology, production and sales through this business integration and to become the global niche top connector manufacturer.

Accelerating the creation of synergies through the integration of three companies in the connector business

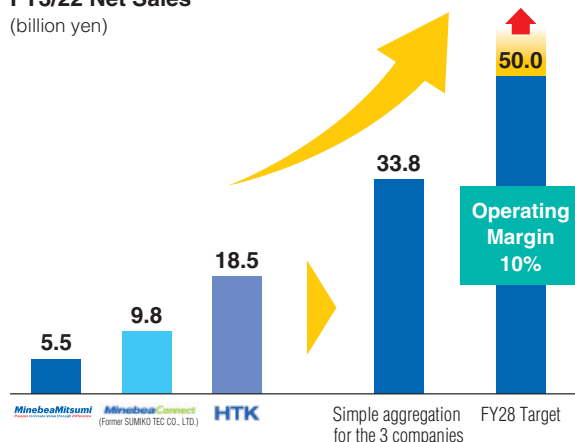
- 8 Spears through merger of 3 companies
- Implement “Global Niche Top” strategy
- Aim for growth and higher profitability by leveraging vertically integrated production overseas and global sales channels

Achieving synergy in technology, production, and sales to global niche top connector manufacturers



Growth forecast by the integration of the three companies

FY3/22 Net Sales
(billion yen)



▶ Honda Tsushin Kogyo Co., Ltd.

Honda Tsushin Kogyo manufactures and sells general electronic components such as connectors, as well as develops, designs and operates information systems. In the Connector Sectors, the company manufactures and sells electronic connectors and optical connectors primarily for Internet Infrastructure, FA equipment, consumer electronics used by consumers and households, and for use in automobiles. We expect synergies between Honda Tsushin Kogyo and the Company's connector business in areas including development technology, production and sales.

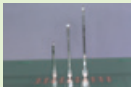







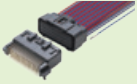


Furthermore, in the Information System Sector, Honda Tsushin Kogyo's subsidiary Minebea SoftwareSolutions Inc. (Formerly, HTK Engineering Co., Ltd.) designs and develops software and operates systems. With specialization in virtualization technologies focused on VMware and cloud technologies focused on AWS, Azure and ServiceNow, the company undertakes commissioned software development, and maintenance and operation support mainly for building system infrastructure.

Internet Infrastructure	Office Equipments	Automotive Equipments
 Optical Fiber Connectors	 UHS-II SD Card Sockets	 Connectors For In-vehicle cameras
 FA Equipments	 High Power Connectors	 Connectors For In-vehicle network
 0.8mmPitch Connectors	 Office Equipments	 Automotive Equipments

▶ MINEBEA CONNECT Inc. (Formerly, SUMIKO TEC CO., LTD.)

MINEBEA CONNECT manufactures and sells various terminals for electronic and electrical equipment including press-fit terminals, as well as various connectors including waterproof connectors and automotive connectors. It demonstrates its strengths in the automobile market.

MINEBEA CONNECT and the Company each have product portfolios that can complement each other in their respective areas in which they excel, which will enable the achievement of multiple synergistic effects. In respect of research and development, we will be able to expand our design and development resources. In addition, when it comes to manufacturing, we will be able to improve quality and productivity by seamlessly sharing and deploying know-how. The Company will also be able to expect expansion of its overseas sales of automotive products that are MINEBEA CONNECT's strength, leveraging the Company's global sales network and overseas production capacities.

Automotive Equipments	Office Equipments
 Press-fit Pins	 2.50mm Pitch Board-In Connectors
 Card Edge Connectors	 2.00mm Pitch Waterproof Connectors
 FPC Connectors	 2.50mm Pitch Waterproof Connectors
 SMT Small Connectors	 Air conditioners
 High Pin Count Waterproof Connectors	 Toilet and Sink parts
 Automotive Equipments	<p>(principal use)</p>

Build a utopia where engineers can create products

Creating a “profit center” that realizes net sales of 2.5 trillion yen and operating

INTEGRATION of know-how: Expand development sites in Japan and globally

MinebeaMitsumi is expanding its development sites in order to accelerate the evolution of products that contribute to the resolution of social issues. Following on from the Osaka Research and Development Center (ORDC) in February 2022, we opened the Karuizawa Technology Center at the head office, which is the mother plant, in May. We are also establishing development sites globally, speedily responding to the demands of each region at the Company's R&D centers in Europe and China. The new Tokyo Headquarters building, to which we will relocate in March 2023, is to be called **MinebeaMitsumi Tokyo X Tech Garden**.

For the Company, “X Tech” represents the “INTEGRATION” of technology with technology, and the confluence of people. This building will be the site for establishing a base to foster “INTEGRATION” and “CONFLUENCE” of everyone in and outside the Company. On top of this, as a place to nurture the company and people, while continuing to be an environmentally aware creative company with an eye on the future, the name embodies the idea of “garden” as a symbolic place for future prosperity. This building will attract diverse talents and accelerate new product development, aiming to make a “profit center” that will generate even more profit as the “ideal environment for engineers—a utopia.”

