MinebeaMitsumi
Passion to Create Value through Difference

Business Results

Second Quarter of Fiscal Year Ending March 31, 2021

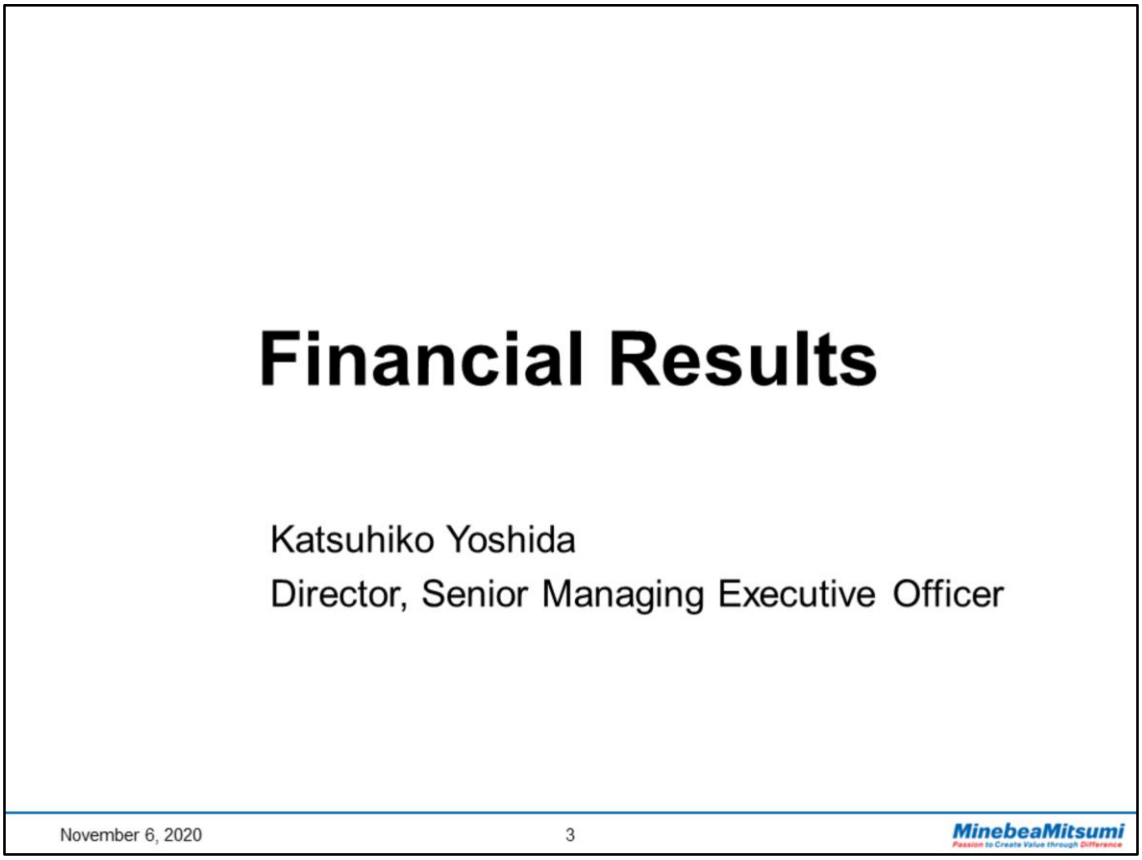
MinebeaMitsumi Inc.

November 6, 2020

Today's Agenda

1. Financial Results

2. Business Update & Management Strategy



My name is Yoshida.

Today I would first like to explain the consolidated financial results for the second quarter of the fiscal year ending March 31, 2021.

Summary of Consolidated Business Results for 2Q

1H operating income was about the same YoY

(Millions of yen)	FY3/20	FY3/21		Change	
	2Q	1Q	2Q	YoY	QoQ
Net sales	279,473	187,463	274,267	-1.9%	+46.3%
Operating income	19,623	5,364	17,557	-10.5%	X3.3
Profit before taxes	19,632	5,274	16,975	-13.5%	X3.2
Profit for the period attributable to owners of the parent	14,142	3,573	13,239	-6.4%	X3.7
Earnings per share, basic (yen)	34.07	8.75	32.42	-4.9%	X3.7

Foreign Exchange Rates	FY3/20 2Q	FY3/21 1Q	FY3/21 2Q
US$	¥107.63	¥107.74	¥105.90
Euro	¥120.44	¥118.23	¥123.56
Thai Baht	¥3.50	¥3.34	¥3.41
Chinese RMB	¥15.44	¥15.12	¥15.16

Consolidated net sales for the second quarter of the fiscal year ending March 31, 2021, was down 1.9% year on year and up 46.3% quarter on quarter to total 274,267 million yen.

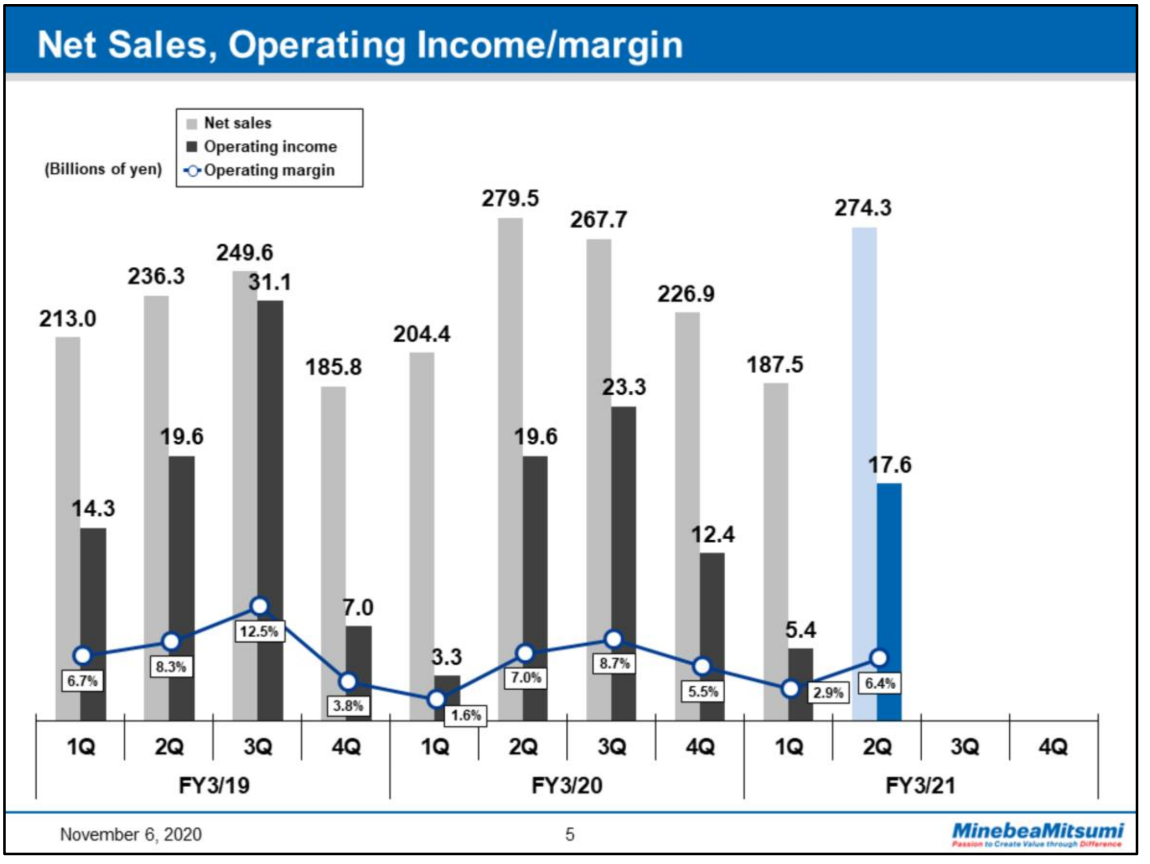
Operating income was down 10.5% year on year and up 3.3 times higher than the previous quarter to total 17,557 million yen.

Profit for the period attributable to owners of the parent was down 6.4% year on year and up 3.7 times higher than the previous quarter to total 13,239 million yen.

Operating income for this quarter includes special expense totaling approx. 1 billion yen incurred due to impact of the coronavirus, etc.

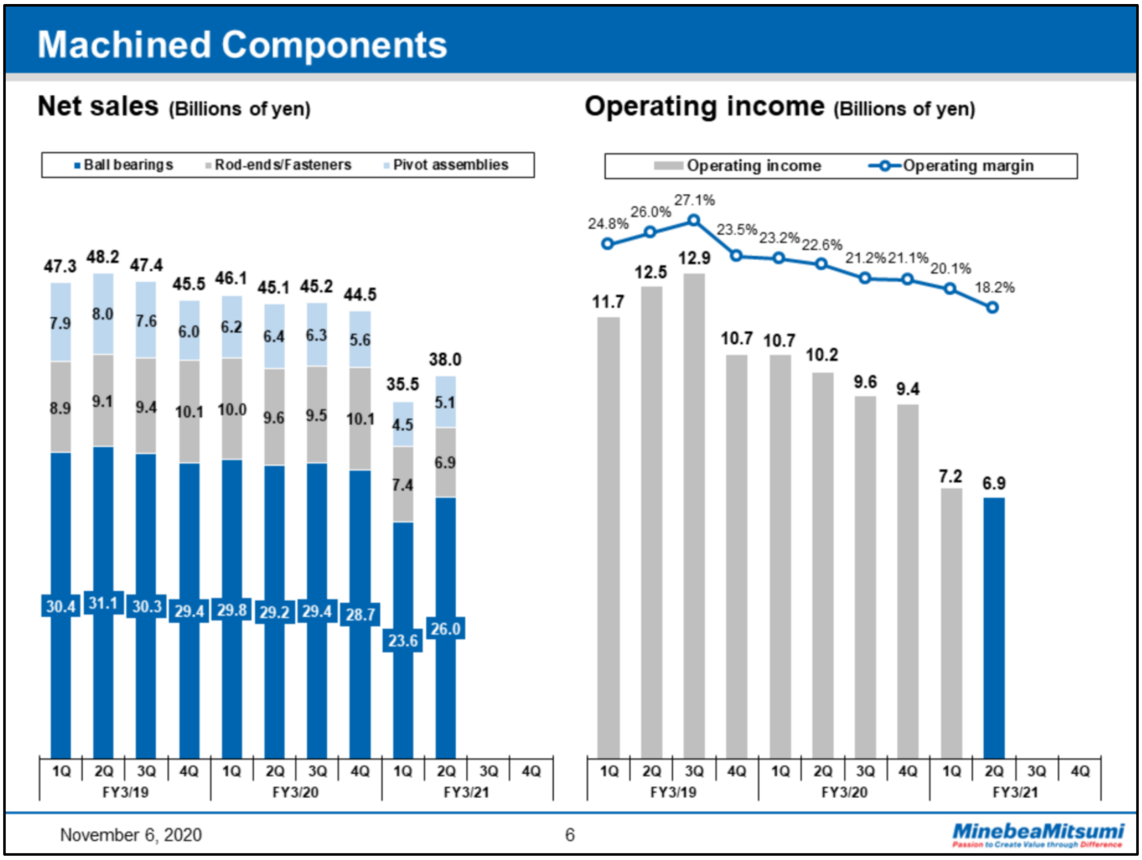
We estimate that foreign currency translations have a year-on-year impact of minus 2.9 billion yen in net sales and minus 0.3 billion yen in operating income. Quarter on quarter impact was minus 1.4 billion yen in net sales and minus 1.2 billion yen in operating income.

