

Business Results

Third Quarter of Fiscal Year
Ending March 31, 2025

MinebeaMitsumi Inc.

February 5, 2025

Summary of Consolidated Business Results for 3Q

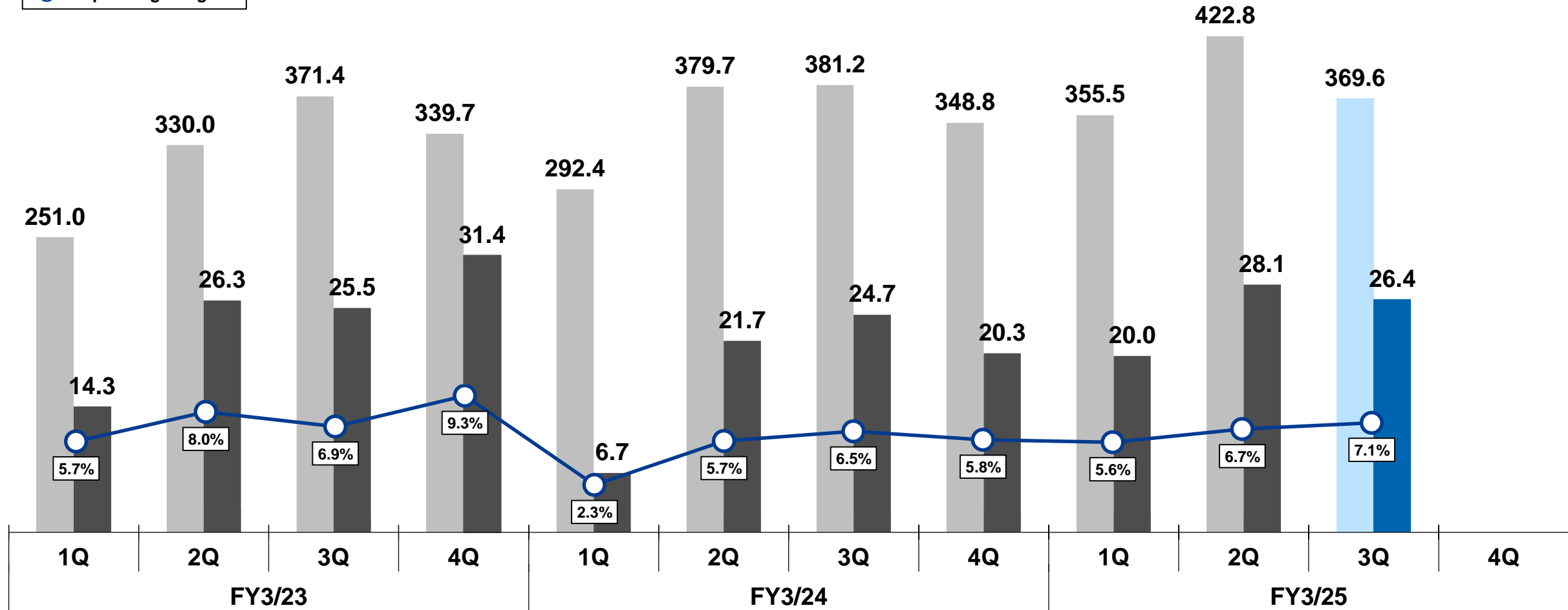
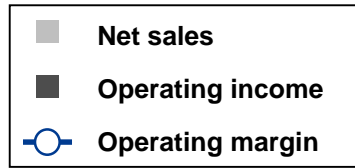
Despite the decrease in net sales year-on-year, operating income increased due to growth in high-margin businesses

(Millions of yen)	FY3/24	FY3/25		Change	
	3Q	2Q	3Q	YoY	QoQ
Net sales	381,207	422,783	369,643	-3.0%	-12.6%
Operating income	24,704	28,146	26,423	+7.0%	-6.1%
Profit before taxes	21,414	18,030	24,183	+12.9%	+34.1%
Profit for the period attributable to owners of the parent	15,212	12,112	17,606	+15.7%	+45.4%
Earnings per share, basic (yen)	37.62	30.00	43.83	+16.5%	+46.1%

