

Business Results

Fiscal Year Ended March 31, 2022

MinebeaMitsumi Inc.

May 11, 2022

1. Financial Results
2. Management Policy & Business Strategy

Financial Results

Katsuhiko Yoshida

Director, Senior Managing Executive Officer

May 11, 2022

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Passion to Create Value through Difference

My name is Yoshida.

Today I would first like to explain the consolidated financial results for the fiscal year ended March 31, 2022.

Summary of Consolidated Business Results

Net sales, OP, etc. all hit record highs

(Millions of yen)	FY3/21	FY3/22	Change YoY	FY3/22 Forecast (February 2022 Forecast)	
	Full Year	Full Year		Full Year	VS. Forecast
Net sales	988,424	1,124,140	+13.7%	1,100,000	102.2%
Operating income	51,166	92,136	+80.1%	92,000	100.1%
Profit before taxes	49,527	90,788	+83.3%	91,000	99.8%
Profit for the period attributable to owners of the parent	38,759	68,935	+77.9%	72,500	95.1%
Earnings per share, basic (yen)	94.95	170.08	+79.1%	178.91	95.1%

Foreign Exchange Rates	FY3/21 Full Year	FY3/22 Full Year
US\$	¥105.79	¥111.55
Euro	¥123.22	¥130.47
Thai Baht	¥3.40	¥3.44
Chinese RMB	¥15.52	¥17.35

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Consolidated net sales for the fiscal year ended March 31, 2022 totaled 1,124.140 billion yen while operating income reached 92.136 billion yen and profit for the period attributable to owners of the parent hit 68.935 billion yen. These figures represent year on year increases of 13.7%, 80.1% and 77.9% respectively with net sales, operating income, etc. all hit record highs. Operating income includes special expenses totaling approx. 3.2 billion yen incurred due to impact of the COVID-19, etc.

Foreign currency exchange rates are estimated to have a year-on-year impact of plus 50.9 billion yen in net sales and plus 12.0 billion yen in operating income.

Summary of Consolidated Business Results for 4Q

Net sales, OP, etc. all hit 4Q record highs

(Millions of yen)	FY3/21	FY3/22		Change	
	4Q	3Q	4Q	YoY	QoQ
Net sales	250,985	304,348	289,532	+15.4%	-4.9%
Operating income	10,692	25,832	21,671	x2.0	-16.1%
Profit before taxes	9,928	25,122	21,347	x2.2	-15.0%
Profit for the period attributable to owners of the parent	7,192	18,395	15,488	x2.2	-15.8%
Earnings per share, basic (yen)	17.64	45.42	38.20	x2.2	-15.9%

Foreign Exchange Rates	FY3/21 4Q	FY3/22 3Q	FY3/22 4Q
US\$	¥104.74	¥112.47	¥114.65
Euro	¥127.53	¥130.44	¥129.77
Thai Baht	¥3.47	¥3.39	¥3.46
Chinese RMB	¥16.17	¥17.52	¥18.03

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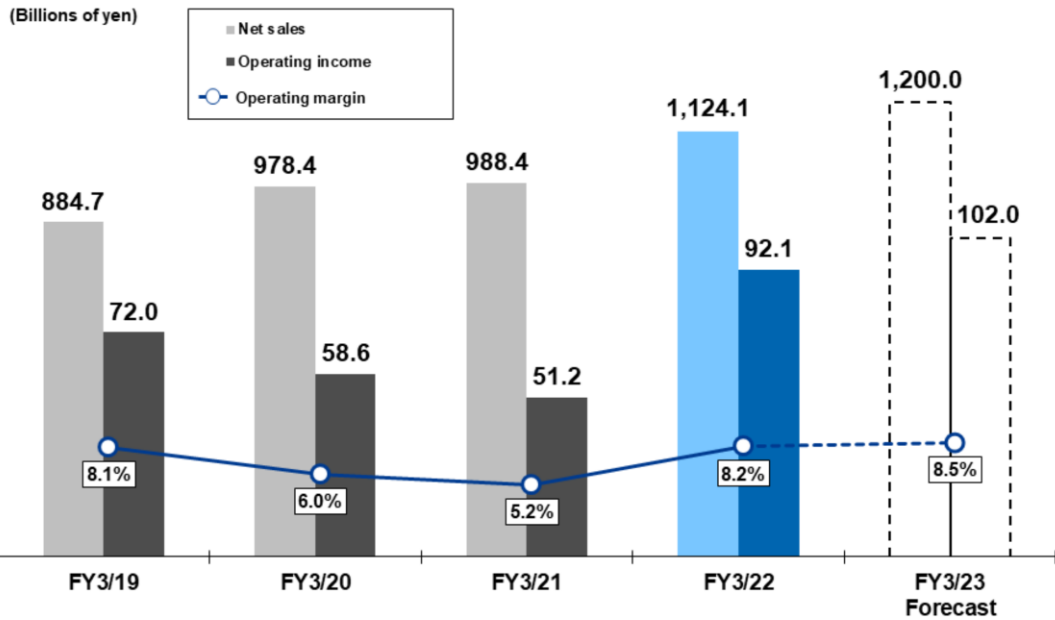
Consolidated net sales for the fourth quarter of the fiscal year ended March 31, 2022, was up 15.4% year on year and down 4.9% quarter on quarter to total 289.532 billion yen, hitting the fourth quarter record highs.

Operating income increased by 2.0 times year on year and down 16.1% quarter on quarter to total 21.671 billion yen. Profit for the period attributable to owners of the parent increased by 2.2 times year on year and down 15.8% quarter on quarter to total 15.488 billion yen. Operating income for this quarter includes special expenses totaling approx. 0.9 billion yen incurred due to impact of the COVID-19 etc.

We estimate that foreign currency translations have a year-on-year impact of plus 17.3 billion yen in net sales and plus 4.8 billion yen in operating income. Quarter on quarter impact was plus 3.9 billion yen in net sales and plus 0.4 billion yen in operating income.

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

Net Sales, Operating Income/ Margin



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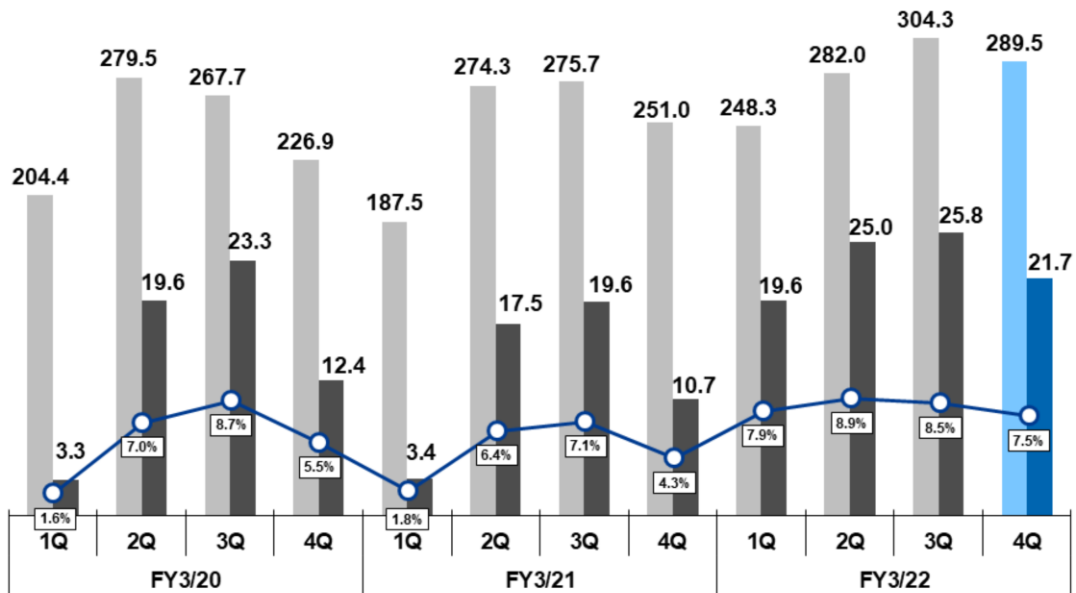
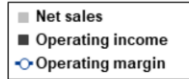
This is the annual trend in net sales, operating income and operating margin.

The bar graph on the left is net sales, and the one on the right is operating income along with a line chart for the operating margin.

The operating margin for the fiscal year ended March 31, 2022 was 8.2%, up 3.0 percentage points year on year.

Net Sales, Operating Income/ Margin

(Billions of yen)



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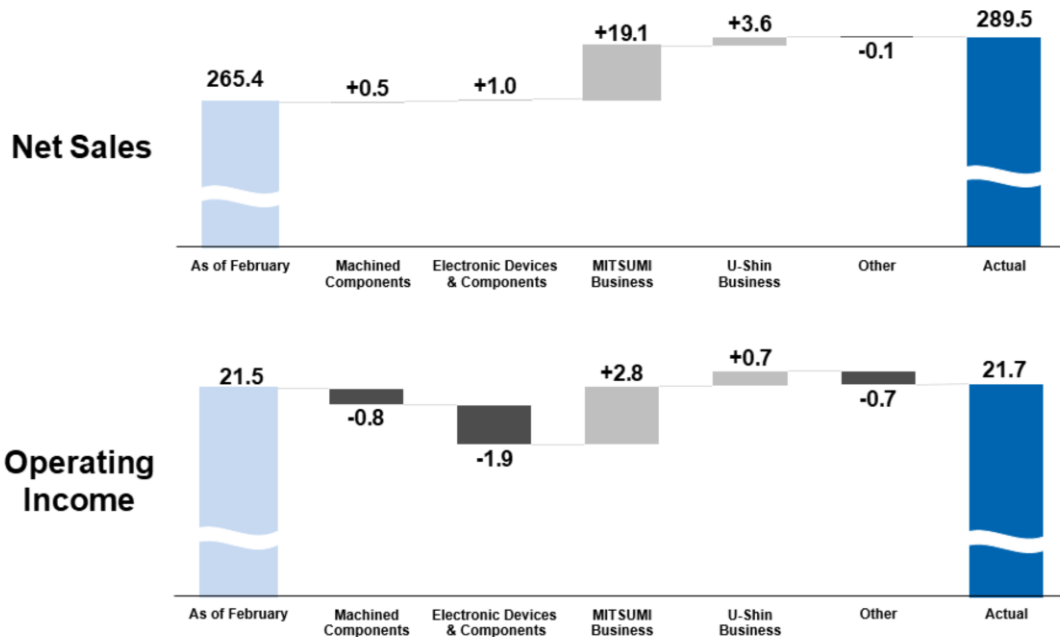
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This is for quarterly trend.

The operating margin for the fourth quarter was 7.5%, up 3.2 percentage point year on year and down 1.0 percentage points quarter on quarter.