We made slight retrospective changes to last fiscal year's financial statements due to the PPA for U-Shin. Please note that the figures on the following pages are revised figures.



This is for quarterly trend in net sales, operating income and operating margin.

The operating margin for the second quarter was 6.4%, down 0.6 percentage point year on year and up 3.5 percentage points quarter on quarter.



Now let’s take a look at the results by segment, starting with machined components business segment.

On the left is a graph indicating quarterly net sales trends and on the right is a graph with a bar chart quarterly operating income trends along with a line chart for operating margins.

Second quarter net sales increased 7.1% quarter on quarter to total 38.0 billion yen.

Ball bearing sales increased 10.2% quarter on quarter to total 26.0 billion yen. The monthly external shipment volume was up 13% quarter on quarter for an average of 195 million units. Sales rebounded mainly for automobile applications. Sales of aircraft bearings remained sluggish due to the stagnant market.

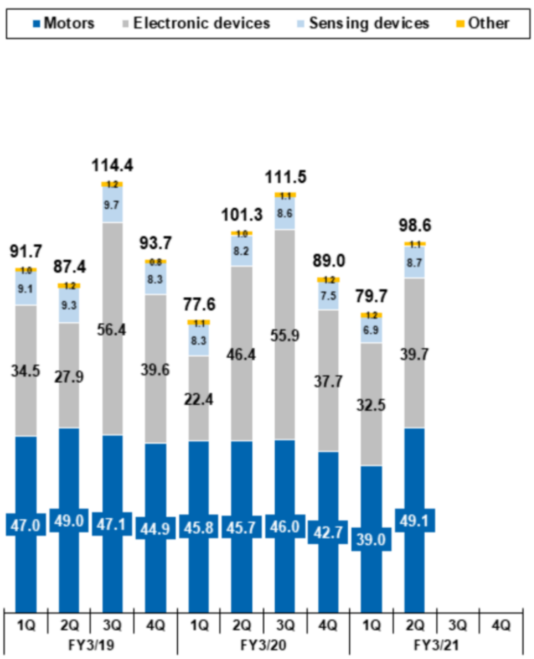
Sales of rod-ends and fasteners, totaling 6.9 billion yen, were down 6.5% from the previous quarter. Aircraft manufacturing has not yet recovered and is expected to remain in the doldrums for a while.

Sales of pivot assemblies recovered, increasing 13.7% quarter on quarter to reach 5.1 billion yen, as production cutbacks in some supply chains due to lockdowns in the previous quarter were resolved.

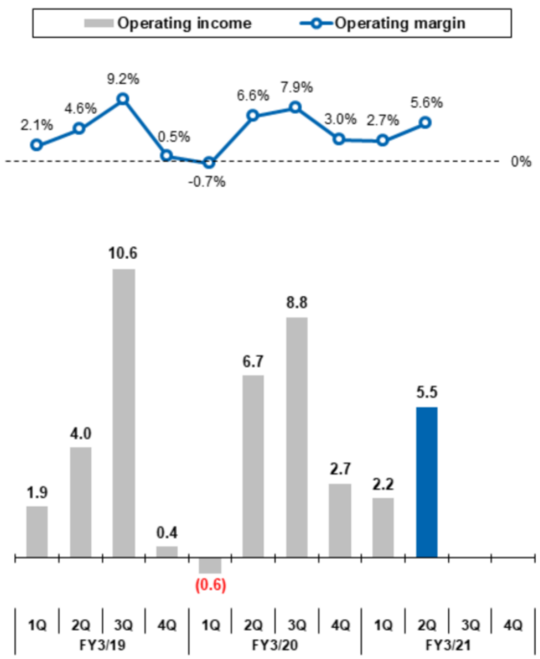
Operating income for the quarter totaled 6.9 billion yen, and the operating margin was 18.2%. On a quarter-on-quarter basis, operating income fell 3.4% while the operating margin dropped 1.9 percentage points. Looking at the results by product, we see that profits for ball bearings and pivot assemblies increased quarter on quarter while profits for rod-ends and fasteners decreased.

Electronic Devices & Components

Net sales (Billions of yen)



Operating income (Billions of yen)



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Now let’s look at the electronic devices & components segment.

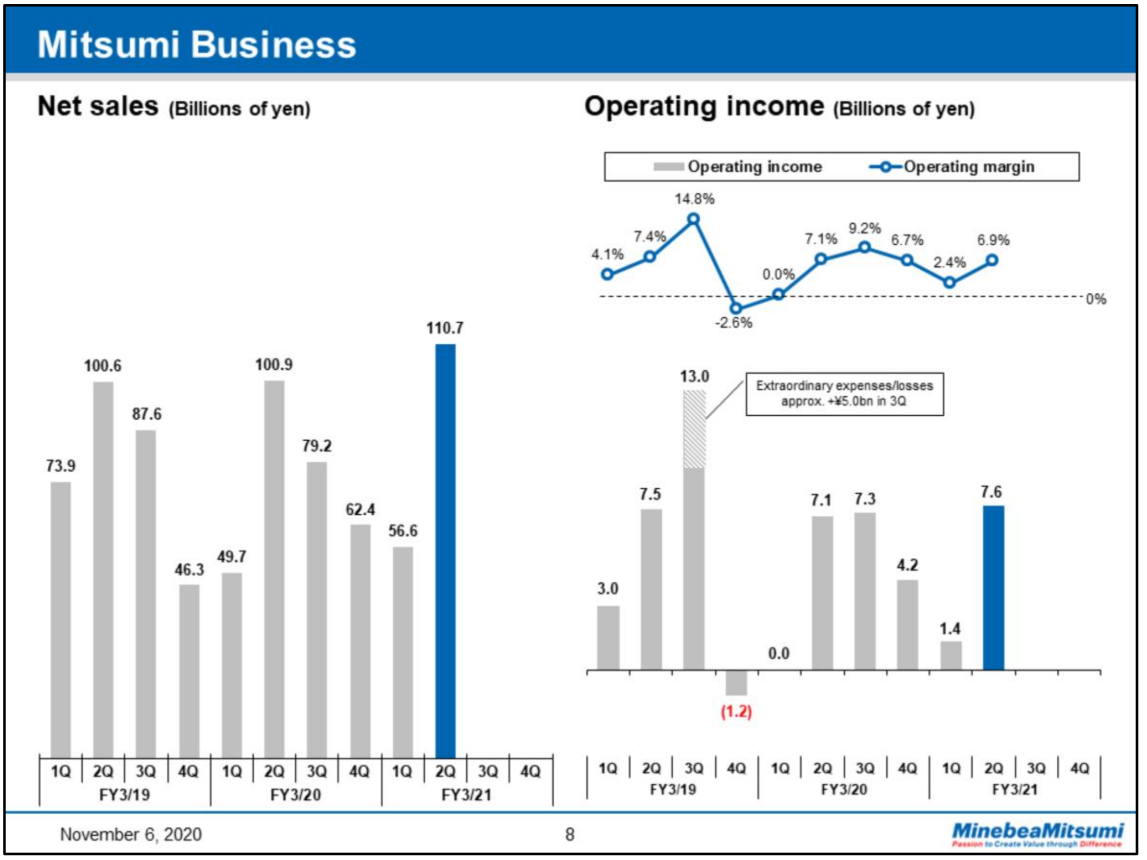
Net sales increased 23.8% quarter on quarter to hit 98.6 billion yen.

Looking at the results by product, we see that sales of motors increased 25.8% quarter on quarter to reach 49.1 billion yen due mainly to the recovery of the automobile and other markets as well as steady performance of new businesses.

Sales of electronic devices were up 22.1% from the previous quarter to total 39.7 billion yen thanks to strong sales of major customers' smartphone models that use our LED backlights in addition to recovering sales to the automobile industry.

Sensing device sales grew 25.5% quarter on quarter to hit 8.7 billion yen.

Operating income came to 5.5 billion yen, and the operating margin was 5.6%. We saw a 2.5 times quarter-on-quarter increase in operating income while the operating margin climbed 2.8 percentage points. Looking at the results by product, we see that profitability of sensing devices improved in addition to better profitability of motors as a result of cost cuts and product mix improvements.