Foreign Exchange Rates	FY3/24	FY3/25	
	3Q	2Q	3Q
US\$	¥149.09	¥154.16	¥149.03
Euro	¥159.31	¥167.59	¥161.99
Thai Baht	¥4.15	¥4.29	¥4.42
Chinese RMB	¥20.47	¥21.30	¥20.88

Net Sales, Operating Income / Margin

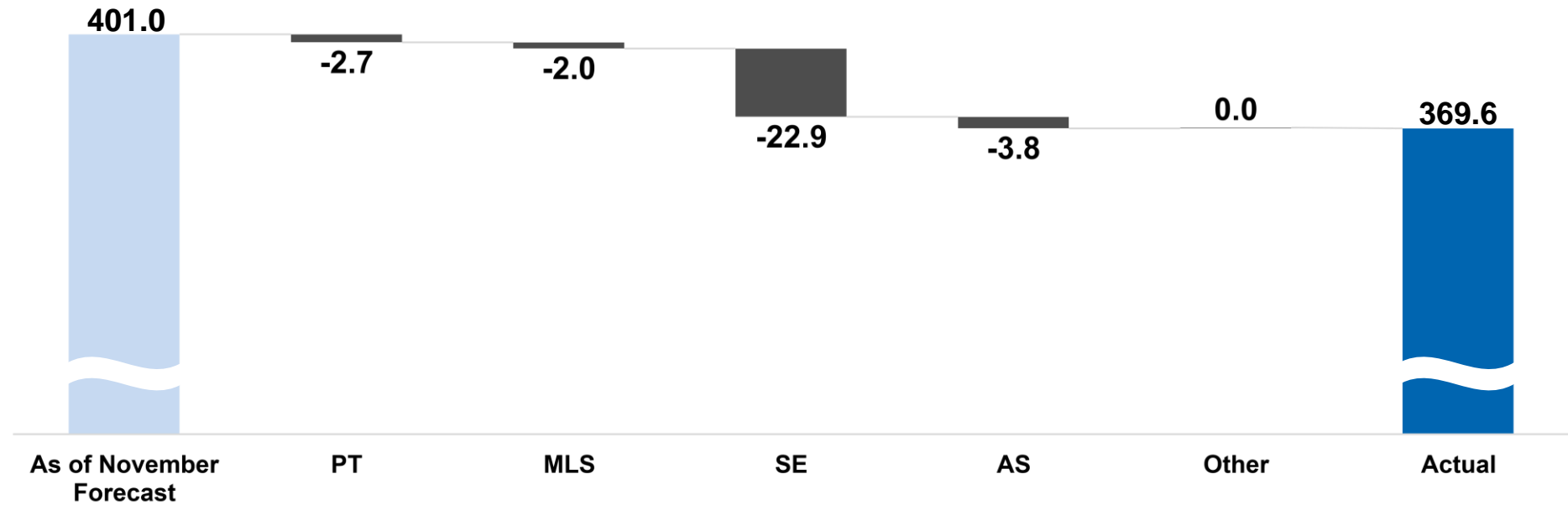
(Billions of yen)



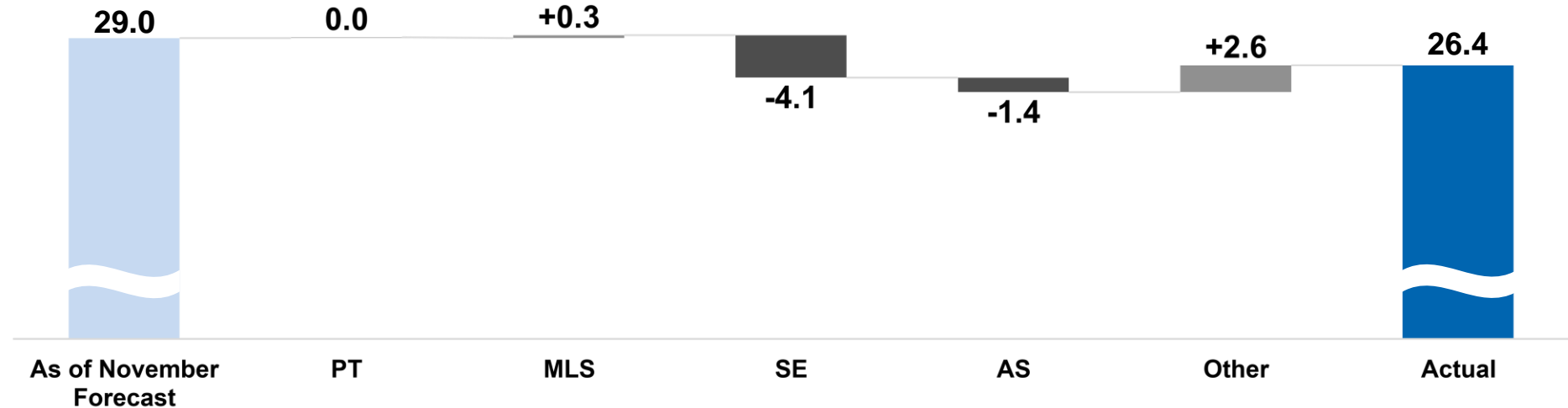
3Q Actual: Differences from the Forecast as of November