4Q Actual: Differences from the Forecast as of February

(Billions of yen)



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Here shows the difference between the forecast as of February and actual results for net sales and operating income by business segment for the fourth quarter.

Although sales in the machined components segment were impacted by semiconductor shortages, strong sales of mainly ball bearings for fan motors meant that overall sales were largely in line with our forecast.

In the electronic devices and components segment, although sales of electronic and sensing devices fell below our forecast, sales were higher than projected thanks to strong overall performance in motors.

The MITSUMI business enjoyed higher-than-projected sales overall, predominantly thanks to mechanical components, optical devices, and semiconductors.

Sales in the U-Shin business were overall higher than projected, mainly due to strong performance in Europe.

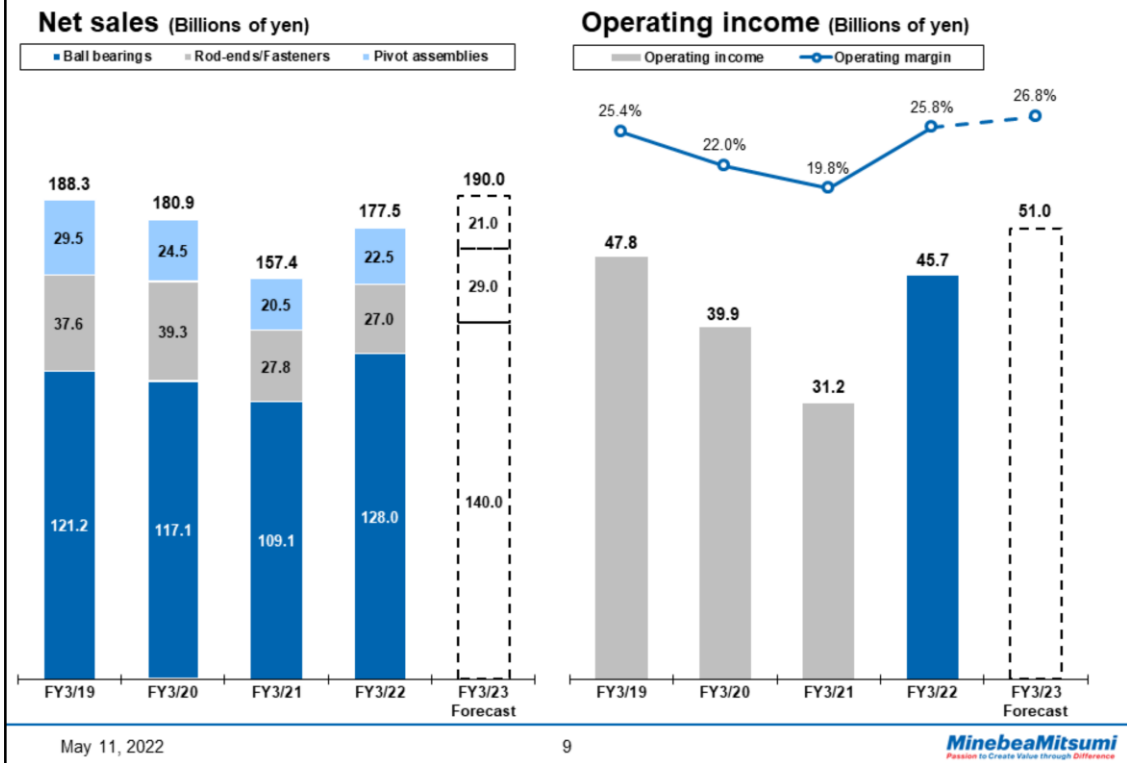
Operating income in the machined components segment was slightly lower than our forecast due to a less favorable product mix.

Operating income in the electronic devices and components segment fell below our forecast mainly due to lower capacity utilization rate caused by the lockdowns of some plants in China and the impact of a shortage of semiconductors.

In the MITSUMI business, meanwhile, operating income exceeded projections thanks to strong sales of optical devices and semiconductors and improved profitability.

Operating income in the U-Shin business was marginally higher than our forecast.

Machined Components



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

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

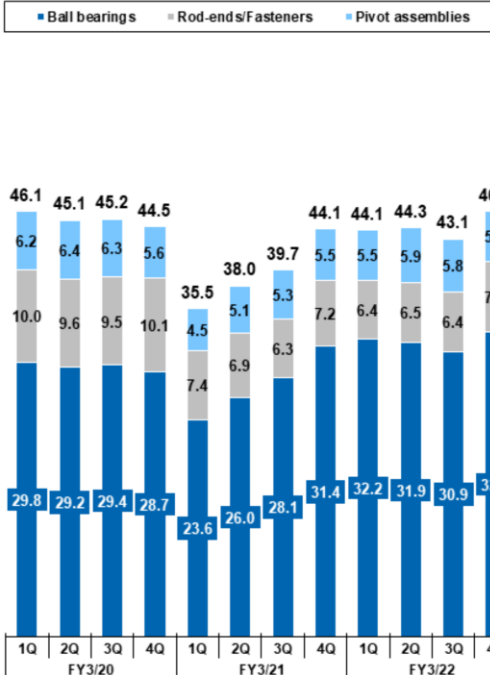
In the fiscal year ended March 31, 2022, net sales were up 12.7% year on year to total 177.5 billion yen. Sales of ball bearings increased 17.3% year on year to reach 128.0 billion yen. The monthly average of bearing sales volume totaled 238 million units for a increase of 14.2% year on year. Looking at sales by application, there was an overall increase, particularly in data centers and automobile applications. Sales of rod-ends and fasteners were down 3.1% year on year to total 27.0 billion yen. Sales of pivot assemblies increased 9.8% year on year to total 22.5 billion yen, steadily contributing to our bottom line as we held on to an 80% plus market share.

Operating income for the fiscal year ended March 31, 2022 totaled 45.7 billion yen, putting the operating margin at 25.8%. We saw operating income increase 46.4% and the operating margin rise 6.0 percentage points year on year. Looking at the year-on-year results by product, we see that profits for ball bearings, rod-ends and fasteners, and pivot assemblies all rose.

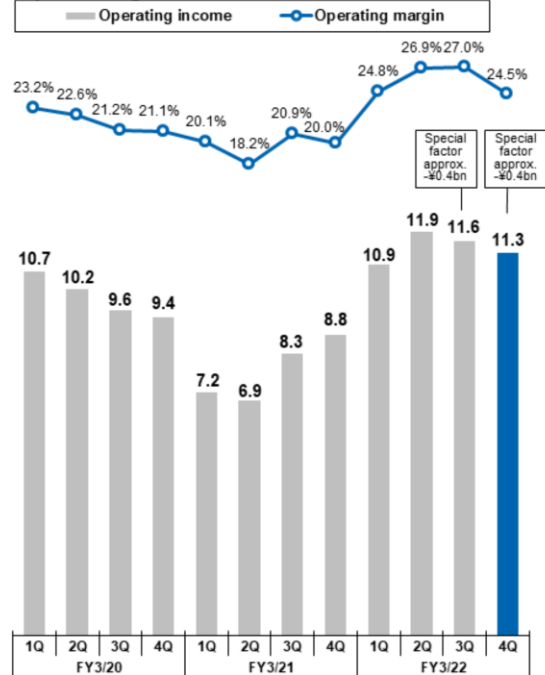
For the fiscal year ending March 31, 2023, we expect an increase in sales for ball bearings due to continued increases in demand in a wide range of applications, mainly for automobiles and servers, as well as our reinforcement of production capacity. In our aircraft-related businesses, including rod-ends and fasteners, we expect recovery in the second half of this fiscal year. For pivot assembly, we anticipate a decline in demand as the HDD market shrinks.

Machined Components

Net sales (Billions of yen)



Operating income (Billions of yen)



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This slide shows the quarterly trends in the machined components segment.

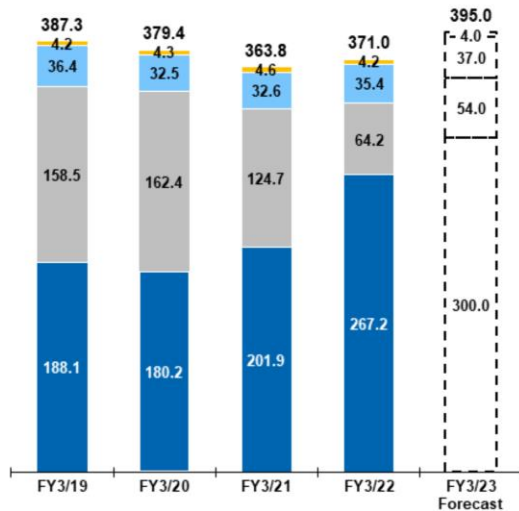
Fourth quarter net sales increased 6.8% quarter on quarter to total 46.0 billion yen. Sales of ball bearings increased 6.7% quarter on quarter to total 33.0 billion yen. The monthly external shipment volume was down 0.4% quarter on quarter for an average of 231 million units. Although sales to data centers remained robust, they were affected by the shortage of semiconductors, particularly in the automobile sector, and the lockdown in China. Sales of aircraft bearings remained sluggish due to the stagnant market. Sales of rod-ends and fasteners, totaling 7.6 billion yen, were up 19.2% over the previous quarter. Sales of pivot assemblies decreased 6.5% quarter on quarter to total 5.4 billion yen.

Operating income for the quarter totaled 11.3 billion yen, and the operating margin was 24.5%. On a quarter-on-quarter basis, operating income decreased 2.9% while the operating margin dropped 2.5 percentage points. Looking at the results by product, we see that profits for pivot assemblies fell along with sales decrease while rod-ends and fasteners rose. Operating income for ball bearings remained almost unchanged.

Electronic Devices & Components

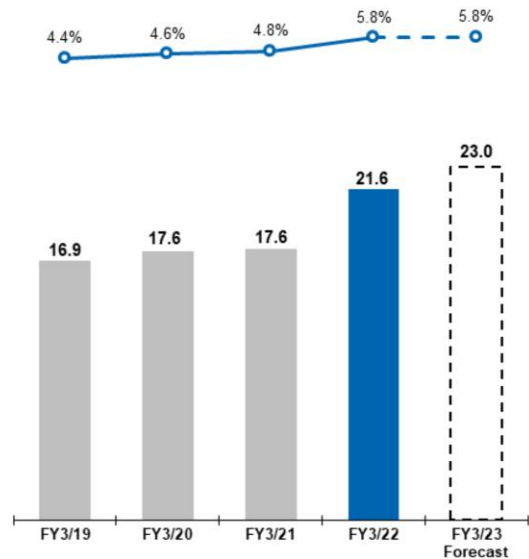
Net sales (Billions of yen)

■ Motors ■ Electronic devices ■ Sensing devices ■ Other



Operating income (Billions of yen)

■ Operating income ■ Operating margin



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

In the fiscal year ended March 31, 2022, net sales were up 2.0% year on year to total 371.0 billion yen. Looking at the results by product, we see that sales of motors increased 32.3% year on year to reach 267.2 billion yen. This increase was due to sales of spindle motors for HDDs, as well as the expansion of applications for motors in automobile and the launch of new products. Electronic devices sales were down 48.5% year on year to 64.2 billion yen due to the declining number of sales units of models that use LED backlights at the major customers, in addition to the impact from changes to the business segments. Net sales of sensing devices totaled 35.4 billion yen, increasing 8.5% year on year.