Karuizawa Technology Center

Promote development of machined components



Osaka Research and Development Center

Promoting development and sales in the Kansai region
Strengthening the platform of IoT solutions

Semiconductor Development Center

Strengthening design and development capabilities for analog semiconductors and mixed-signal semiconductors

MinebeaMitsumi Tokyo X Tech Garden

- Taking advantage of geographical location to secure excellent talents
- **Activate INTEGRATION of talents**
- Tempering the “Eight Spears” of our core businesses and creating additional spears
- Thoroughly pursuing technological synergies
- **Complete the Group's post-merger integration (PMI)**



Global development sites

Responding to needs of each region with speed



MinebeaMitsumi Technology Center Europe GmbH



MinebeaMitsumi Technical Service (Suzhou) Ltd. (China)

Co-operating with universities, colleges and research institutions outside the Company

INTEGRATION of talents: strategy to realize growth

We will drive growth using three talent strategies for the realization of our targets for the fiscal year ending March 2029.

Talent strategy 1

Developing and acquiring leaders

Strengthening leaders who can enhance and evolve the business with their ability to think big and execute with a strong sense of vision

Talent strategy 2

Developing and acquiring engineers

Strengthening engineers who can boldly take on the challenge of the resolution of social issues through the deepening and INTEGRATION of technology

Talent strategy 3

Maximizing the power of the organization through the INTEGRATION of talents

A talent management system that allows each individual to maximize their potential

that contribute to the resolution of social issues

income of 250 billion yen through the **INTEGRATION** of diverse **know-how** and “**talents.**”

Heading towards the Company's 100th anniversary with our strength, a refined “physique” = manufacturing capability
Thoroughly nurture the “brain” = development, and the “face/arms” = sales capability

Brain = Development

Face/arms = Sales

Physique = Manufacturing

Fiscal year ending March 2029

Net sales

¥2.5 trillion

Operating income

¥250 billion

**2051
Celebrating**

**the 100th
anniversary**

Likening “physique” to manufacturing capability, “brain” to technological capability and “face/arms” to sales capability for manufacturing, the Company has thoroughly honed manufacturing capability = “physique” during its 70-year history. For our 100th anniversary, the Company will strengthen its technological development and sales capabilities, which are the “brain” and “face/arms,” in order to create products that contribute to the resolution of social issues.

Consolidated Financial Statements (IFRS)

● Condensed Quarterly Consolidated Statements of Financial Position

(unit: millions of yen)

	Fiscal year 2023 Interim (as of September 30, 2022)	Fiscal year 2022 (as of March 31, 2022)
Assets		
Current assets	736,573	666,122
Non-current assets	545,267	438,070
Total assets	1,281,840	1,104,192
Liabilities		
Current liabilities	477,929	415,157
Non-current liabilities	198,607	147,600
Total liabilities	676,536	562,757
Equity		
Common stock	68,259	68,259
Capital surplus	141,637	140,102
Treasury stock	(32,223)	(43,964)
Retained earnings	344,243	320,755
Other components of equity	78,830	53,458
Total equity attributable to owners of the parent	600,746	538,610
Non-controlling interests	4,558	2,825
Total equity	605,304	541,435
Total liabilities and equity	1,281,840	1,104,192

Note: Amounts less than one million yen have been rounded.

● Condensed Quarterly Consolidated Statements of Income

(unit: millions of yen)

	Fiscal year 2023 Interim (Apr. 2022 thru Sept. 2022)	Fiscal year 2022 Interim (Apr. 2021 thru Sept. 2021)
Net sales	581,061	530,260
Cost of sales	470,499	425,253
Gross profit	110,562	105,007
Selling, general and administrative expenses	68,388	60,545
Other income	2,148	2,151
Other expenses	3,673	1,980
Operating income	40,649	44,633
Finance income	2,865	787
Finance expenses	1,056	1,101
Profit before income taxes	42,458	44,319
Income taxes	11,653	9,290
Profit for the period	30,805	35,029
Profit for the period attributable to:		
Owners of the parent	30,794	35,052
Non-controlling interests	11	(23)
Profit for the period	30,805	35,029

Note: Amounts less than one million yen have been rounded.

● Condensed Quarterly Consolidated Statements of Cash Flows

(unit: millions of yen)

	Fiscal year 2023 Interim (Apr. 2022 thru Sept. 2022)	Fiscal year 2022 Interim (Apr. 2021 thru Sept. 2021)
Cash flows from operating activities	(5,800)	34,783
Cash flows from investing activities	(94,882)	(25,163)
Cash flows from financing activities	69,236	(7,185)
Effect of exchange rate changes on cash and cash equivalents	8,955	(852)
Increase (decrease) in cash and cash equivalents	(22,491)	1,583
Cash and cash equivalents at beginning of period	163,588	165,479
Cash and cash equivalents at end of period	141,097	167,062

Note: Amounts less than one million yen have been rounded.