(Billions of yen)

Net Sales

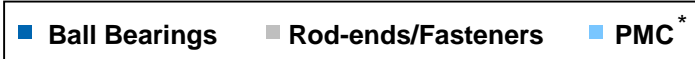


Operating Income

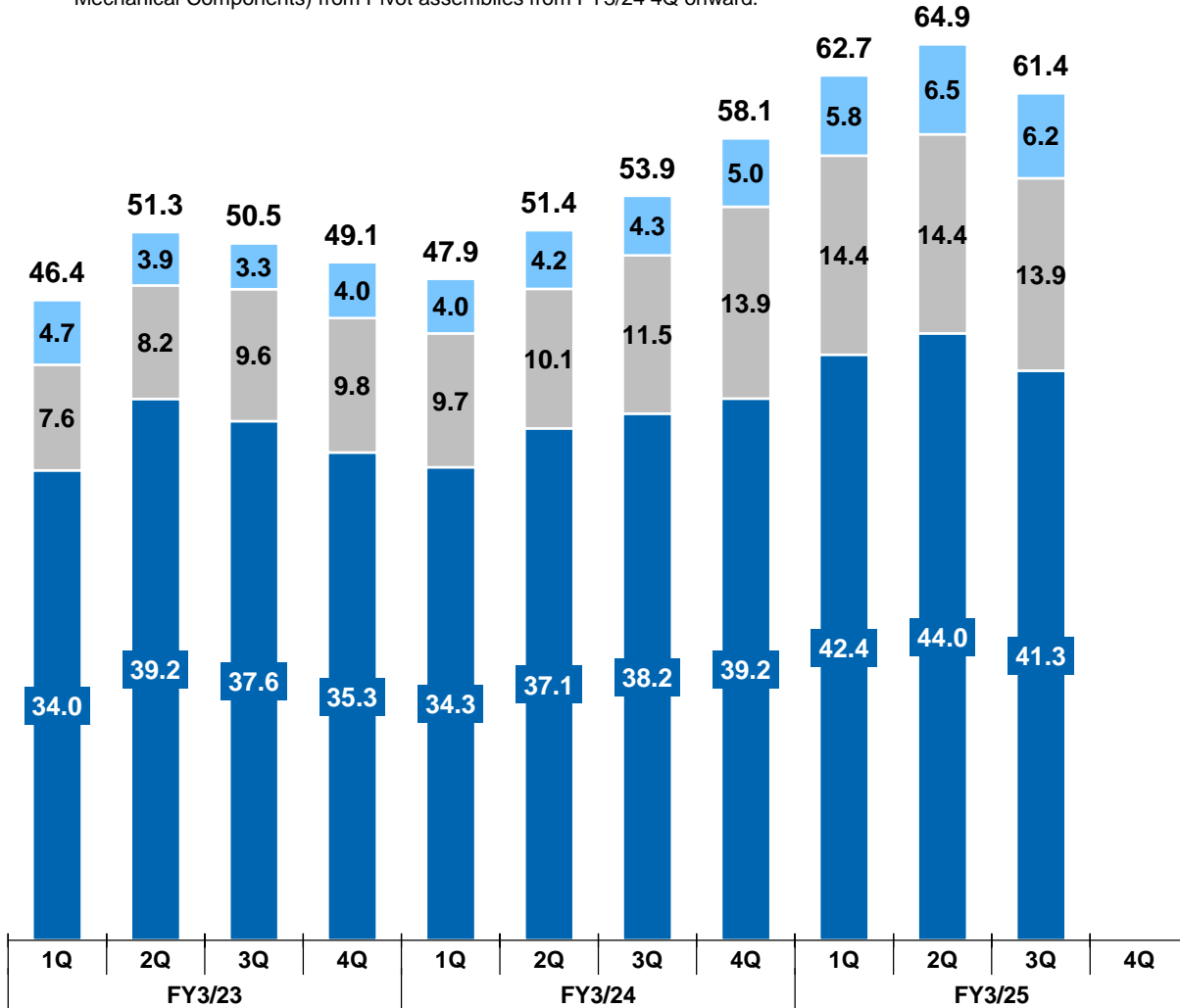