Operating income was 21.6 billion yen with the operating margin of 5.8%. Compared to the previous fiscal year, operation income increased by 22.3% and the operating margin rose by 1.0 percentage points. Looking at the results by product, we see that operating income was up for motors and sensing devices but down for electronic devices.

In the fiscal year ending March 31, 2023, we anticipate accelerated growth for motors due to recovery in the automobile market, an increasing number of applications, and the launch of new products, and we expect a significant increase in both sales and profit. For electronic devices, we expect a decrease in sales and profits due to a decrease in the number of units of models that use LED backlights. Sales of sensing devices will be almost flat, but profits are expected to increase due to improved profitability.

For your reference, figures shown for the fiscal year ended March 2021 and before are based on the classifications used before changes to the business segments were made. Please note that the same applies to the rest of the presentation.

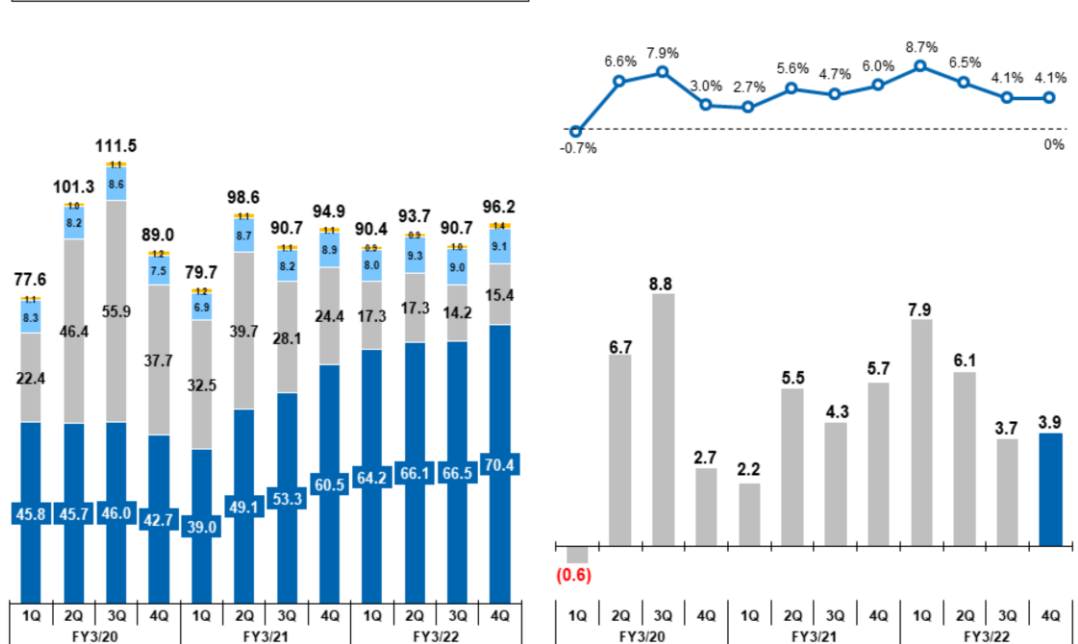
Electronic Devices & Components

Net sales (Billions of yen)

■ Motors ■ Electronic devices ■ Sensing devices ■ Other

Operating income (Billions of yen)

■ Operating income —○— Operating margin



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Quarterly trends in the electronic device & components segment.

Net sales increased 6.1% quarter on quarter to hit 96.2 billion yen.

Looking at the results by product, we see that sales of motors increased 5.9% quarter on quarter to reach 70.4 billion yen. This is because sales of motors in the automobile application remain steady.

Sales of electronic devices were up 8.1% from the previous quarter to total 15.4 billion yen. This is due to the launch of models with our LED backlights by key customers.

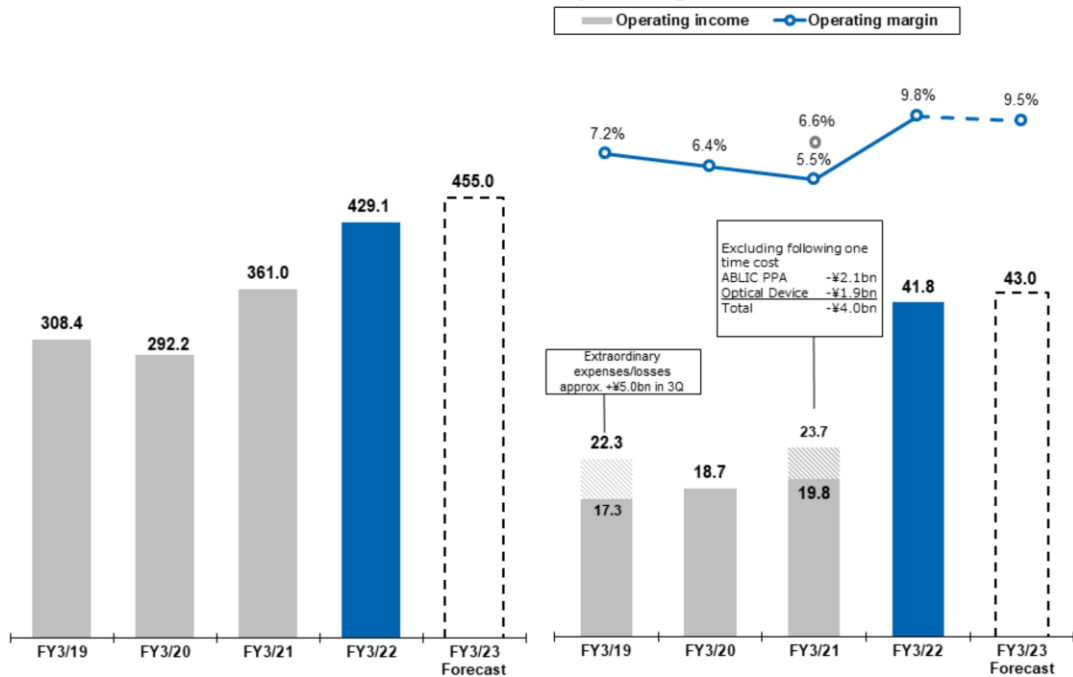
Sales of sensing device, totaling 9.1 billion yen, were up 1.6% from the previous quarter.

Operating income came to 3.9 billion yen, and the operating margin was 4.1%. On a quarter-on-quarter basis, operating income increased by 5.2% while the operating margin remained unchanged.

MITSUMI Business

Net sales (Billions of yen)

Operating income (Billions of yen)



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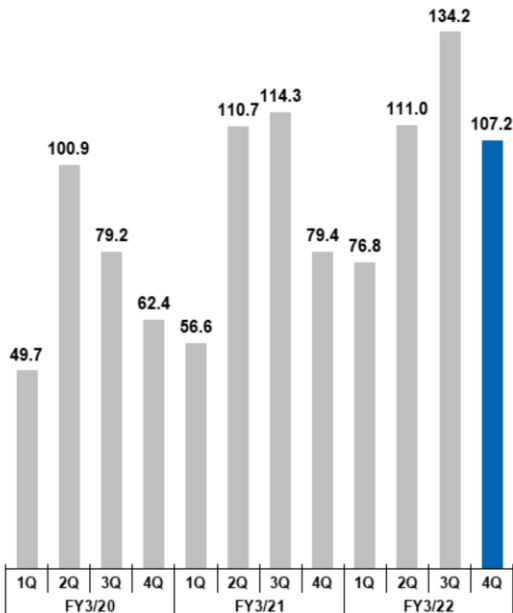
Let's look at the performance for the MITSUMI business segment.

Net sales increased 18.9% year on year to total 429.1 billion yen in the fiscal year ended March 31, 2022. Sales increased due to strong sales growth in optical devices and continued strong performance of analog semiconductors.

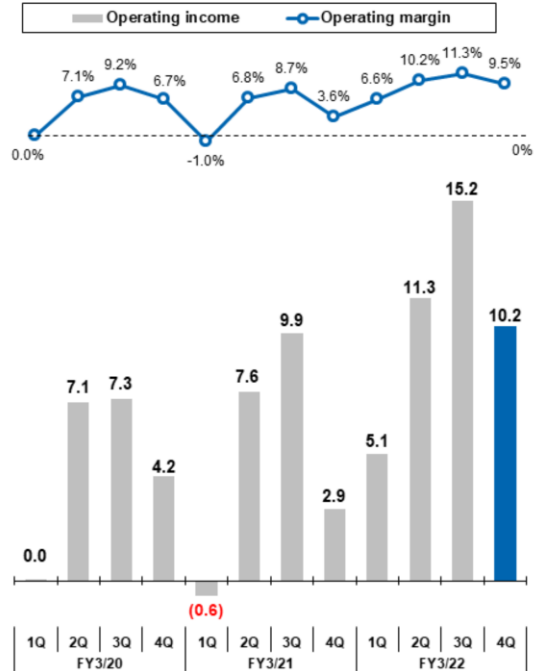
Operating income came to 41.8 billion yen, and the operating margin was 9.8%. These figures represent a 2.1 times year-on-year increase in operating income and a 4.3 percentage point year-on-year increase in the operating margin. Profits for optical devices and analog semiconductors significantly increased while other businesses saw a decrease.

In the fiscal year ending March 31, 2023, although we have a conservative view of mechanical components, we anticipate continued growth mainly in optical devices and semiconductors, and expect a further increase in sales and profit.

Net sales (Billions of yen)



Operating income (Billions of yen)



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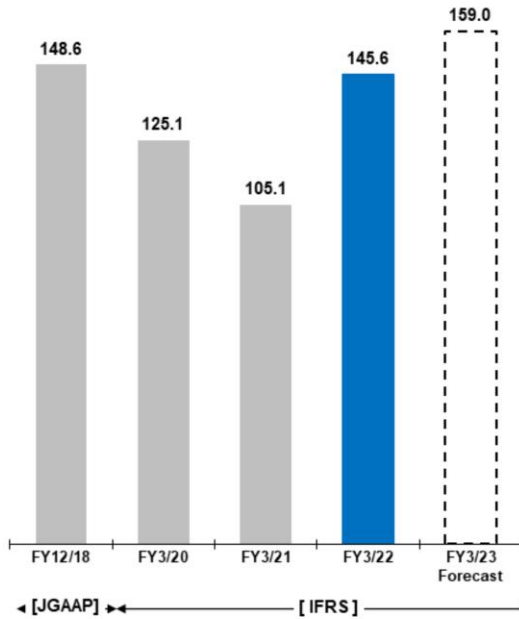
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MITSUMI business segment quarterly trends.