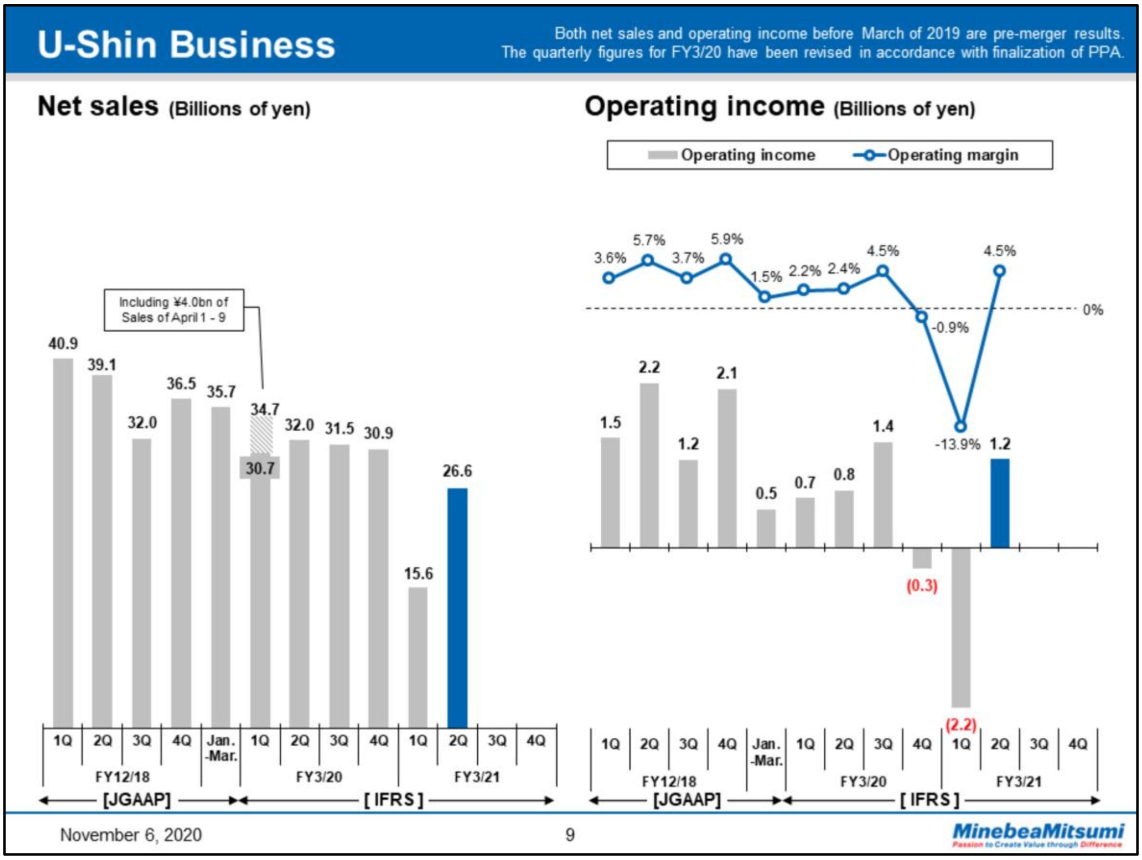


Let’s look at the performance for the Mitsumi business segment.

In this first quarter, ABLIC, which was merged with MinebeaMitsumi as of April 30, was included in the scope of consolidation.

Net sales rose 95.5% quarter on quarter to total 110.7 billion yen. Sales increased across all product lines, including mechanical components, where full production continued in preparation for the year-end demand season, and camera actuators, whose production went into full swing following the launch of new products by major customers.

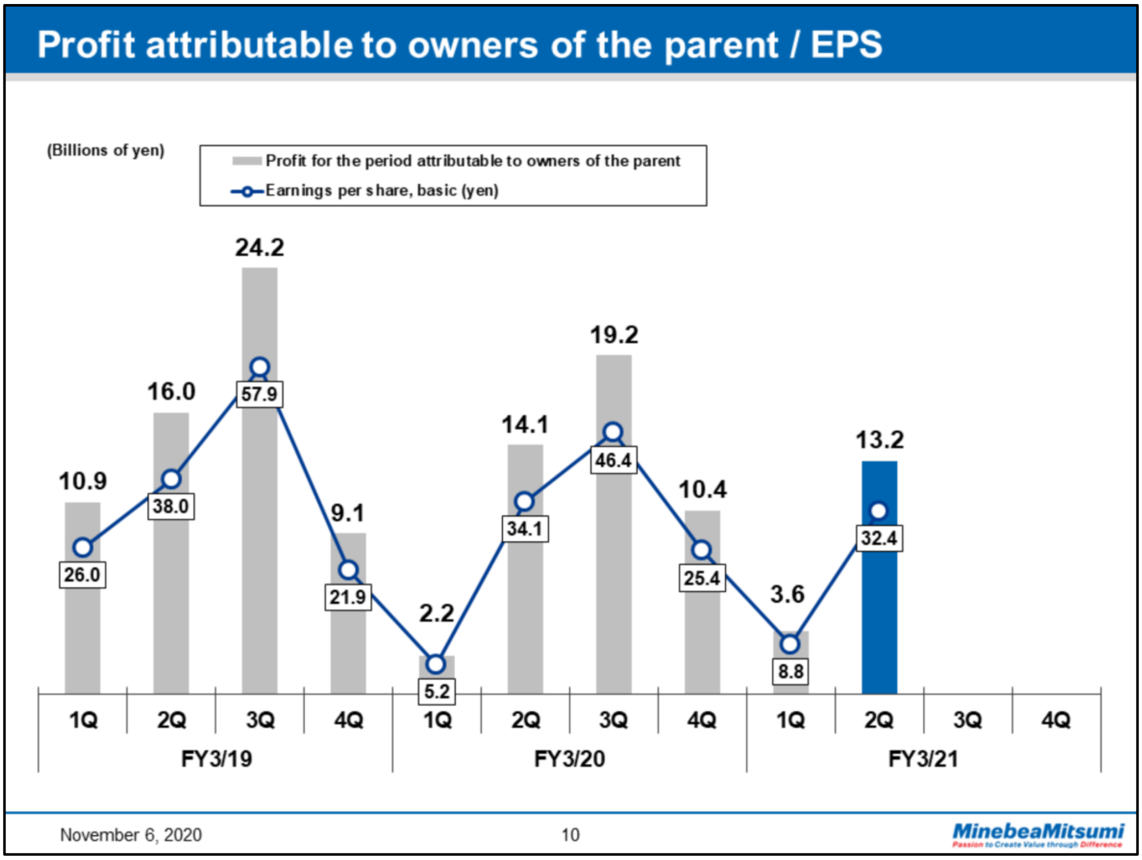
Operating income totaled 7.6 billion yen while the operating margin reached 6.9%. We saw a 5.6 times quarter-on-quarter increase in operating income while the operating margin climbed 4.5 percentage points. Results by product show profit growth across the board.



Finally, let's look at the U-Shin business segment.

Net sales increased 70.5% quarter on quarter to hit 26.6 billion yen due to a better-than-expected, albeit uneven, recovery of the overall automobile market, where some customers bounced back significantly and others lagged behind.

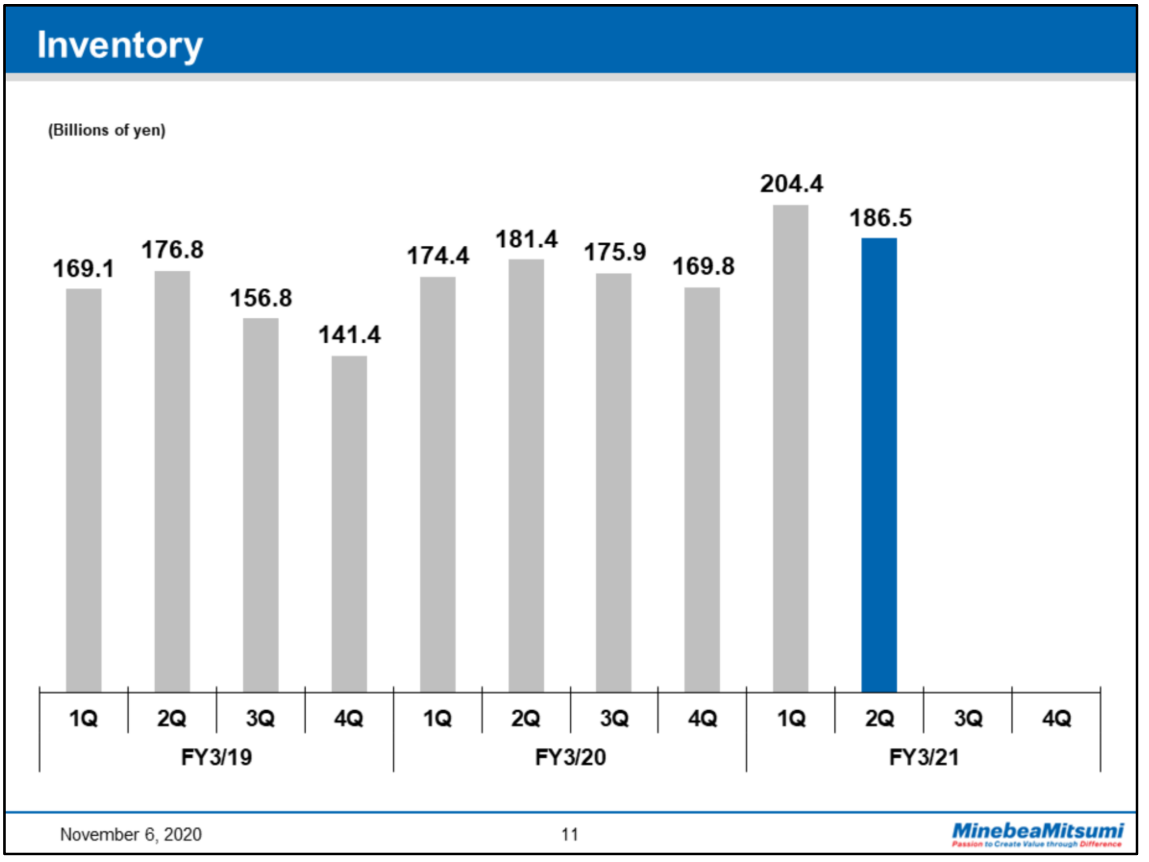
Operating income came to 1.2 billion yen, and the operating margin was 4.5%. The business found itself back in the black thanks to improved quality and productivity as well as a strengthened management system following the business integration and better profitability due to rebounding sales that all worked together to lower the break-even point.



The bar graph here shows trends in profit attributable to owners of the parent while the line graph chart changes in the profit for the period per share.