Precision Technologies (PT)

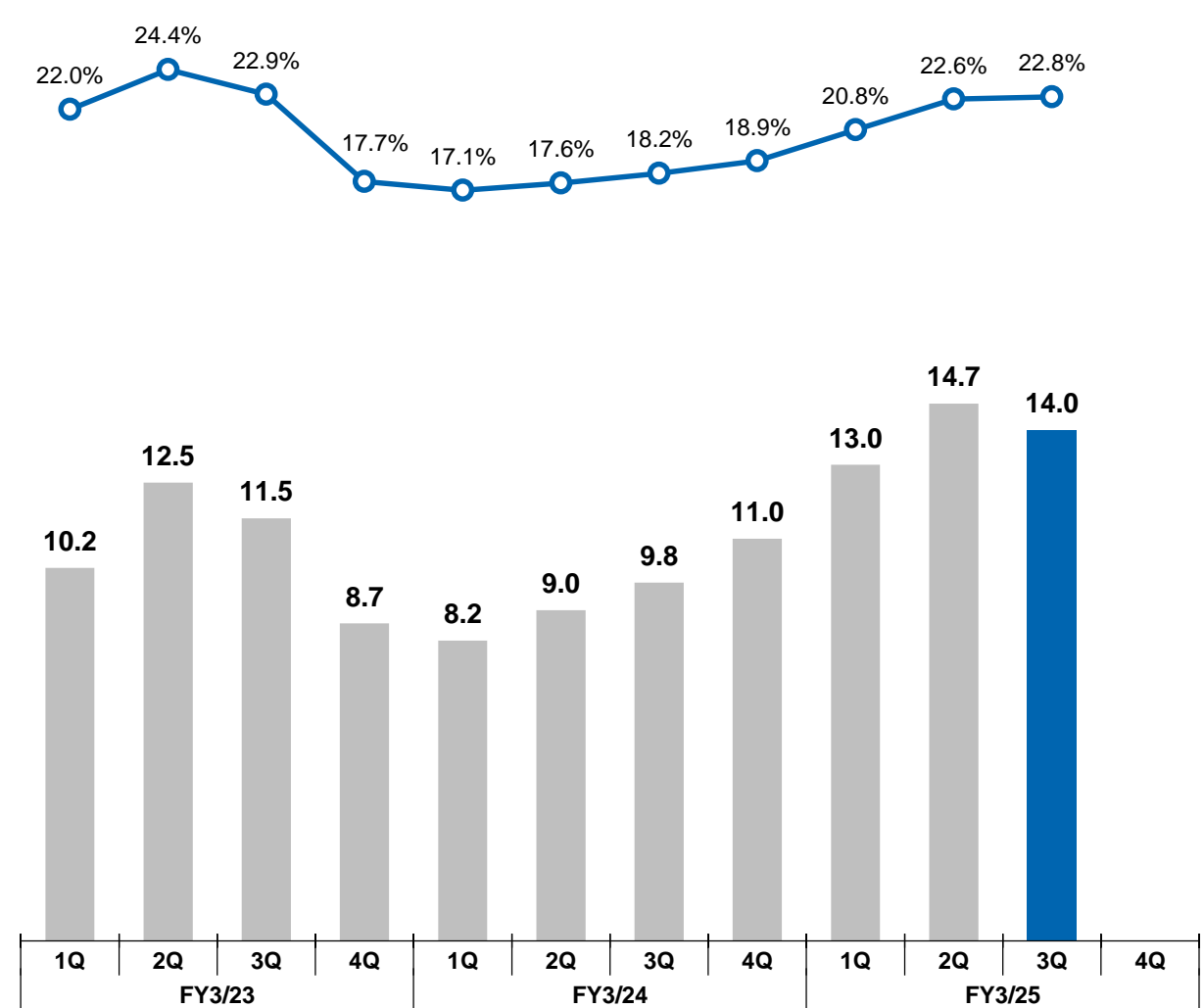
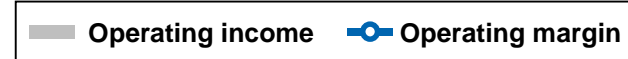
Net sales (Billions of yen)