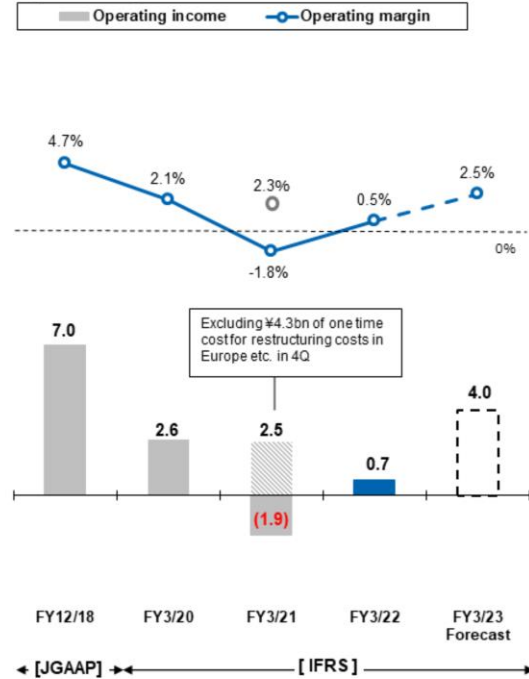
Net sales decreased 20.2% quarter on quarter to total 107.2 billion yen. While sales of analog semiconductors increased, sales decreased for other products, primarily mechanical components and optical devices as the peak demand period had passed.

Operating income totaled 10.2 billion yen while the operating margin was 9.5%. Operating income decreased 33.0% and the operating margin declined 1.8 percentage points quarter on quarter. This was due to a decrease in profit following the aforementioned decrease in sales of optical devices and mechanical components.

Net sales (Billions of yen)



Operating income (Billions of yen)



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

Net sales increased 38.5% compare to fiscal year ended March 31, 2021 to total 145.6 billion yen in the fiscal year ended March 31, 2022. This was due to an increase of approximately 30 billion yen as a result of the changes to the business segments, as well as a recovery in sales to the domestic automobile.

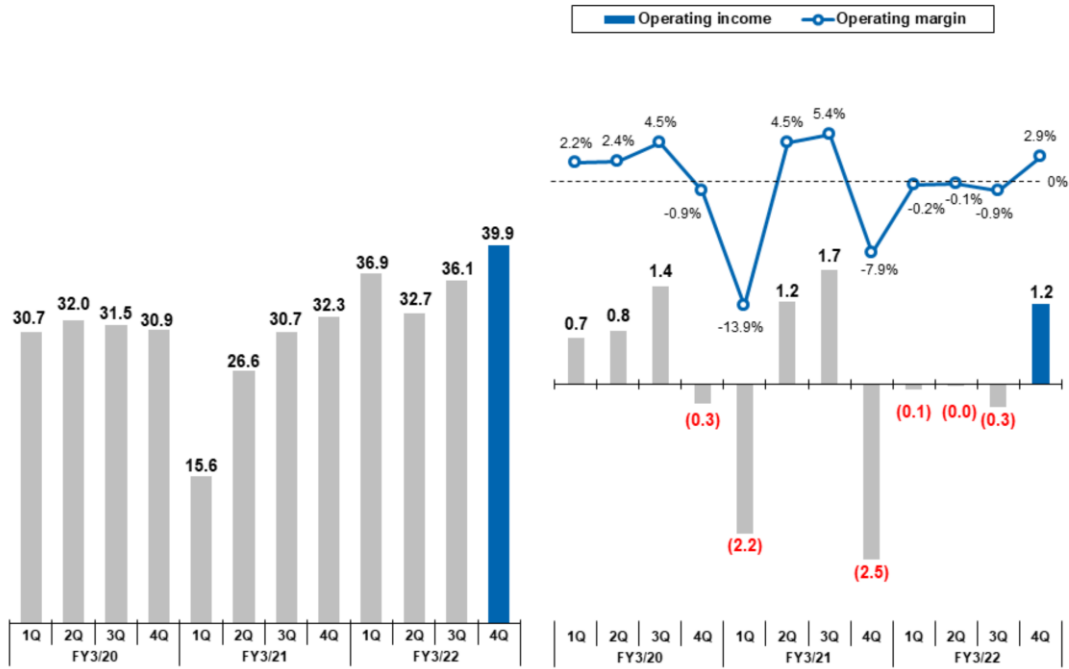
Operating income came to 0.7 billion yen, and the operating margin was 0.5%. These figures represent a 2.3 percentage point year-on-year improvement in operating margin.

In the fiscal year ending March 31, 2023, in addition to a recovering automobile market, we anticipate positive effects from fixed cost reductions due to structural reforms in Europe, an initiative we announced in March 2021, and we expect an increase in both sales and profit.

U-Shin Business

Net sales (Billions of yen)

Operating income (Billions of yen)



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U-Shin business segment quarterly trends.

Net sales increased 10.3% quarter on quarter to hit 39.9 billion yen. Sales increased as the overall automobile market rebounded although the level of recovery varied by region and customer.

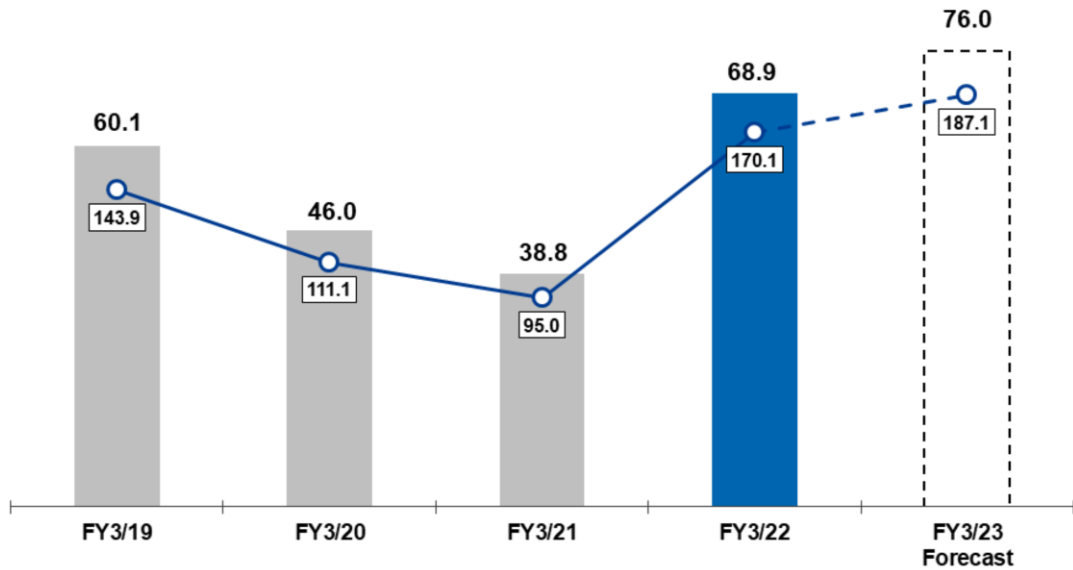
Operating loss came to 1.2 billion yen, and the operating margin was 2.9%. Operating margin was up 3.8 percentage points for the same period. This was mainly due to an improved product mix.

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)



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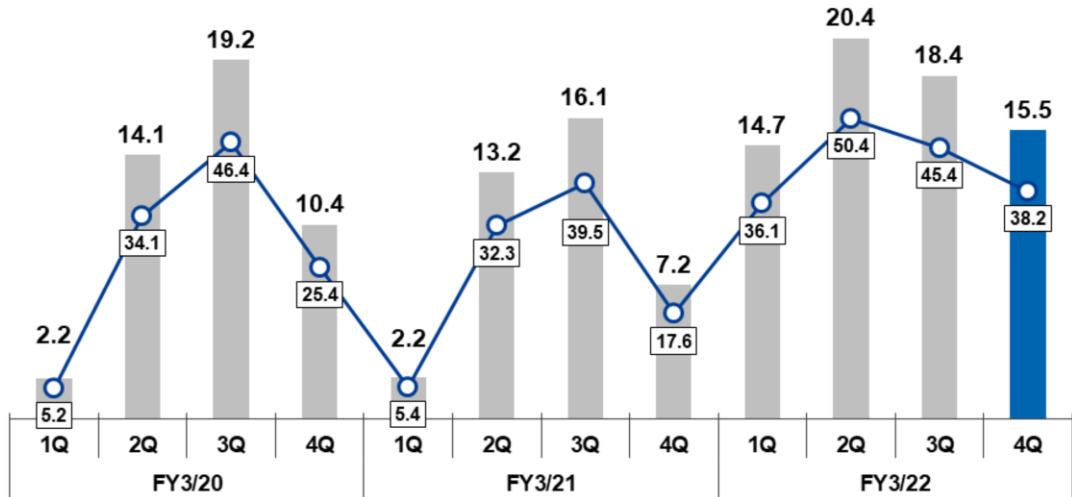
The bar graph here shows trends in profit attributable to owners of the parent while the line graph chart changes in the profit for the period per share.

The profit for the period was 68.9 billion yen.
Earnings for the period per share was 170.08 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)



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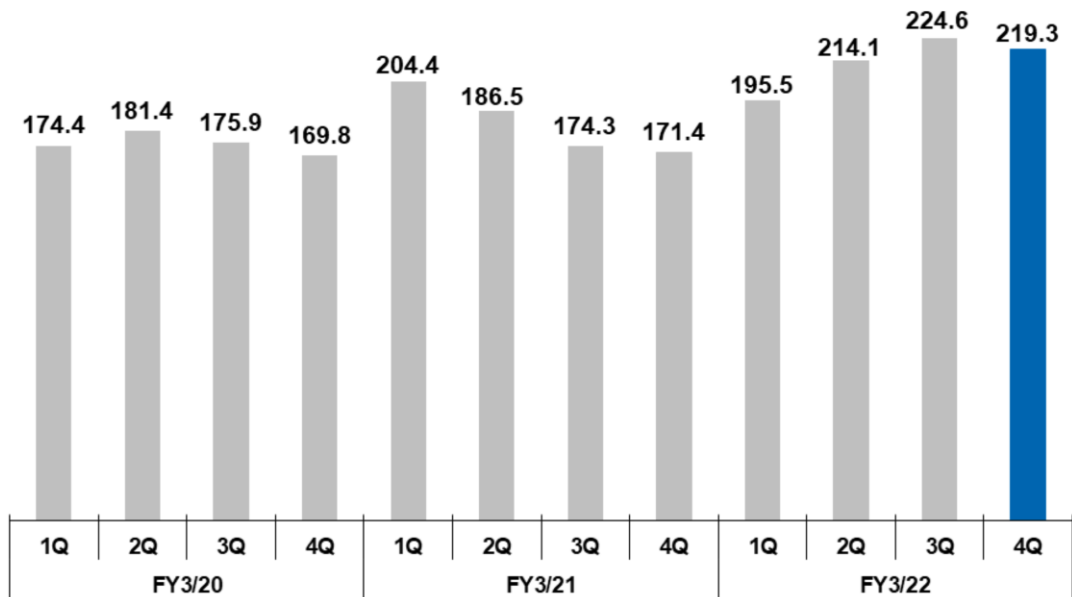
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These are quarterly trends.