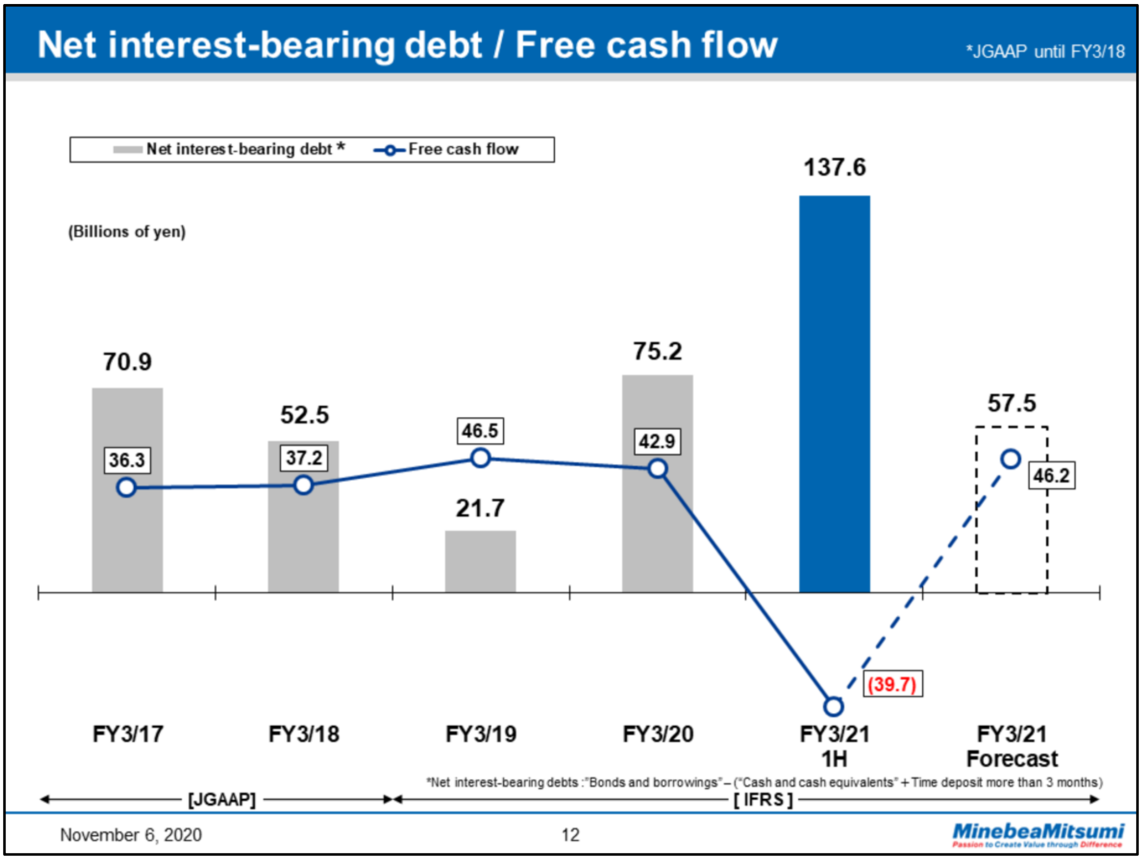
The profit for the period was 13.2 billion yen.

Earnings per share was 32.4 yen.



Next we have the quarterly inventory trend.

At the end of the second quarter, inventory totaled 186.5 billion yen, which is 17.9 billion yen less than what it was three months ago. This is due primarily to the start of full-scale shipments of some OEM products and our efforts to optimize inventory levels in light of the changes in the situation associated with the prolonged spread of infection with the COVID-19.



This graph contains a bar chart showing trends in net interest-bearing debt, which is total interest-bearing debt minus cash and cash equivalents, and a line chart indicating free cash flows.

At the end of the second quarter, net interest-bearing debt, totaling 137.6 billion yen, was up 62.4 billion yen from what it was at the end of the previous fiscal year. This figure includes the cost of acquiring shares in ABLIC (35.4 billion yen) and the cost of additional acquiring shares in C&A (4.6 billion yen).

Forecast for Fiscal Year Ending March 31, 2021

Operating income will be ¥50bn.

(Millions of yen)	FY3/20	FY3/21			
	Full Year	1st Half	2nd Half	Full Year	YoY
Net sales	978,445	461,730	478,270	940,000	-3.9%
Operating income	58,647	22,921	27,079	50,000	-14.7%
Profit before taxes	58,089	22,249	26,751	49,000	-15.6%
Profit for the period attributable to owners of the parent	45,975	16,812	22,188	39,000	-15.2%
Earnings per share, basic (yen)	111.11	41.16	54.33	95.49	-14.1%

Foreign Exchange Rates	FY3/20 Full Year	FY3/21 2nd Half Assumptions
US$	¥109.12	¥105.00
Euro	¥121.27	¥125.00
Thai Baht	¥3.52	¥3.35
Chinese RMB	¥15.68	¥15.50

We revised the full-year forecasts for the fiscal year ending March 31, 2021, which were announced in ranges at the beginning of this fiscal year.

The estimated net sales figure has been changed to 940 billion yen, while the projected operating income figure has been changed to 50 billion yen.

While operating income for the second quarter was just about on target, we factored in the ongoing slump in the aircraft market, a lack of any sign that U.S.-China trade frictions will be resolved, as well as the re-emergence of COVID-19 in the U.S. and Europe.

The exchange rate is assumed to be 105 yen to the U.S. dollar.

Forecast for Business Segment

(Millions of yen)	FY3/20	FY3/21			
	Full Year	1st Half	2nd Half	Full Year	YoY
Net sales	978,445	461,730	478,270	940,000	-3.9%
Machined components	180,885	73,548	78,452	152,000	-16.0%
Electronic devices and components	379,422	178,274	168,726	347,000	-8.5%
Mitsumi business	292,243	167,346	174,654	342,000	+17.0%
U-Shin business	125,145	42,153	55,847	98,000	-21.7%
Other	750	409	591	1,000	+33.3%
Operating income	58,647	22,921	27,079	50,000	-14.7%
Machined components	39,874	14,064	15,936	30,000	-24.8%
Electronic devices and components	17,552	7,681	7,319	15,000	-14.5%
Mitsumi business	18,656	8,984	12,016	21,000	+12.6%
U-Shin business	2,598	-974	1,974	1,000	-61.5%
Other	-1,502	-831	-1,169	-2,000	+33.2%
Adjustment	-18,531	-6,003	-8,997	-15,000	-19.1%

This slide shows the forecast by business segment.

We did not make any changes to our initial overall forecast by business segment also.

This is all for my presentation.

Hello, I’m Yoshihisa Kainuma.

Main Points of FY3/21 Forecast

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Cut costs to significantly increase revenues in the next FY

Key points for H2

- Cost cuts, labor-saving, and productivity improvement/raising operation rate across all business segments.
- Machined components: Strategically adjust bearing production to optimize inventory in the first half of H2 reduce inventory amount. Prepare to jump-start operations at the beginning of next fiscal year, with increasing production from Q4.
- Electronic devices and components: To become the center of the eight-spear strategy.
- Mitsumi: Improve product mix via new products release etc.
- U-Shin: Continue to lower break-even point by improving financial health.

(Millions of yen)	FY3/20 Full Year	FY3/21 Plan			
		1st Half	2nd Half	Full Year	YoY
Net sales	978,445	461,730	**478,270**	**940,000**	-3.9%
Operating income	58,647	22,921	**27,079**	**50,000**	-14.7%
Profit for the period attributable to owners of the parent	45,975	16,812	**22,188**	**39,000**	-15.2%
Earnings per share, basic (yen)	111.11	41.16	**54.33**	**95.49**	-14.1%

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While our initial projection for this fiscal year's operating income was announced in the range of 50 to 60 billion yen, we revised it to the lower end of that range at 50 billion yen. I'll talk about the reasons for the revision in detail later on.

Although COVID-19 cases surged in April and May, things didn’t go so well in the first and second quarters of last fiscal year due to some unanticipated developments, such as an underfunding of pensions due to changes in Thai law. Given these developments, we had expected our first half performance to be on a par with last fiscal year, and it turned out to be just about on target.

Nonetheless, I'm pretty sure that our basic profit structure hasn't changed much, so we will take various measures during the second half of this fiscal year in preparation to jump-start operations next fiscal year, when the impact of COVID-19 should be mitigated. While inventory was up temporarily, we will concentrate on fiscally disciplined strategies to keep it at an optimal level rather than producing at full capacity with a singular focus on making a profit.

Difference from the initial assumption (upper end)

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<contents of ¥10bn>

Major negative factors	Assumption (upper end)	Present situation
① Aircraft Market	Slow recovery from the bottom	Remain sluggish for this fiscal year
② US-China trade conflict (Smartphone)	Maintain the status quo at that time	Announcement of 5G sanctions

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The 50-billion-yen figure for the lower end of the initial operating income forecast was the result of a bottom-up analysis and was a very conservative estimate. The upper-end figure of 60 billion yen was calculated by adding various stress factors to the ideal profit figure. This was based on the assumption that COVID-19 would be somewhat under control in the latter half of this fiscal year. Until recently there had been an expectation that a vaccine would be ready by the end of the year, but as of today that's not likely to happen. On top of that, COVID-19 is reemerging in the U.S. and Europe. When we take all these factors into consideration, we see operating income coming in closer to the lower end.

We see two major negative factors. First, although the aircraft market was expected to recover in the second fiscal half, unfortunately it's not likely to be back on track by the end of this fiscal year. Second, our assumption about the U.S.-China trade issue was way off. The U.S. announced the imposition of semiconductor export restrictions on specific customers in China just after we announced our earnings results in May and actually went ahead with enforcing them in September. We had been doing business with that customer and then suddenly all transactions ceased, which is something we didn't anticipate happening.

I said earlier that the first fiscal half results were on a par with last fiscal year, but I really believed that operating income would reach far higher than last fiscal year's total of 23 billion yen.