*The sub-segment name has been changed to PMC (Precision Mechanical Components) from Pivot assemblies from FY3/24 4Q onward.



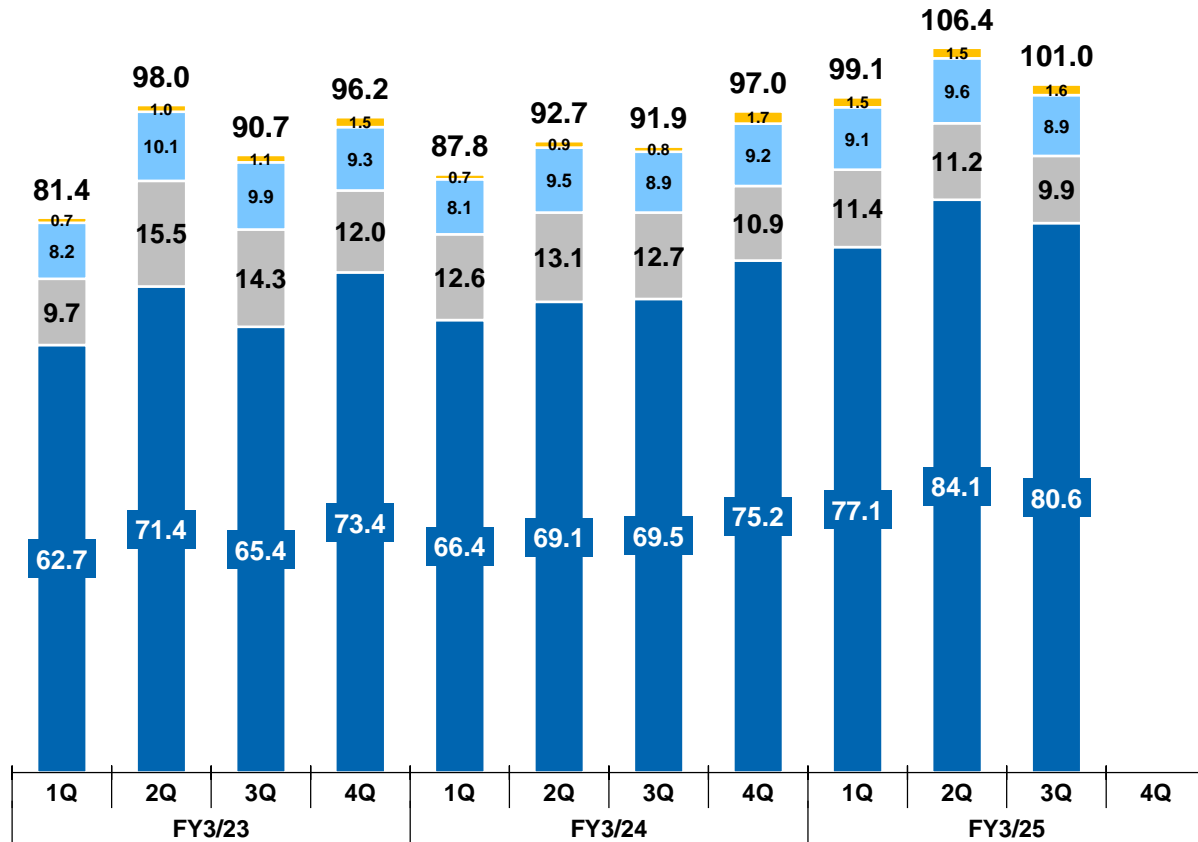
Operating income (Billions of yen)