The profit for the period was 15.5 billion yen.
 Earnings per share was 38.2 yen.

Inventory

(Billions of yen)



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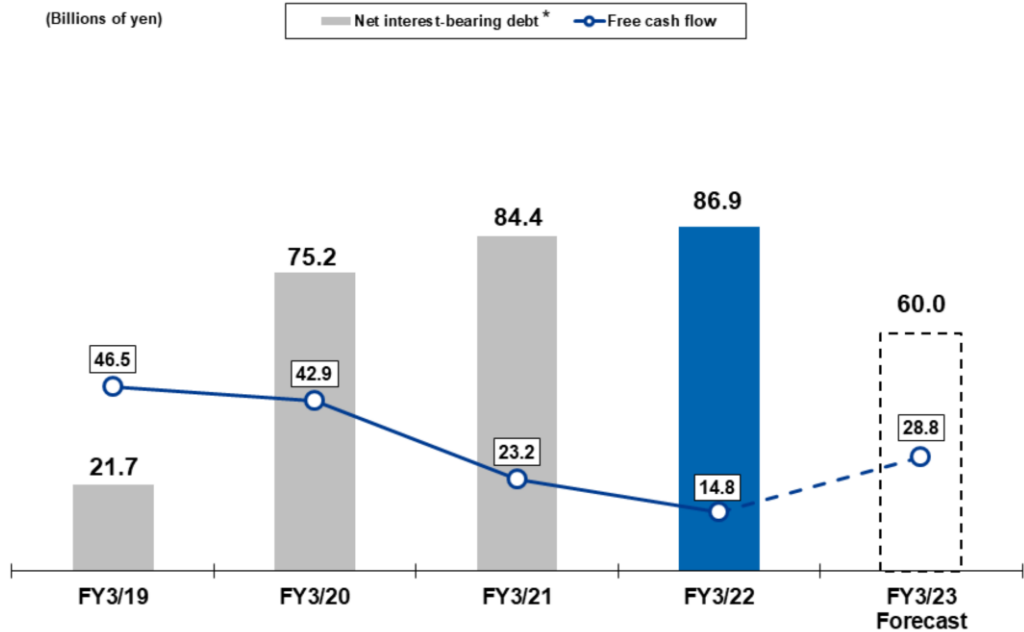
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Next we have the quarterly inventory trend.

At the end of the fourth quarter, inventory totaled 219.3 billion yen, which is 5.3 billion yen less than what it was three months ago. This is due primarily to the fact that the inventory strategically accumulated was sold in stages as expected.

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)

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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 fourth quarter, net interest-bearing debt, totaling 86.9 billion yen, was up 2.5 billion yen from what it was at the end of the previous fiscal year. Despite planned expenditure on the new headquarters building acquisition, the cash position is expected to improve in the fiscal year ending March 31, 2023, thanks to the strong ability to generate cash.

Forecast for Fiscal Year Ending March 31, 2023

Full-year forecasts for net sales, OP, etc. all to hit record highs

(Millions of yen)	FY3/22	FY3/23			
	Full Year	1st Half	2nd Half	Full Year	YoY
Net sales	1,124,140	568,000	632,000	1,200,000	+6.7%
Operating income	92,136	41,000	61,000	102,000	+10.7%
Profit before taxes	90,788	40,500	60,500	101,000	+11.2%
Profit for the period attributable to owners of the parent	68,935	30,000	46,000	76,000	+10.2%
Earnings per share, basic (yen)	170.08	73.86	113.26	187.12	+10.0%

Foreign Exchange Rates	FY3/22 Full Year	FY3/23 Assumptions
US\$	¥111.55	¥115.00
Euro	¥130.47	¥125.00
Thai Baht	¥3.44	¥3.48
Chinese RMB	¥17.35	¥18.50

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This is a summary of the forecast for the fiscal year ending March 31, 2023.

Net sales, operating income, and profit for the period are all expected to reach record highs in the current fiscal year.

Overall, net sales are expected to increase to 1.2 trillion yen, with business growth mainly in ball bearings, motors, analog semiconductors, and optical devices compensating for a fall in sales in LED backlights and mechanical components.

Despite various risks, including those associated with aggression against Ukraine, operating income is expected to exceed 100 billion yen thanks to growth in the above businesses, thorough cost-reduction measures across all businesses, and other factors.

The exchange rate is assumed to be 115 yen to the U.S. dollar.

Forecast for Business Segment

(Millions of yen)	FY3/22 Full Year	FY3/23			YoY
		1st Half	2nd Half	Full Year	
Net sales	1,124,140	568,000	632,000	1,200,000	+6.7%
Machined components	177,470	91,000	99,000	190,000	+7.1%
Electronic devices and components	371,023	184,500	210,500	395,000	+6.5%
MITSUMI business	429,116	215,000	240,000	455,000	+6.0%
U-Shin business	145,577	77,000	82,000	159,000	+9.2%
Other	954	500	500	1,000	+4.8%
Operating income	92,136	41,000	61,000	102,000	+10.7%
Machined components	45,717	23,500	27,500	51,000	+11.6%
Electronic devices and components	21,561	7,500	15,500	23,000	+6.7%
MITSUMI business	41,846	18,000	25,000	43,000	+2.8%
U-Shin business	732	1,000	3,000	4,000	x5.5
Other	-1,429	-400	-600	-1,000	-
Adjustment	-16,291	-8,600	-9,400	-18,000	-

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This slide shows the forecast by business segment.

Management Policy & Business Strategy

May 11, 2022

Yoshihisa Kainuma

Representative Director, CEO & COO



May 11, 2022

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Summary of Fiscal Year ended 3/22

Overall

- **Net sales, operating income, and net profit all hit record highs.**
- **Our diversified business portfolio, centered on three spears +1, enhanced profits** in spite of the headwinds from semiconductor shortages, soaring raw material prices, and COVID-19.
- The more profitable the business, the more it exceeded initial forecasts, while overall product mix improved.
→ Ball bearings, analog semiconductors, optical devices, etc.

Machined components

- Ball bearing production continued at full capacity. **Made steady progress with production capacity increases aimed at large-scale capacity increases this fiscal year.**
- Promoted pull system in aircraft-related business. Recovery expected in the second half of this fiscal year.

Electronic devices and components/ MITSUMI

- **MITSUMI business achieved record high profits.**
- Motors were affected from soaring material costs and semiconductor shortages.
- Optical devices far surpassed the initial plan. Solidified the foothold to become the No.1 in the industry.
- Began building production framework for next-generation technologies.

U-Shin

- **Returned to profitability in the fourth quarter.**
- Structural reforms in Europe completed as planned.

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The fiscal year ended March 31, 2022, was one in which we celebrated our 70th founding anniversary and the 60th year since our listing. It is incredibly significant that sales were able to exceed one trillion yen despite various headwinds. The MITSUMI business' contribution to these results was outstanding. Despite posting a 5 billion yen deficit at the time of its business integration in 2017, in just five years the business has recorded a 43 billion yen profit, marking an incredible upward swing of nearly 50 billion yen. This success, I believe, is the result of M&As and thorough implementation of post-merger integrations. The achievements of ABLIC have also played a huge part in the MITSUMI business' success.

Set the guidance conservatively, considering current risks

Key Points

- Engage in thorough efforts to pass on increased business costs (raw material and logistics costs) to customers in all businesses.
- Machined components: Complete increasing monthly ball bearing production capacity by 20 million units in August this year.
- Electronic devices and components: Enhance motor business as the key element of eight spears strategy.
- MITSUMI: Maintain growth in analog semiconductors and OIS.
- U-Shin: Achieve turnaround through structural reforms and market recovery.
- The external environment remains uncertain.

(Millions of yen)

	FY3/22 Full Year	FY3/23			
		1st Half	2nd Half	Full Year	YoY
Net sales	1,124,140	568,000	632,000	1,200,000	+6.7%
Operating income	92,136	41,000	61,000	102,000	+10.7%
Profit for the period attributable to owners of the parent	68,935	30,000	46,000	76,000	+10.2%
Earnings per share, basic (yen)	170.08	73.86	113.26	187.12	+10.0%

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In recent years, it has become incredibly difficult to set initial financial forecasts. Despite the various uncertainties affecting this fiscal year, such as Ukraine issue and the lockdown in Shanghai, following various considerations we have come to forecast 1.2 trillion yen in net sales and 102 billion yen in operating income.

One of the key themes for this year will be price revisions. Raw materials, logistics, and other costs continue to rise. Key for us this fiscal year will be how we pass on these cost increases to our users. While we are involved in various industries including the bearing industry and the motor industry, overall the biggest issue for us this fiscal year will be how we respond to soaring raw material prices. Personally, I believe the hike in raw material prices will continue over the medium to long term. As such, I think we have no choice but to revise our prices, and I also think that other companies in our industry will take the same approach. I am confident that this is the correct response.