Machined Components

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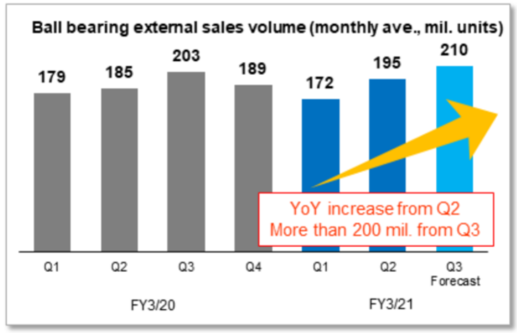
Focus on strategically optimizing inventory this fiscal year to prepare for next fiscal year

1 Ball bearing

1. In H2, the external sales volume is expected to recover to more than 200 mil. units in all months.
2. Optimize inventory rather than increasing production this fiscal year → Aim full swing production from the beginning of next fiscal year.
3. Automotive industry is recovering faster than expected. EV/high functionality are strong drivers.



2 Aircraft components

1. Leverage precision machining and other technologies to expand into the medical field.
2. Constitutional improvement from push- to pull-type production aiming to significantly improve competitiveness after COVID-19.
3. Prepare for future recovery of aircraft demand via effective use of resources.

Artificial organs for implants

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Ball bearings, which serve as our main economic indicator, on the other hand, are doing very well. External sales volumes for June, July, and August were 166 million, 183 million, and 188 million units. Sales reached 214 million units in September and 210 million units in October, and are expected to hit a record high of 217 million units in November. We expect sales to exceed 200 million units for almost every month of the second fiscal half. Given those results, it looks to me like the global economy is on its way to an overall recovery.

Most notably, sales of our automotive bearings are projected to hit a record high along with sales of bearings for other applications, which will also set record highs. I'm confident that the growth of ball bearings is a sure thing. On the downside, internal sales of hard disk drive pivot assemblies fell significantly. We are now in a transitional period where this decline is being offset by growing external sales. Once COVID-19 is under control, external sales should grow even more.

There was a time when we had nearly 700 million units in stock, but ideally we want to keep inventory low and hope to reduce it to somewhere around 550 million units by the end of next March.

At the same time, we also need to enhance the profitability of bearings. We can finally resume business travel to Thailand and Cambodia beginning in December. We will fully implement the cost reduction measures we have been developing across the board to significantly boost profitability next fiscal year.

The best thing we can do now with aircraft components is develop pull production systems, and I have instructed our aircraft component business divisions around the world to get started on that. Delivery delays were a serious problem at one point, and we should turn that crisis into an opportunity for cultivating a culture that does not tolerate delays along with a system that enables us to make deliveries to our customers faster than our competitors.

Electronic Devices and Components

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Solidified the foundation for stable growth of the entire business primarily in motors

1 Motor

1 ▶ The results of cost cuts and product mix improvements have been realized.

2 ▶ Overall sales slowed down in Q1 but quickly picked up in Q2 mainly for automotive applications.

3 ▶ Launch of new game-related products went smoothly.

4 ▶ Plan to release a diverse range of new products.

2 LED backlight

1 ▶ H1 results were higher than initially projected.

2 ▶ Expect stable business for the time being.

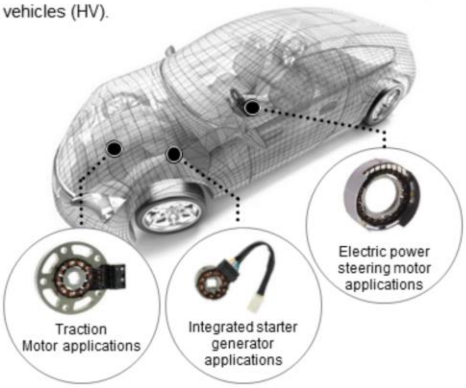
3 Sensing device

▶ Steadily drove profits up after sales hit bottom in Q1.

Example of EV motor

Resolver (rotation angle sensor)

An angle sensor that is indispensable for accurately controlling the rotation of a traction motor, and is a key component that greatly affects the power consumption rate and driving performance of electric vehicles (EV) and hybrid vehicles (HV).



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We now have a foundation for profit growth in the motor business. The expansion into Cambodia has enabled us to increase profits for fan motors, and the sales volume has also significantly increased. Profitability has gotten better across motor product lines, including BLDC motors where it has improved dramatically.

Our targets for motors were an operating margin of 10% and an operating income of 20 billion yen, and they are now both in sight. The volumes of automotive motors for European cars, such as LIN bus-capable stepping motors and grille shutters, will start to increase next fiscal year, so I'm looking forward to how things will develop now that we've built a firm foundation to support motors as the second spear under our Eight Spears strategy.

I've always said LED backlights won't disappear. I don't mean they'll be around forever but at least for the foreseeable future. Although we may not be able to expect to see the kind of profitability they once had, any decrease in profit should be covered by the other Eight Spears products, like motors.

Mitsumi Business

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Passion to Create Value through Difference

Analog semiconductors became a solid source of revenue
Accelerate creation of synergies through
the "INTEGRATION" of eight spears

1 Analog semiconductors

1 ▶ Demand from people staying home, and recovery of automotive industry, synergy creation across the company.

2 ▶ Ensure generating ¥10bn in operating income next fiscal year.

2 Optical devices

1 ▶ Sales to major customers exceeded initial projection. New models were launched without a hitch.

2 ▶ Offset declining sales to Huawei by expanding customer base and optimizing resources.

3 ▶ Leading the industry through innovation.

3 Enhance eight spears

1 ▶ Enhance automation and cost cut in connectors and power supply components.

2 ▶ Launch of new products (high added value in niche with "INTEGRATION")

High value Added connector

The hottest product in the Mitsumi business now is semiconductors. Ten billion yen in operating income is now within reach. We project operating income will exceed 8 billion yen this fiscal year, and increasing that amount is the focus of our management efforts.

As for optical devices, although we were aiming for the highest sales in the industry at 100 billion yen, we lost sales to specific customers in China. Even in the same mobile phone business, we can cover a loss in analog semiconductor sales with sales to other companies but that's not possible when it comes to OIS because specifications vary from one company to another. We have great technology, so we will try to expand sales to other companies.

Shoring up our foundation is a well-established, automated production system in operation at our factories around the world where we make power supply components and connectors, two Eight Spears products that are going to be generating profits for a long time to come. I can say that the Mitsumi business now has its own growth engines.

U-Shin Business

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Take cost reduction measures while preparing to expand sales of next-generation products via "INTEGRATION"

1 Automotive

1 ▶ Implement measures to lower break-even point.

Fixed costs	- Reduce capital expenditures
Marginal profit ratio	- Significantly reduce scrap - Joint material purchasing - Price adjustment measures

2 ▶ Improve financial health and promote structural reform.

① Flush handles
② CSD
③ E-Latch (E-Access)

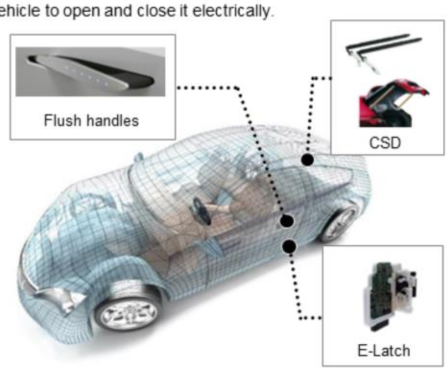
▶ **Stop low-priced products and shift to "INTEGRATION" products**

2 Home security units

▶ Launch smart locks in the market.

Next growth drivers

Flush handles: When a person with a remote control key approaches the car, the handles automatically comes out from the door surface. Contributes to improving design and aerodynamic performance.
E-Latch: An electrically unlocked back door latch (a device that locks and unlocks the door) that is smaller and lighter.
CSD: Mounted on both ends of the hatchback door of the vehicle to open and close it electrically.



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U-Shin has been hit the hardest by COVID-19 since April, but the business managed to turn things around in July and is gradually getting back on track. However, the situation is worsening again in the U.S. and Europe, so it's important that we step up our ongoing improvement efforts.

I also outlined a very clear strategy with directions for its implementation. Everyone, including our engineers, are on the same page and we are shifting our focus away from components with low added value and toward "INTEGRATION" products, such as the pop-out flush handle, CSD (compact spindle drive) that automatically opens/closes hatchback doors, and e-Latch, a latch with a built-in motor, that will improve our profit structure.

It will take some time since it's the automotive business, but with this major shift I hope to make U-Shin a company generating 10 billion yen in profit as soon as possible.

We are also making good progress on developing retrofit smart locks and are planning to release them by the end of this year or early next year. It will be a full-scale B2C business, and we will leverage the B2C experience we've gained through selling masks, which we are doing as part of our social contribution activities, to get the business off to a smooth start.

Preparation for operating income of ¥100bn

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1. Cost Cuts for next fiscal year
2. Improve U-Shin's financial health and promote structural reform
3. Reinforce semiconductor, power supply, connector
4. Automotive business enhancement including EV
5. Sales expansion by new products from next FY
6. Active recruitment of external human resources