Motor, Lighting & Sensing (MLS)

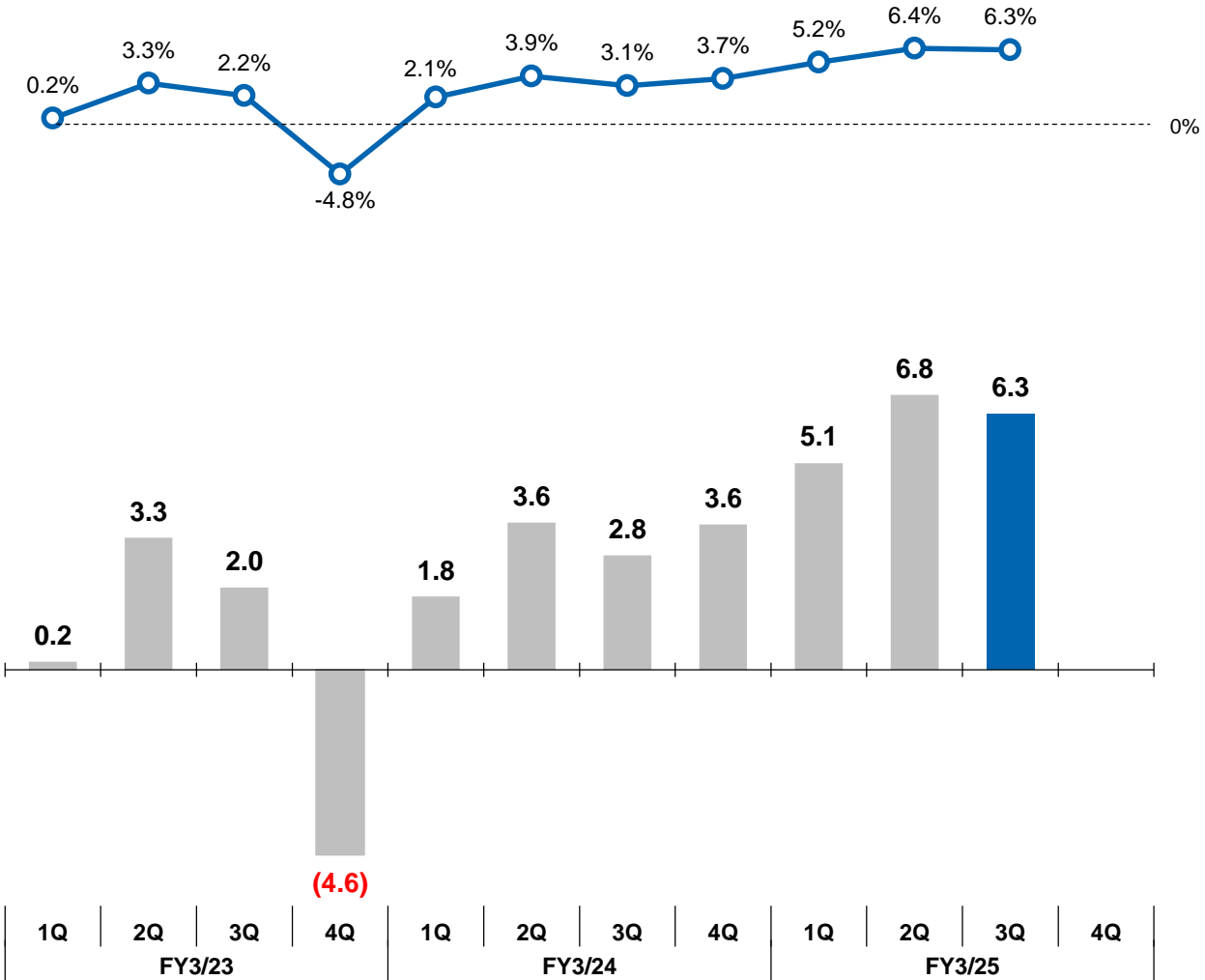
Net sales (Billions of yen)