5 billion yen stress added against bottom-up



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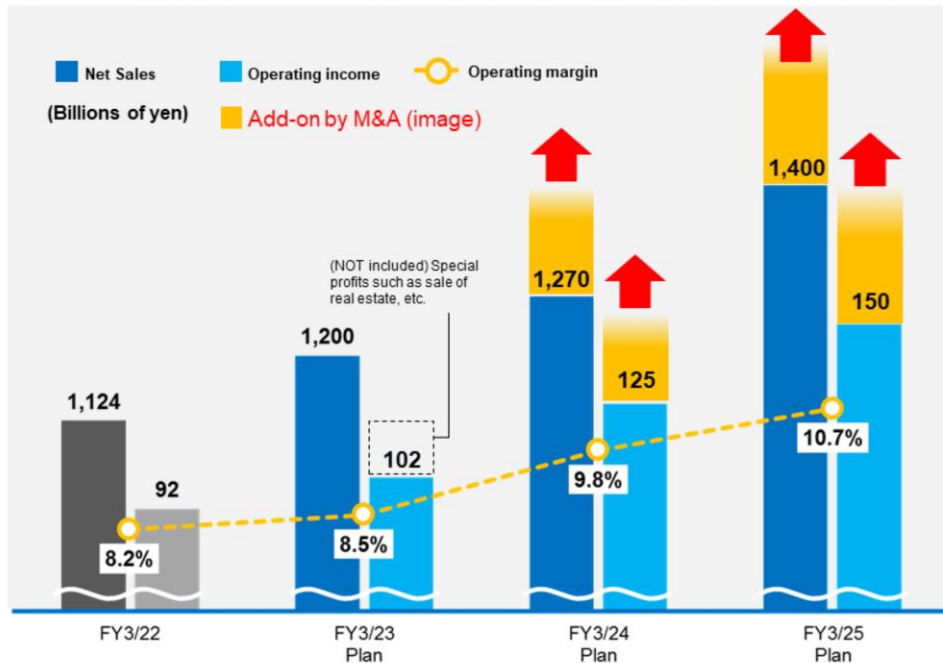
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Some of you may remember that two years ago, when the world went into lockdown following the outbreak of COVID-19, we made the decision to showcase our real profitability in our financial forecasts, and add stress to those figures. In the end, we beat this forecasts. Since becoming president, on average our level of achievement of our initial plans has been more than 110%. To ensure we can do so again this year, we've taken a similar approach to two years ago.

This fiscal year, too, we plan to have our three spears + 1—that is, bearings (including for aircraft), motors, analog semiconductors, and OIS—drive business results. In the previous fiscal year, the U-Shin business was adversely impacted by a drop in customers' production volume due to the semiconductor shortage. This year, however, we anticipate that the semiconductor shortage will gradually improve, and as a result that the U-Shin business will be a major positive factor compared to the previous year. In other businesses, we anticipate a net loss of 5 billion yen, considering the increases in profit other than those above, and decrease in profit in games and LED backlights. We have added 15 billion yen to the previous fiscal year's 92 billion yen to make 107 billion yen, and added 5 billion yen stress. We cannot know the actual condition of this 5 billion yen stress without seeing the trends in the first half of the year.

One of the most important messages today is to exceed 100 billion yen at all costs this fiscal year. While we anticipate an exchange rate of 115 yen to the dollar, if the current rate of 130 yen continues, it is not hard to imagine that the figures for mainly analog semiconductors will differ.

Movements to “with Corona” make M&A more active



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This is another important element of today’s presentation.

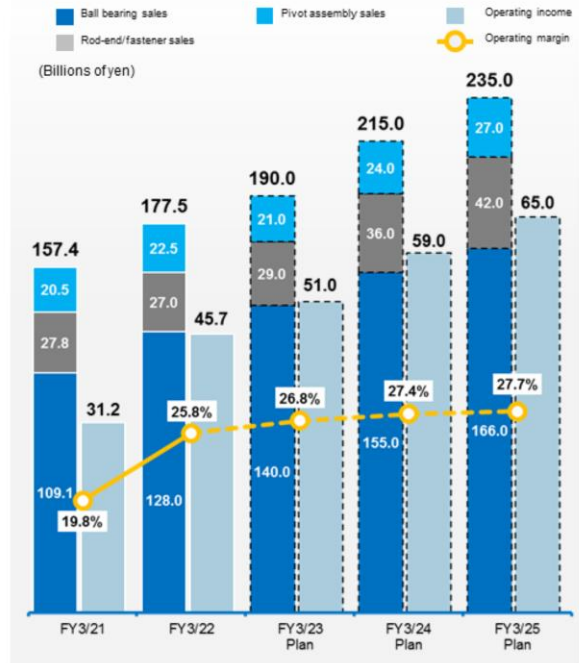
Excluding in China, with the significant easing of COVID-19 restrictions throughout the world, M&As that had been postponed have finally started moving. We can now approach various targets while conducting our due diligence. We are also now able to show guests around our plants. In the past two years, excluding the Shiga plant we acquired from Omron, in effect there were no M&As to speak of. Moving forward, however, we can look forward to M&As complementing our business results.

As shown in the graph, our aim is to achieve both organic growth, which is shown in blue, and growth through M&As, which is shown in yellow. Although among the many M&As we have in place there are some for which we might not reach an agreement, the graph shows the growth that we imagine we can achieve. The dotted square above the 102 billion yen in operating income we hope to achieve this year is the potential profit from the sale of the Tokyo Headquarters building.

Growth in ball bearing business plus recovery in aerospace

Key Points

- 1 **Continued medium- to long-term growth led by automobile applications and data centers**
- 2 **Establish monthly production capacity of 365 million plus**
- 3 **Reinforce structure by shifting from a push to a pull system**



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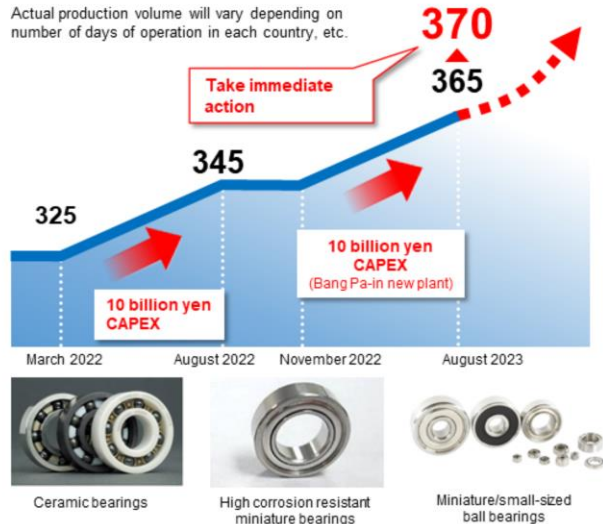
Please see the information on this slide for an overall picture of the medium-term business plan for machined components.

Continued growth from structural demand increases for ultra-high-quality products
Quickly build a framework capable of producing 365 million units plus per month

Keywords

- 1 Automobiles**
 Number of bearings used per automobile increases due to higher functionality and conversion to EVs
- 2 Datacenters**
 Cloud storage/base stations
- 3 High end home electronics**
 Low-noise and energy-saving performance
- 4 Development of super bearings (innovative precision-improved bearings) is proceeding on track**

Miniature/small-sized ball bearing production capacity (million units/month)



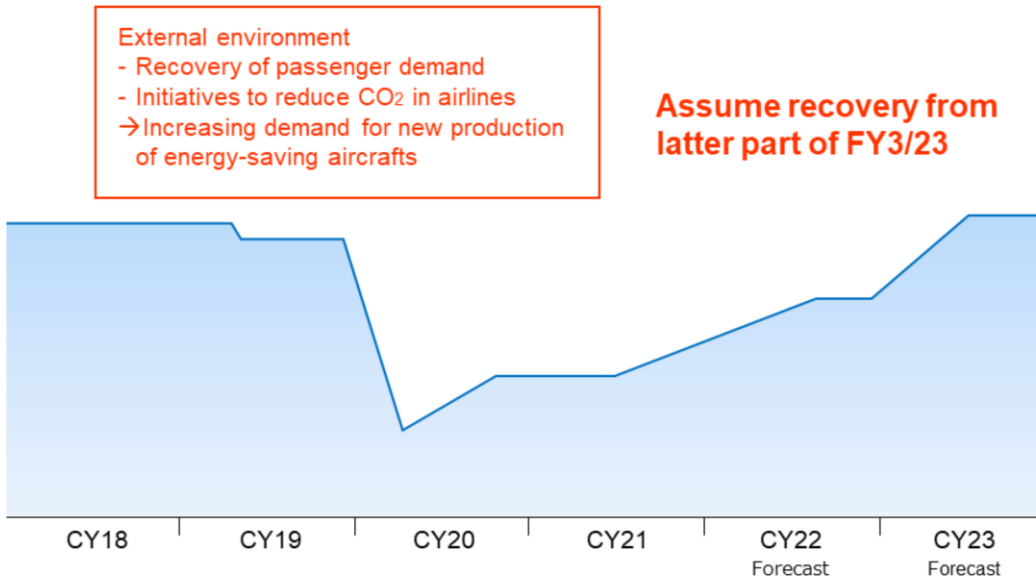
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Although we are currently seeing negative impacts from the lockdown of our bearing plant in Shanghai, we believe conditions will recover by June. With regards to production capacity, while we set ourselves the target of 345 million units per month in August 2022 and 365 million units per month in August 2023, having added up tentative orders, it is apparent that we should increase this target. As such, we plan to increase our monthly target for August 2023 to 370 million units. Tentative orders are growing steadily.

Trend of commercial aircraft production rate

(Source: MinebeaMitsumi)



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This slide shows that there are no changes to our original forecast that the aircraft market will recover to around 70% of pre-COVID level in the second half of the fiscal year.

Growth to accelerate with motors as profit driver

Key Points

- Motors

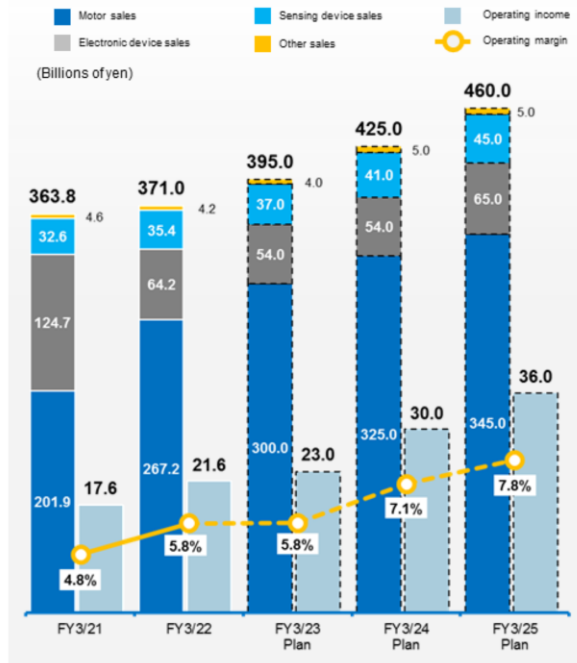
1 Top-line growth in automotive motors to further increase profitability

- Electronic devices

2 Resonant devices to contribute to profits

- Sensing devices

3 Expand sales for automotive and industrial (molding machines, etc.) applications



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These are the three growth pillars of our electronic devices and components business. Although production of our LED backlight-equipped models is somewhat falling, our aim is to always have a diverse product mix that enables us to overcome various headwinds. Moving forward, we anticipate that mainly automotive motors, but also resonant devices, will drive business growth.