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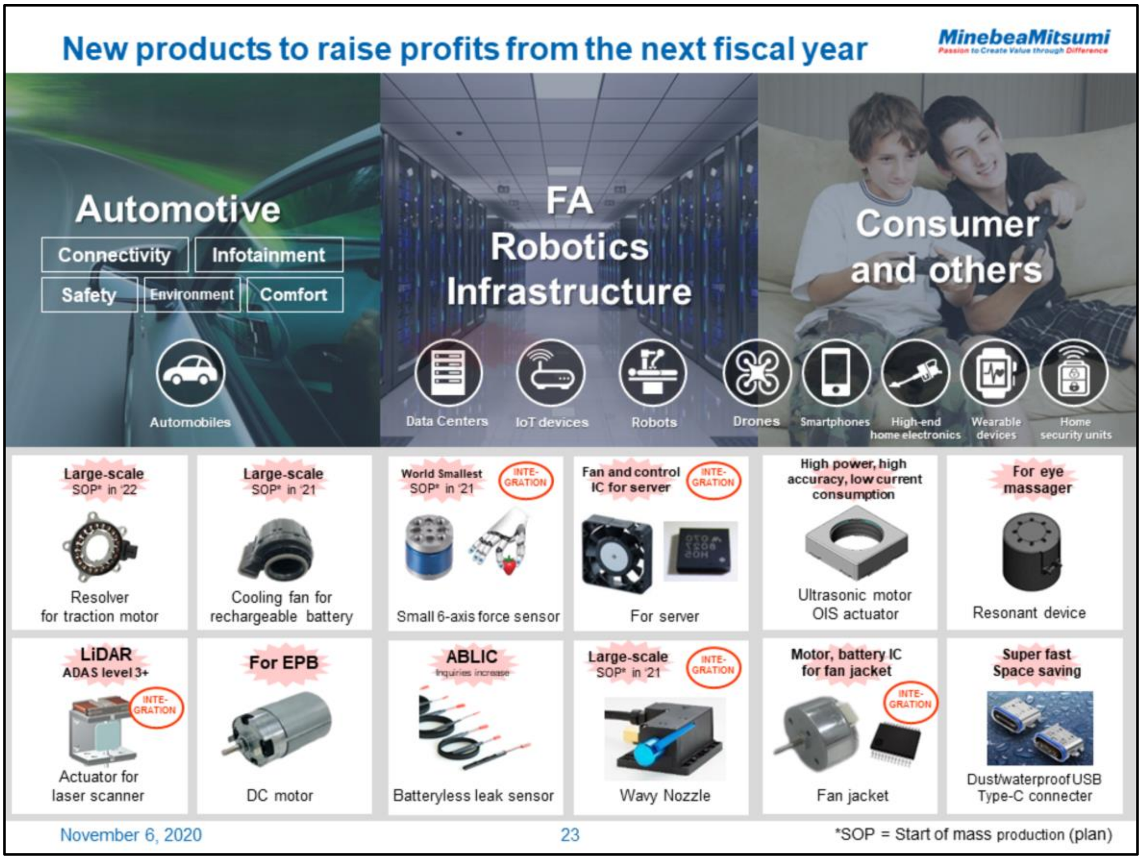
While 100 billion yen in operating income is not our goal, I see it as a stepping stone along the way. When will that happen? I'd say the chances of us getting there are good as long as everything falls into place.

For example, we have posted operating income of 47 billion yen in machined components, and we believe we are close to returning to 40 billion yen, even with a conservative estimate. Once we start steadily generating 20 billion yen with motors in the electronic devices and components business, it won't be difficult to achieve 30 billion yen. Mitsumi should be able to generate 20 to 25 billion yen overall if semiconductors yield 10 billion yen. While our target for U-Shin is 10 billion yen, if we were to achieve half of that amount at 5 billion yen, the total would be 100 billion yen. So, I believe it is important that we stay the course and continue with measures designed to bolster profits without stopping.

As you can see on the sixth line, we are recruiting people from the outside. I believe that bringing in new blood will add new perspectives and knowledge that will eventually transform the company.



As you can see, these are some of the products that are expected to boost our bottom line beginning next fiscal year.

We also have a couple of stealth products in addition to these, so sales should steadily rise.

Automotive business opportunities

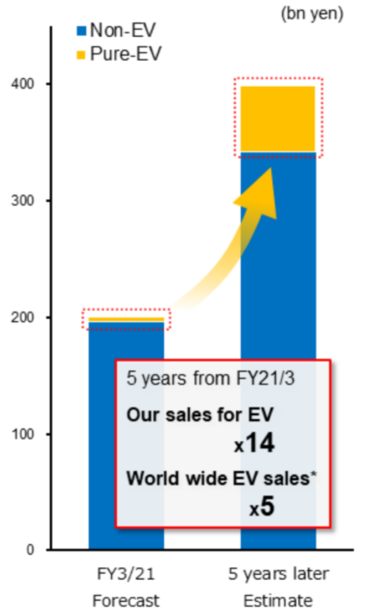
EV will drive the business significantly

- Automotive sales will **double** in **5 years**
- Of these, **14 times** for **EVs** (5 times for EV market) *Chart 1
  Other than EV will also grow significantly due to higher functionality
- **Create synergy through "INTEGRATION" of eight spears** *Chart 2

Chart 2. Synergy through "Integration" of eight spears

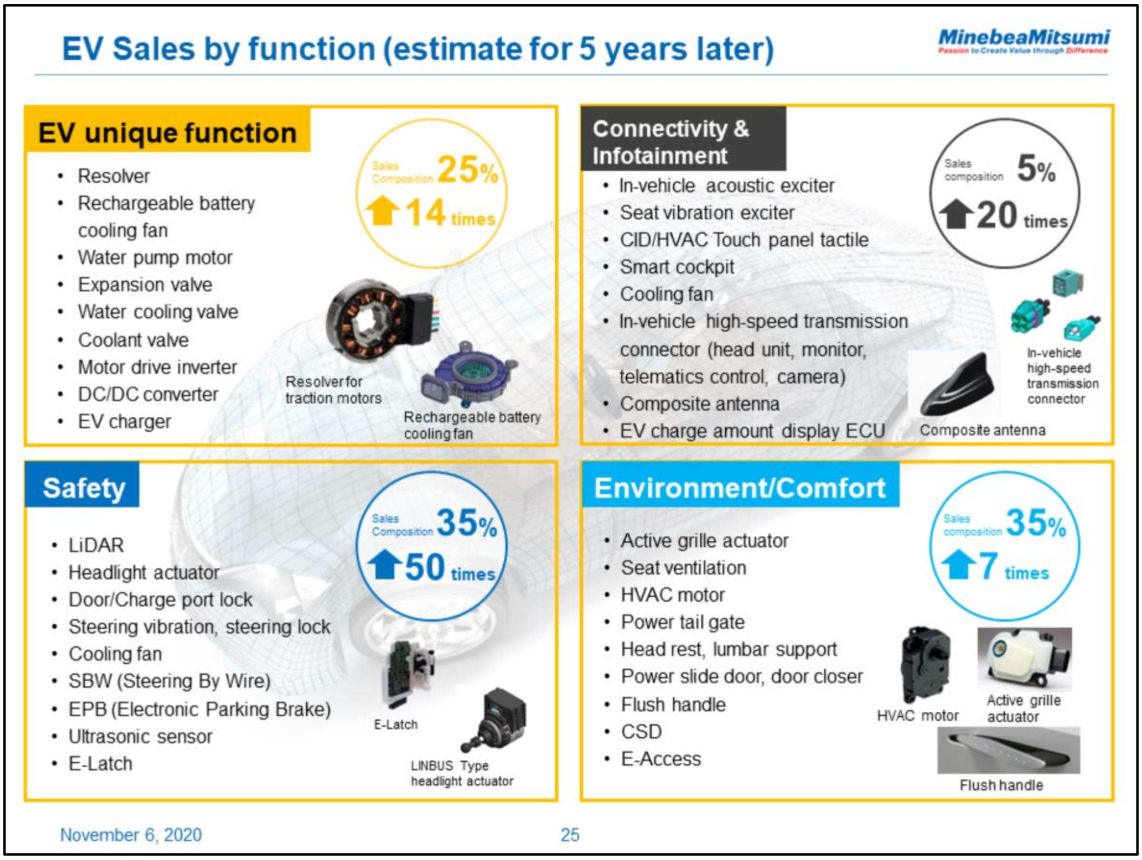
Basic functions required for auto in the future	Bearings	Motors	Access Products	Analog Semiconductors	Sensors	Connectors/ Switches	Wireless/ communications/ software
EV unique function	●	●		●		●	
Connectivity/ Infotainment		●	●	●		●	●
Safety	●	●	●	●	●	●	●
Environment	●	●		●	●		
Comfort	●	●	●	●			●

Chart 1. Automotive sales

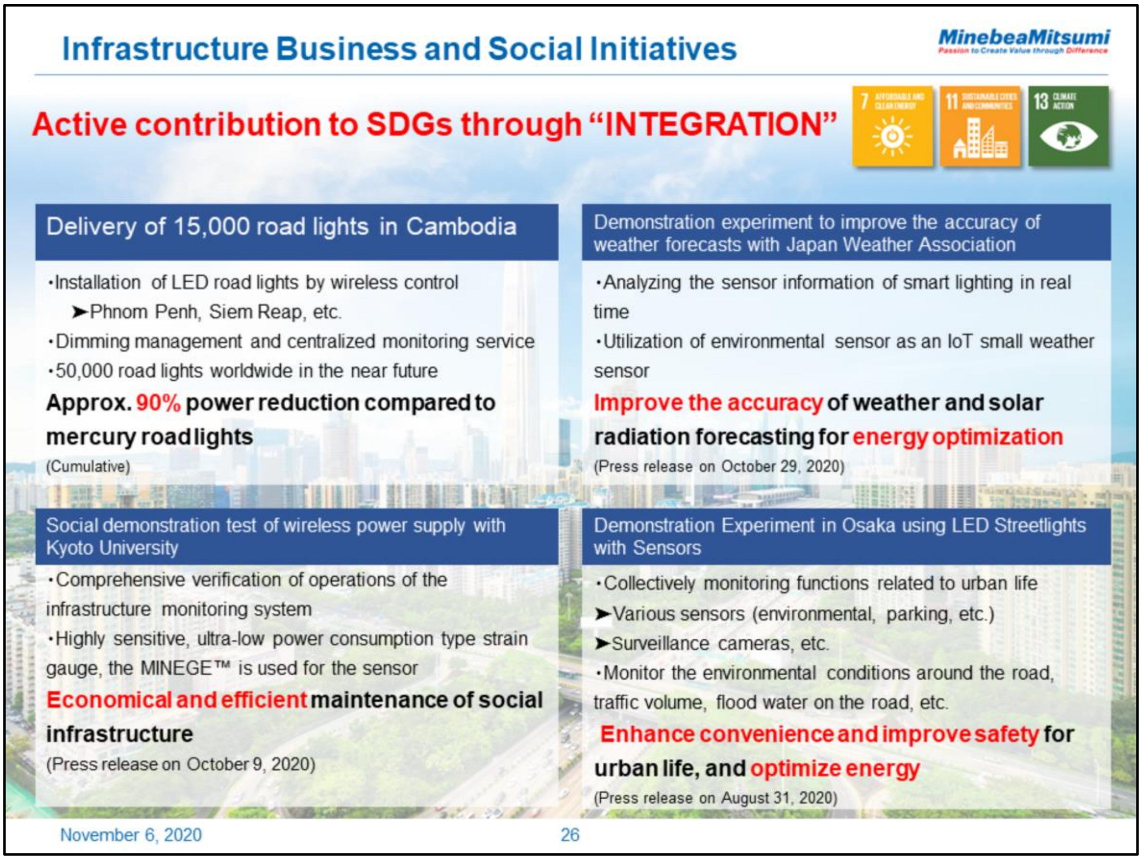


*according to IHS Markit and our research

EVs are all the rage now, and we are confident that our sales will increase as the shift to EVs continues.