■ Motors ■ Electronic devices ■ Sensing devices ■ Other



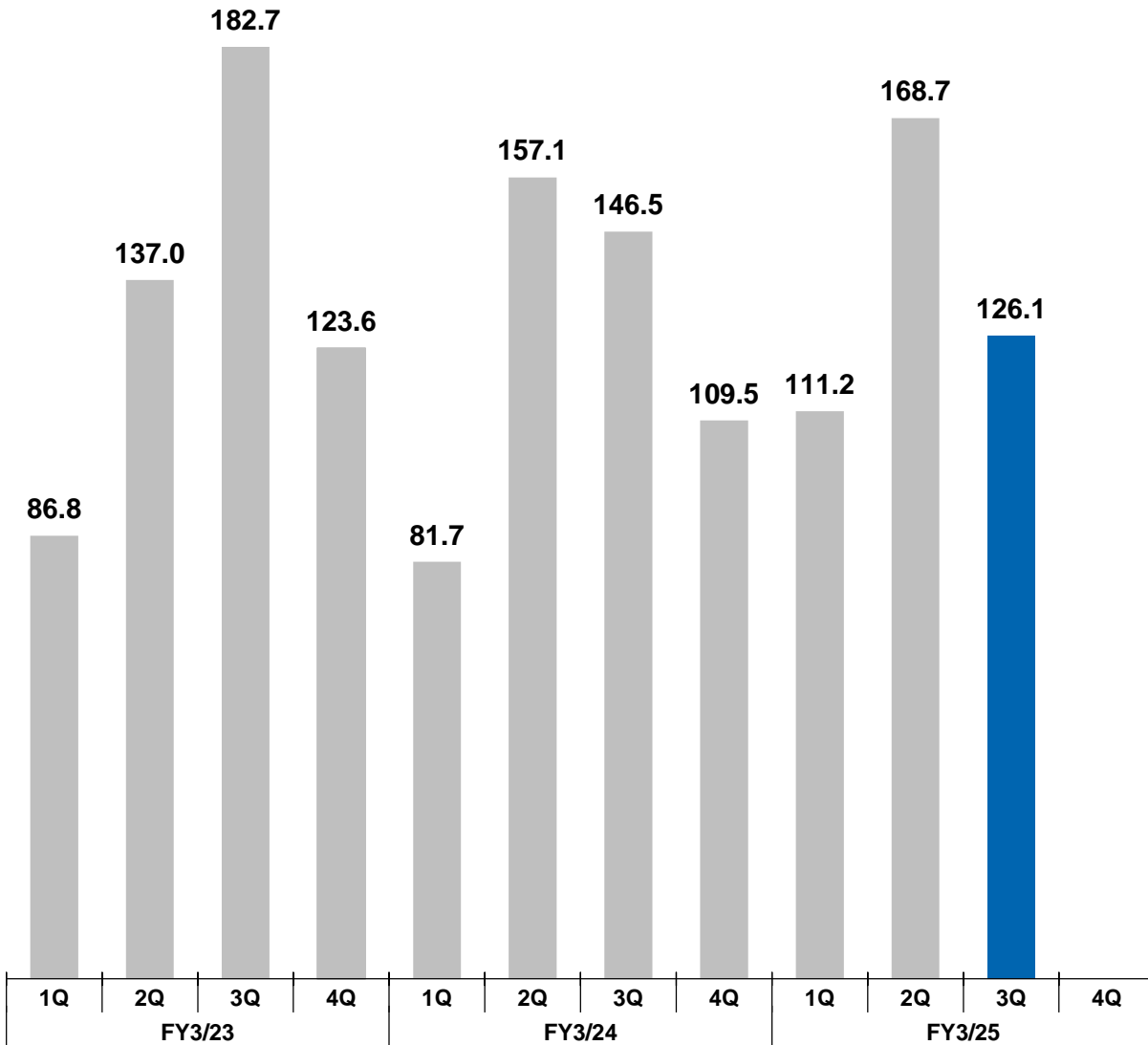
Operating income (Billions of yen)