Automobile applications accelerate growth in the future

Keywords

1 Thorough price pass-on measures

Engage in thorough efforts to pass on increased business costs (raw material and logistics costs) to customers

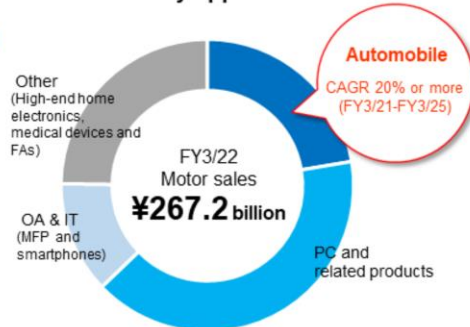
2 Automobile motors

Currently expanding automobile applications. New mass-produced products continue to be launched.

3 Synergy creation

Reinforce competitive advantage of products by producing driver ICs in-house, etc.

Motor Sales by Application



Examples of major motor products for autos/EVs

EV unique function	Environment	Safety	Comfortability
 Resolver for traction motor  Cooling fan for EV rechargeable battery	 Active grill actuator  Actuator for valves	 DC motor for EPB  LIN Bus Type Headlamp actuator	 Stepping motor for HVAC  Seat ventilation

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As always, we expect that among those listed, active grill actuators and stepping motors for HVAC will be major growth drivers. When I was president of Minebea-Matsushita Motor Corporation, motor sales were around 70 billion yen (in addition, sales of HDD spindle motors were around 30–40 billion yen). This has grown to the level where we are now aiming for sales of 300 billion yen this fiscal year.

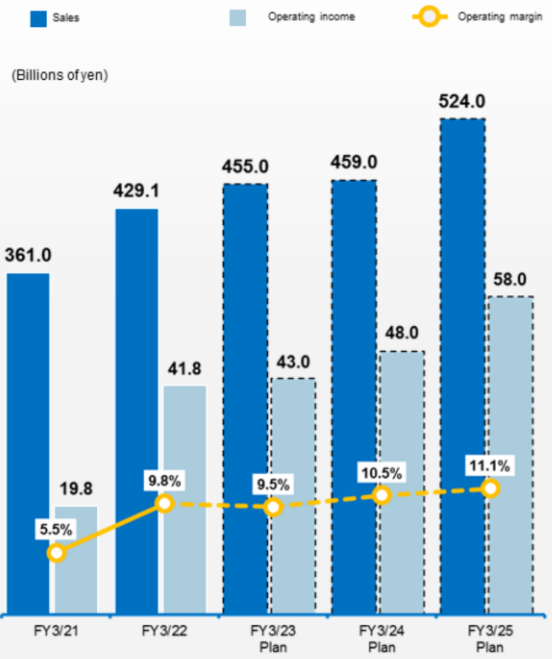
Semiconductors and actuators to drive growth

Key Points

- 1 **Optical devices**
Increase in the adoption rate of our focus products and shift to next-generation technologies
- 2 **Analog semiconductors**
Start-up of Shiga plant and expansion of MEMS sales
Achieve stable growth through synergy and organic growth
- 3 **Mechanical components**
Leverage INTEGRATION* capabilities to develop new OEM businesses
- 4 **Connectors/switches/power supply components**
Create next-generation semiconductors through in-house synergy

*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

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This slide shows an overall picture of the medium-term business plan for the MITSUMI business.

Target sales of 100 billion yen to be achieved ahead of schedule

Keywords

1 Maximize investment efficiency

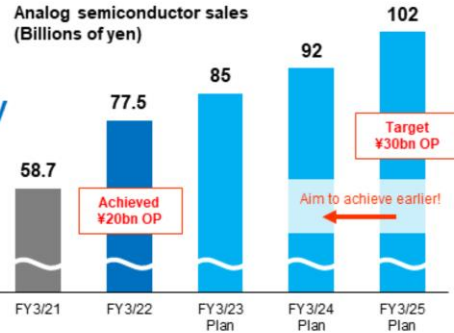
Utilize subsidies, acquire engineers, utilize M&As, etc.

2 Acquire new technologies

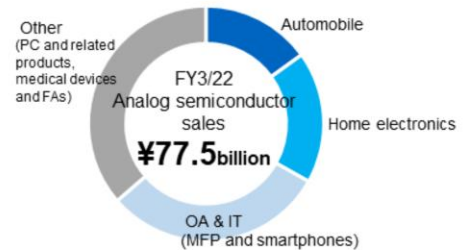
- Motor solutions
- Mixed-signal ICs

3 Early start-up of Shiga plant

Generate synergy through launch of MEMS, IGBT, and motor drivers.



Analog semiconductor Sales by Application



In the analog semiconductor business, this fiscal year we will implement the start-up of the Shiga plant, and reap the benefits of a weak yen as a company manufacturing in Japan.

Consolidate the industry leader position through aggressive strategies

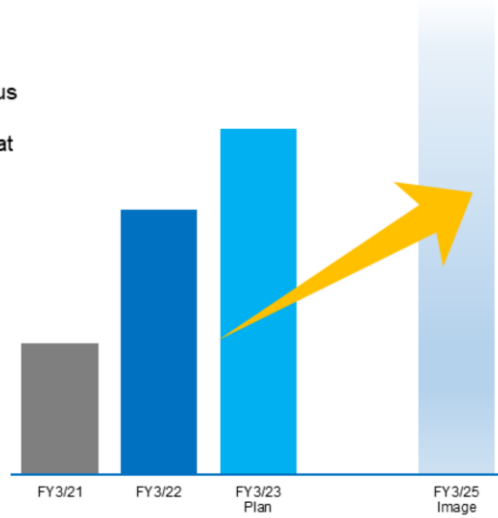
Keywords

- 1 Significantly boost market presence**
 - Expand business opportunity through increase in the adoption rate of our focus products
 - Prepare for future development of OIS at the new plant in Cebu

- 2 Reorganize operations for the Chinese market**
 - Aim to increase non-smartphone applications, such as drones

- 3 Prepare for new technologies**
 - Appropriately deploy development resources

Image of optical devices sales



In optical devices, as I spoke about before, we will seek to solidify our position as industry leader.

U-Shin Business Targets

Strengthen profitability from market recovery and shift to high value-added products

Key Points

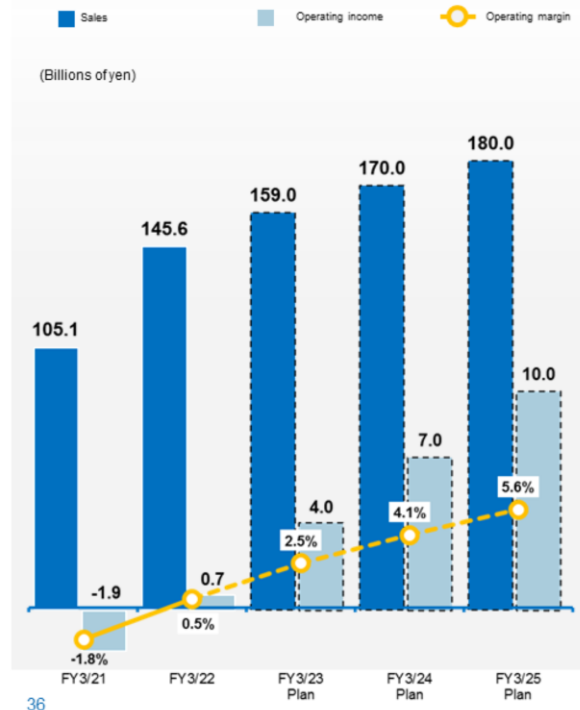
1 Accelerate shift to high value-added products

1. CSD
2. Flush handle
3. E-Latch

2 Aim for a turnaround in the European business this fiscal year

Results of structural reforms

3 Realize outcome from growth strategies, such as INTEGRATED handles



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Results in the U-Shin business depend on how vehicle production recovers. If our customers can formulate accurate production plans and manufacture in step with their tentative orders, profits will steadily increase. Structural reforms in Europe proceeded favorably. If things go well, we can expect 5 billion yen in operating profit, although we have planned for 4 billion yen.

Reviewing measure to reduce GHG emission through procurement of decarbonized electricity

Reduction of GHG emissions from electric power is considered essential since approximately 90%* of our GHG emissions are from electricity.



1. Establishment of renewable energy in-house power generation → **Installation of solar panels, etc.**
2. Corporate PPA** or self consignment power generation
→ **Consideration of solar power, wind power, etc., depending on location**
3. Select renewable energy from electricity retailer's contract menu
4. Purchase of renewable energy certificates, etc.

At the same time, continue and strengthen energy conservation efforts through daily initiatives and capital investment

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* Ratio based on Scope 1 and 2
**Power Purchase Agreement

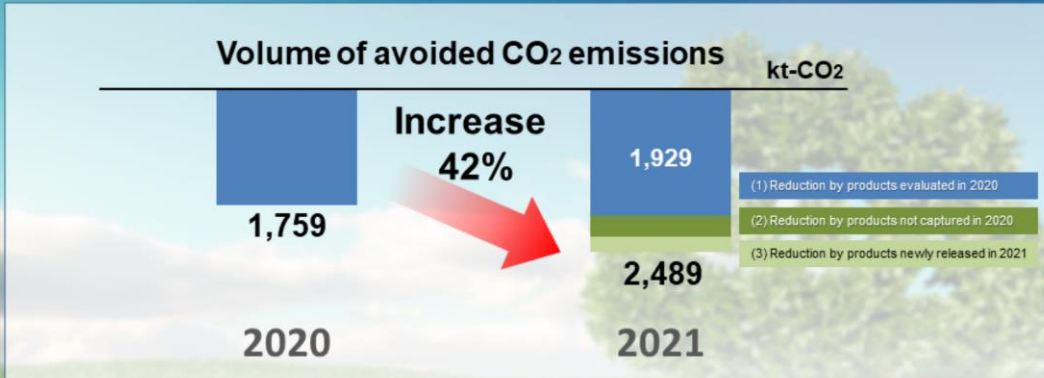
From here, we have three slides outlining our carbon neutrality initiatives. Our CGO Masahito Fukami will explain these initiatives.

Chief Green Officer Masahito Fukami will explain this section related to the environment.

First with regards to our efforts aimed at achieving carbon neutrality. As 90% of our GHG emissions come from electricity usage, it is critically important that we secure renewable energy sources. We are therefore moving forward with initiatives such as the installation of solar power generation systems for in-house use. In the future, we will also make use of corporate power purchase agreements, and strive to secure sources of renewable energy.

Efforts to reduce global CO₂ emissions

In addition to our own efforts to reduce CO₂ emissions, we are also reducing CO₂ emissions of our customers who use our parts.