This slide shows some of the factors that will drive sales up. As you can see, we can expect growth in these areas five year from now.



You'll find two slides on the SDGs. I will go into more detail about our initiatives at the IR Day event scheduled for December.

More than 40,000 of our street light units with wireless intensity control have been installed worldwide, and that number will soon reach 50,000. If you look at the breakdown, you can see that 15,000 units have been installed in Cambodia, which plans to install an additional 5,000, another 20,000 have been installed in Chile, plus 10,000 units elsewhere.

I was confident from the beginning that these street lights would play a key role in smart cities, and we have recently been seeing a lot of interesting inquiries. Some of them include a joint project with the Japan Weather Association aimed at improving the accuracy of solar radiation forecasting through the use of our wireless sensors, a social demonstration test of wireless power supply with Kyoto University, and an initiative with the Osaka Prefectural Government to enhance the quality of urban life and energy efficiency by installing various types of sensors.

As I always say, these are not our first SDG activities. Our products are ultra-small, precision parts that are designed for higher efficiency and lower energy consumption. We would like to show our investors how high the performance of our small ball bearings is compared to other companies' products and how much they reduce the power consumption of motors, so they will have a better understanding of exactly what we are doing.

Utilization of Renewable Energy

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Install one of the largest scale of solar panels in Thailand on the rooftop of factories to reduce environmental impact, CO_2, and costs

Bang Pa-in Plant **Lop Buri Plant**

Total installation area
30,000m²

Power generation capacity
5 megawatt

Contributing to the promotion of renewable energy and the realization of a sustainable society.

Contribution to the SDGs

We recently invested 600 million yen to install 30,000-square-meter 5-megawatt solar panels on the rooftops of the Bang Pa-in and Lop Buri plants. I believe that the future of a company rests on whether or not it can use renewable energy to make products that contribute to a sustainable society. We will continue to move forward as we make necessary investments and identify problems.

Dividends

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Dividends for FY3/21

Interim dividend	TBD	→	14 yen/share
Year-end dividend (Forecast)	TBD	→	TBD

Regarding the year-end dividends for the fiscal year ending March 31, 2021,
we will finalize in light of our performance for this fiscal year.
No change in medium-to-long-term cash allocation policy.
(50% of free cash flows will be allocated to shareholder returns)

(Reference) Dividends for FY3/20

Annual 28 yen/share（14 yen for interim, 14 yen for year-end）

November 6, 2020 28

Finally, we hope to keep the dividend amount the same. We usually pay dividends around a payout ratio of 20%, but for this fiscal year we project operating income to be 50 billion yen due to a number of different factors. This is the result of extraordinary circumstances and won't affect profitability, so we will continue paying steady dividends and believe that we are financially sound enough to do that.

The 50-billion-yen projection is a conservative estimate made in light of headwinds from forex and other considerations. We are determined to achieve that figure this fiscal year and prepare to reach 100 billion yen as soon as the overall situation returns to normal.

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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.

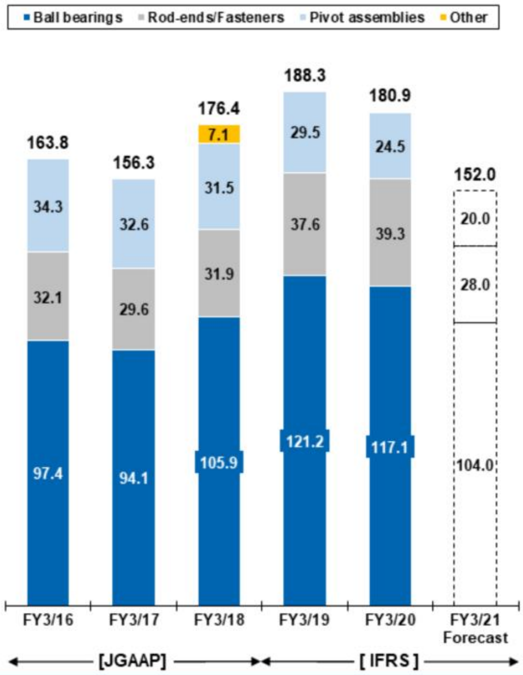
Factors affecting our actual performance include but are not limited to: (i) changes in economic conditions or demand trends related to MinebeaMitsumi's business operations; (ii) fluctuation of foreign exchange rates or interest rates; and (iii) our ability to continue R&D, manufacturing and marketing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

Reference

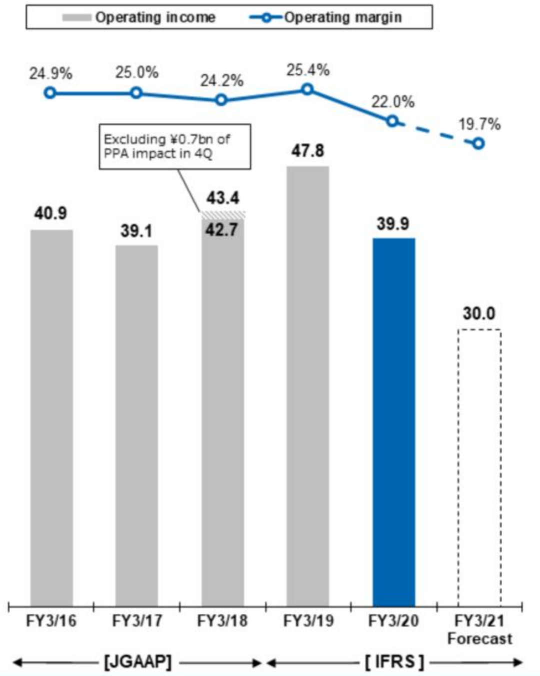
Machined Components

*JGAAP until FY3/18

Net sales (Billions of yen)



Operating income (Billions of yen)

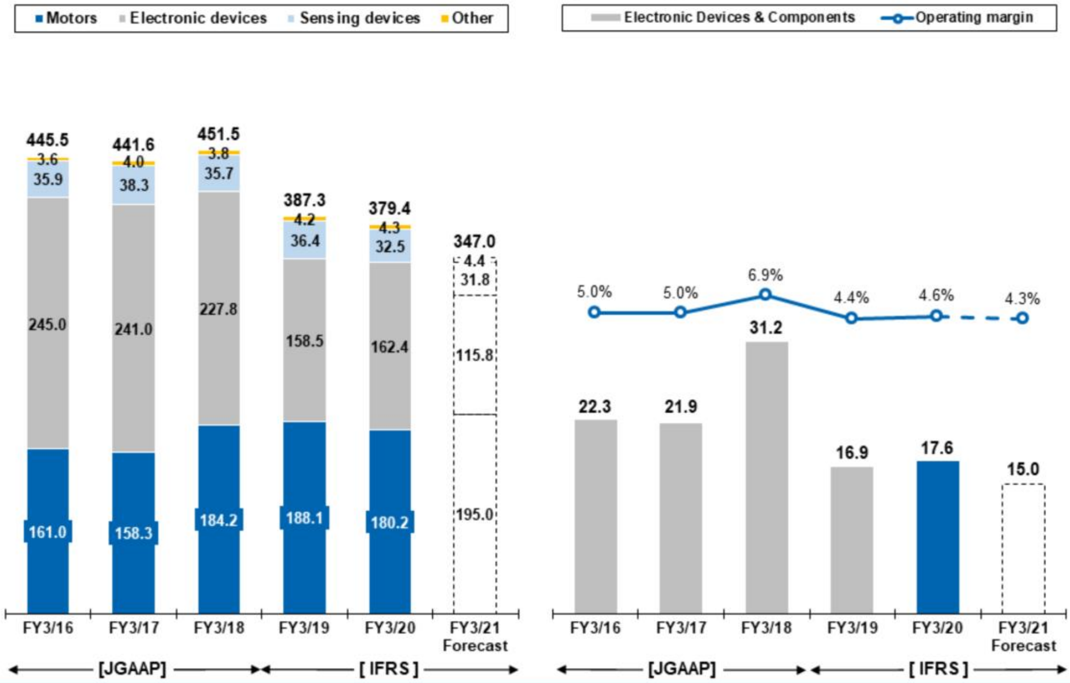


Electronic Devices & Components

*JGAAP until FY3/18

Net sales (Billions of yen)

Operating income (Billions of yen)



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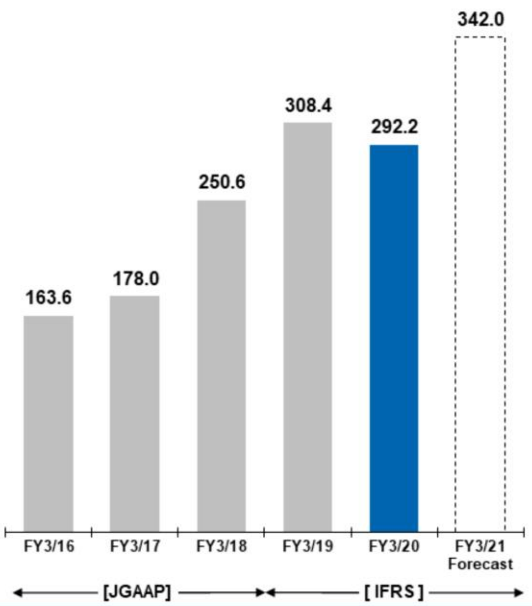
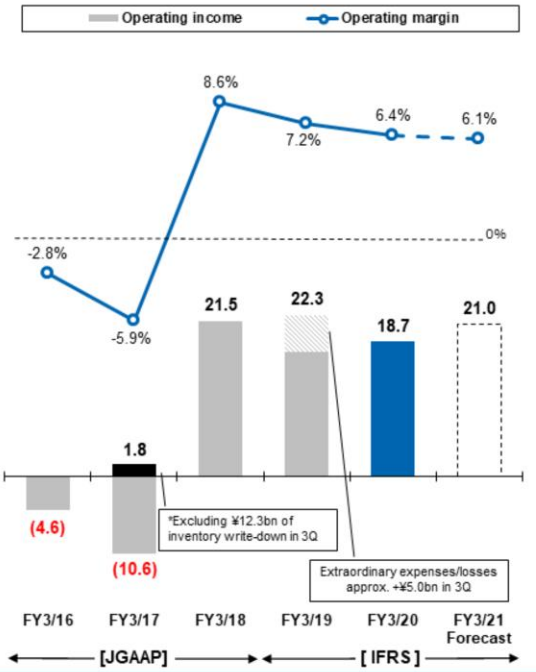
Mitsumi Business

Both net sales and operating income in and before 3Q FY3/17 are premerger results. 4Q FY3/17 results are based on managerial accounting for the three months. JGAAP until FY3/18.