Corporate Data (as of September 30, 2022)

Trade Name :	MinebeaMitsumi Inc.	Registered Head Office :	4106-73, Oaza Miyota, Miyota-machi, Kitasaku-gun, Nagano 389-0293, Japan Phone: 81-267-32-2200
Established :	July 16, 1951	Tokyo Headquarters :	3-9-6 Mita, Minato-ku, Tokyo 108-8330, Japan Phone: 81-3-6758-6711
Capital :	68,259 million yen	Headquarters and Plants :	Karuizawa Plant, Matsuida Plant, Hamamatsu Plant, Fujisawa Plant, Yonago Plant Tokyo Headquarters, MinebeaMitsumi Osaka
Number of Employees :	4,621		

Share Information (as of September 30, 2022)

Overview of Shares

Total Number of Shares Authorized	1,000,000,000	shares
Number of Shares Issued	427,080,606	shares
Number of Shareholders	28,037	

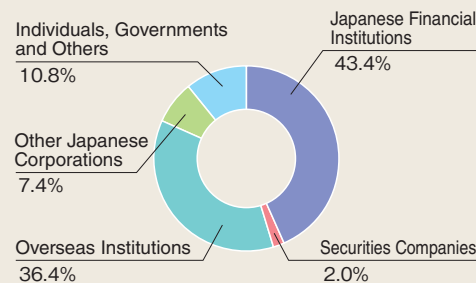
Major Shareholders (Top 10)

	Number of Shares (shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	73,803,813	17.88
Custody Bank of Japan, Ltd. (Trust account)	31,526,900	7.64
Takahashi Industrial and Economic Research Foundation	15,447,330	3.74
Sumitomo Mitsui Trust Bank, Limited	15,413,900	3.74
SSBTC CLIENT OMNIBUS ACCOUNT	12,033,635	2.92
Custody Bank of Japan, Ltd. (Trust account 4)	10,973,100	2.66
Sumitomo Mitsui Banking Corporation	10,223,597	2.48
MUFG Bank, Ltd.	10,181,739	2.47
KEIAISHA Co., Ltd.	10,100,000	2.45
NORTHERN TRUST CO. (AVFC) RE FIDELITY FUNDS	9,257,398	2.24

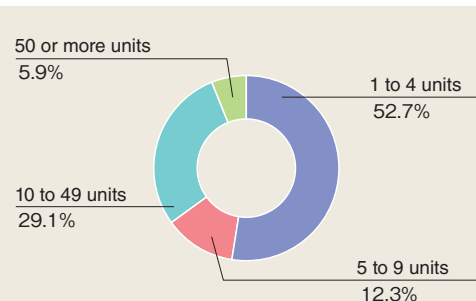
Notes: 1. The Company holds 14,396,175 shares of treasury stock, and is excluded from the major shareholders list above.

2. Shareholding ratio is calculated exclusive of treasury stock.


Distribution of Shareholders by Investor Type




Distribution of Number of Shareholders by Number of Shares Held



Information for Shareholders

Business Year	From April 1 to March 31 of next year
Ordinary General Meeting of Shareholders	June every year
Shares per Unit	100 shares
Record Date	Ordinary General Meeting of Shareholders March 31 every year
To Be Eligible to Receive a Dividend	Year-end Dividends March 31 every year Interim Dividends September 30 every year
Stock Transfer Agent and Account Management Institution for Special Accounts (Mailing Address)	Sumitomo Mitsui Trust Bank, Limited 1-4-1, Marunouchi, Chiyoda-ku, Tokyo, Japan Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Business Planning Department 2-8-4, Izumi, Suginami-ku, Tokyo 168-0063, Japan
(Telephone Inquiries)	 0120-782-031 (Weekdays 9 a.m. to 5 p.m.)
(URL)	https://www.smtb.jp/personal/procedure/agency/
(FAQ)	https://faq-agency.smtb.jp/?site_domain=personal
Public Notice	Public notice by the Company shall be carried out by way of electronic public notice. (https://www.minebeamitsumi.com/) Provided, however, when the Company is unable to carry out public notice by way of electronic public notice due to an accident or unavoidable reason, it shall be given in the Nihon Keizai Shimbun.
Common Stock Listings	Tokyo

[Shareholders' Inquiries and Notifications Concerning Matters Such as Change of Address]

Shareholders whose shares are recorded in the account at a securities company	Please contact the securities company.
Shareholders whose shares are recorded in the special account	<p>For each of the shareholders who did not use the Japan Securities Depository Center (JASDEC) prior to share certificate dematerialization, the Company opened a special account at Sumitomo Mitsui Trust Bank, Limited, stock transfer agent.</p> <p>*Shares registered in our special accounts cannot be traded. To sell or buy shares in a special account, shareholders are requested to open an account with a securities company and transfer such shares from our special account to their account.</p> <p>For details of the procedures, please contact the Stock Transfer Agency Business Planning Department of Sumitomo Mitsui Trust Bank, Limited.  0120-782-031 (Weekdays 9 a.m. to 5 p.m.)</p>

Cover photo: MinebeaMitsumi Tokyo X Teck Garden
(New Tokyo Head Office building)

MinebeaMitsumi Inc.

Tokyo Headquarters

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URL: <https://www.minebeamitsumi.com/english/>