The “volume of avoided CO₂ emissions” is calculated in accordance with “Japan Electronics and Information Technology Industries Association (JEITA) guidelines,” but is not applicable for calculation in Scope 1, 2 and 3 of the “GHG Protocol” (because the Company is a BtoB component manufacturer). However, the Company has calculated and visualized this as its original KPI based on the belief that it will contribute to the reduction of CO₂ emissions in customers’ products through their use of the Company’s high quality products.

$$\text{Calculation formula: } C_d = \frac{\text{Effect of avoided power consumption at the time of use of products}}{\Delta W_r \times L} \times \frac{\text{Product lifespan}}{H_{op}} \times \frac{\text{Coefficient for CO}_2 \text{ emissions}}{Coe_f} \times \frac{\text{Sales volume in the fiscal year}}{S}$$

C_d : Volume of emissions directly avoided (kg-CO₂)
 ΔW_r : Reduction of electric power consumption in a related condition (kW)
 L : Load factor during actual state of operation compared with related usage conditions
 H_{op} : Hours of operation (h)
 Coe_f : Coefficient for CO₂ emissions from power consumption (0.5001 kg-CO₂/kWh * average emission coefficient in Japan)
 S : Sales volume

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Termining the initiative MMI Beyond Zero, we will also contribute to reducing GHG emissions among customers who use our products.

Although we only began announcing figures for this initiative in the previous fiscal year, we have now compiled the figures for FY2021, and the results are as follows. Compared to the 1.759 million tons of CO₂ emissions we avoided in FY2020, in FY2021 we successfully avoided 2.489 million tons of CO₂ emissions. This marks a huge 730,000-ton, or 43%, increase over the previous year.

Specifically, this increase was down to an increase in sales of products within the scope of calculation (170,000 tons), new contributions from newly released products (326,000 tons), and contributions from products that were left out of calculations in the previous fiscal year (235,000 tons).

Moving forward, we will continue to help reduce global GHG emissions through the sale and popularization of our products with excellent energy-saving performance.

To Issue Green Bonds

Management Strategy to Solidify the Foundation for the Company's 100th Anniversary (2051)



Contribute to global CO₂ emission reductions through two pillars

(1) Challenge to carbon neutrality

(2) Expand "MMI Beyond Zero"

Establishment of Green Bond Framework to raise funds to further promote initiatives to realize a sustainable global environment

Outline of the Green Bond Framework

Eligible projects to be funded

Production and Research and Development of ball-bearings

- Power-saving high quality bearings
- Ultra-high performance bearings
- Bearings for main motors of EVs

Procurement of decarbonized power sources

Rating

Green 1 (F)

Conformity assessment agency

Japan Credit Rating Agency, Ltd.

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To further promote our carbon neutrality and MMI Beyond Zero initiatives, we are planning to issue green bonds.

We are moving forward with preparations so that we can source funds for the procurement of decarbonized power sources, as well as invest in the production and R&D of ball bearings, be it those with outstanding energy-saving performance that enable innovative accuracy, or those for the main motors in EVs.

This brings an end to my explanation of our environmental initiatives.

FY3/22

Year-end **18** yen/share Annual **36** yen/share

Increased 4 yen from the previous fiscal year's result of 14 yen, excluding commemorative dividend of 8 yen

FY3/23
Plan

We determine the annual dividend with a target consolidated payout ratio of around 20% in principle. Also, we will maintain a sustainable and stable dividend in total consideration of business environment.

With regards to dividends, as always, this fiscal year we are aiming for a payout ratio of around 20%. While in the previous fiscal year we paid out 36 yen per share, this fiscal year we are aiming for around 40 yen per share, as long as we exceed 100 billion yen in operating income. We understand that for our shareholders, stable dividend increases are one of the main expectations. We will pay full attention to this expectation and strive to make forward progress.



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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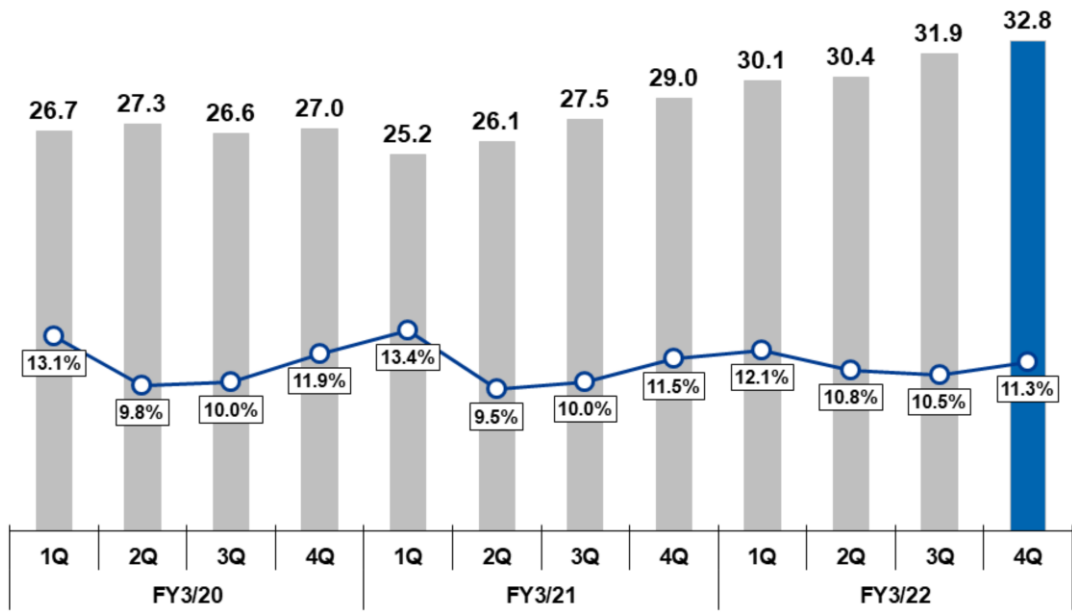
Reference

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S.G.&A. Expense / Ratio

(Billions of yen)



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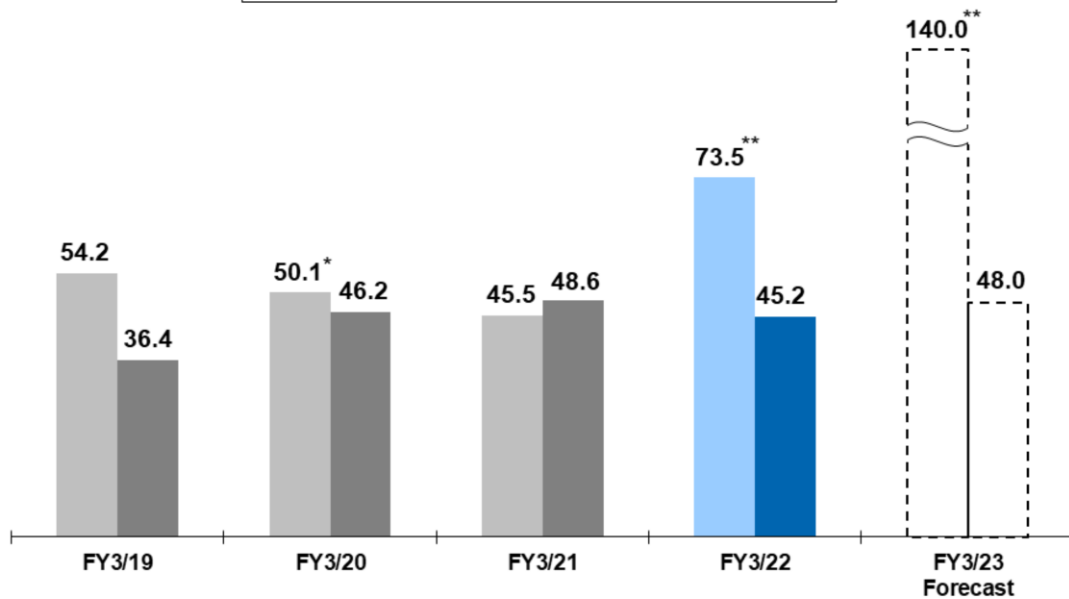
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MinebeaMitsumi
Passion to Create Value through Difference

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

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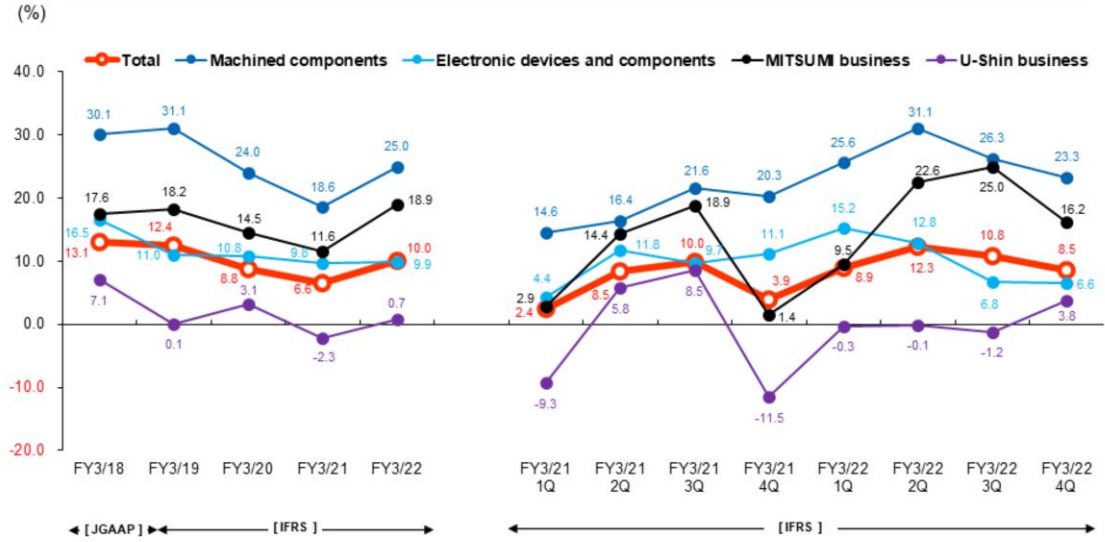
MinebeaMitsumi
 Passion to Create Value through Difference

ROIC (Return On Invested Capital)

ROIC for U-Shin business are pre-merger result and based on JGAAP, and are not included in the Total until FY3/19. JGAAP until FY3/18

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

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

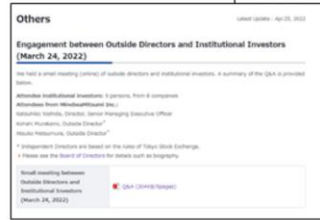


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Engagement between outside directors and institutional investors

We held a dialog between outside directors and institutional investors. A summary of the Q&A is available on our website.



MinebeaMitsumi Group ESG Initiatives

We have posted the MinebeaMitsumi Group ESG Initiatives on our website to provide a summary of our ESG activities.