Net sales (Billions of yen)



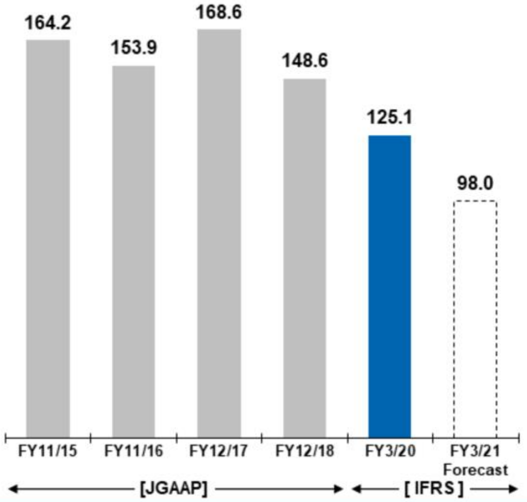
Operating income (Billions of yen)



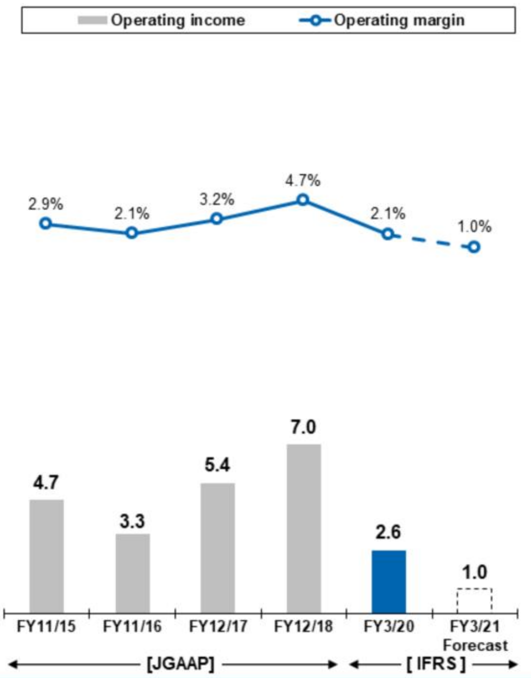
U-Shin Business

As a result of change of the fiscal year end, FY12/17 consists of 13 months. Both net sales and operating income until FY12/18 are pre-merger results. FY3/20 does not include Jan.-Mar. results. JGAAP until FY12/18

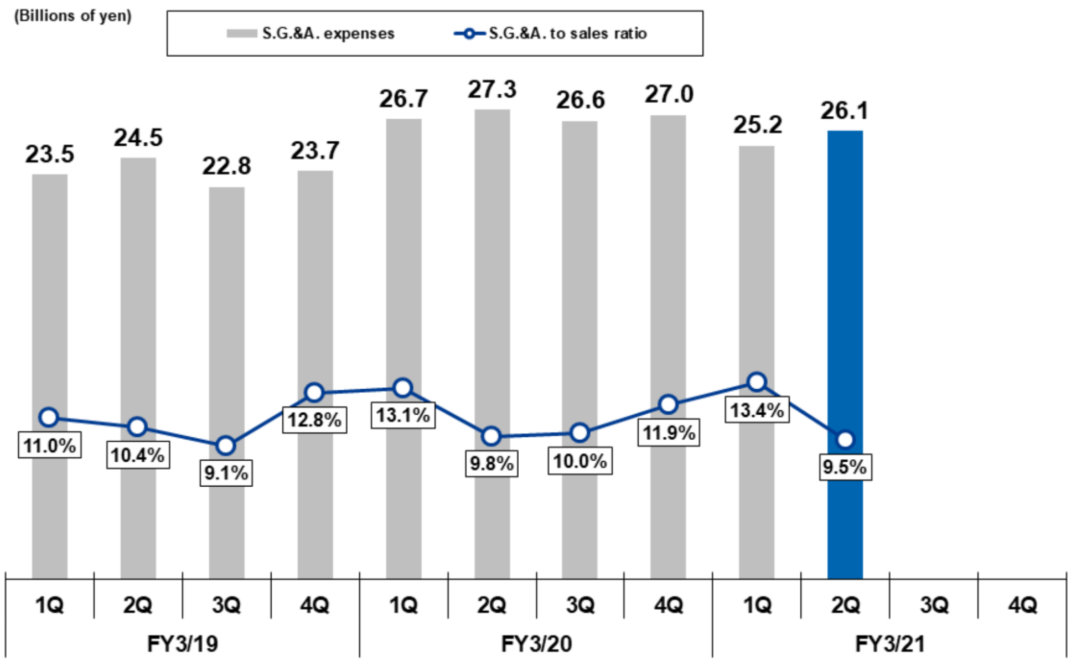
Net sales (Billions of yen)



Operating income (Billions of yen)

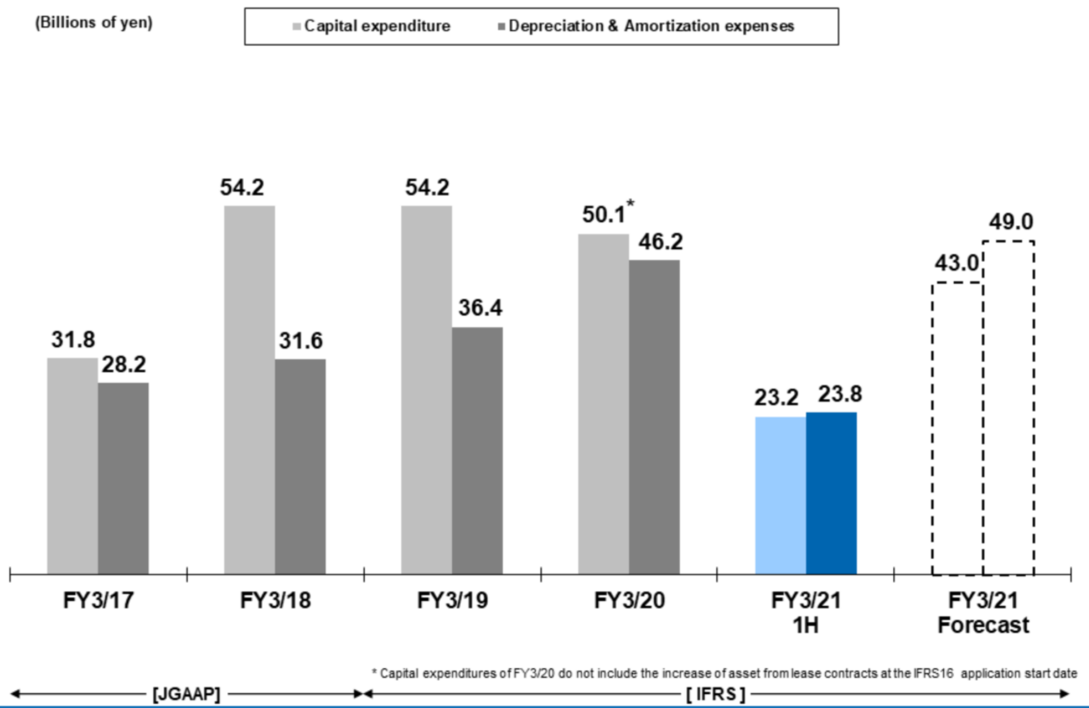


S.G.&A. expense / ratio



Capital Expenditure / D&A Expense

*JGAAP until FY3/18

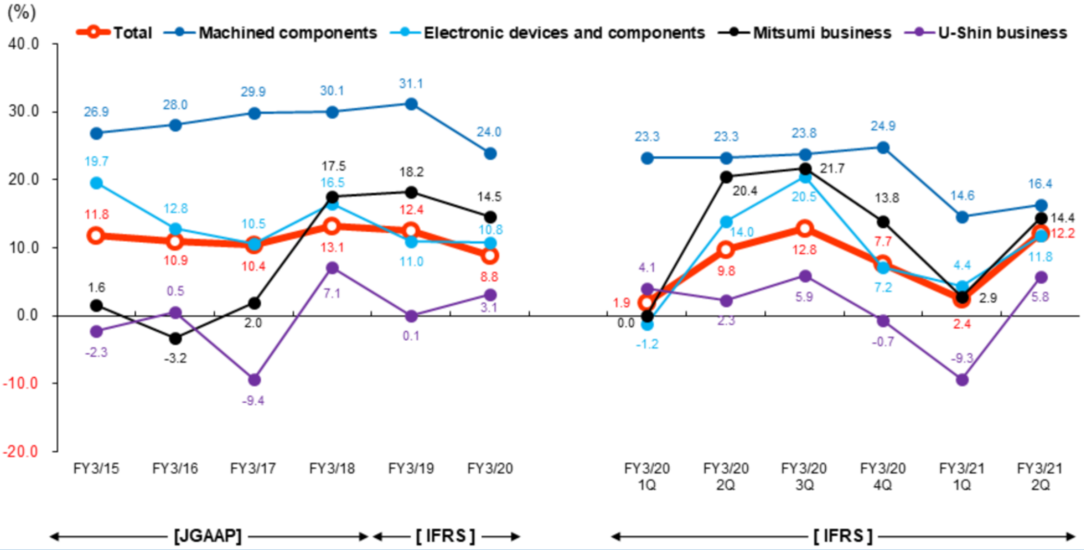


ROIC (Return On Invested Capital)

ROIC for U-Shin business are pre-merger result and based on CY / JGAAP, and are not included in the Total. JGAAP until FY3/18

MinebeaMitsumi ROIC = **NOPAT** (Operating income + extraordinary profit/loss) x (1-tax rate) / **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



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