■ Operating income ○ Operating margin

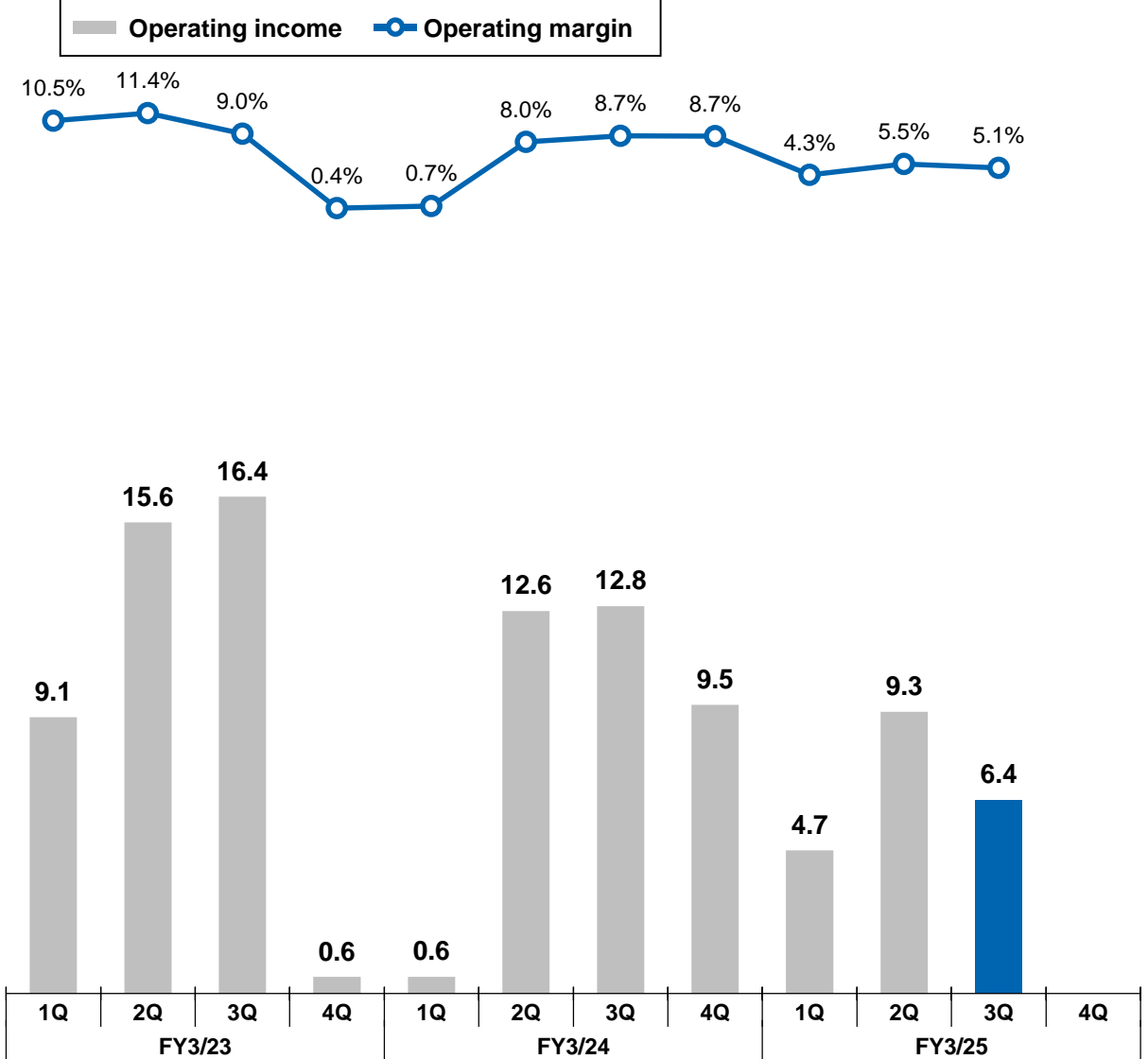


Semiconductors & Electronics (SE)

Net sales (Billions of yen)

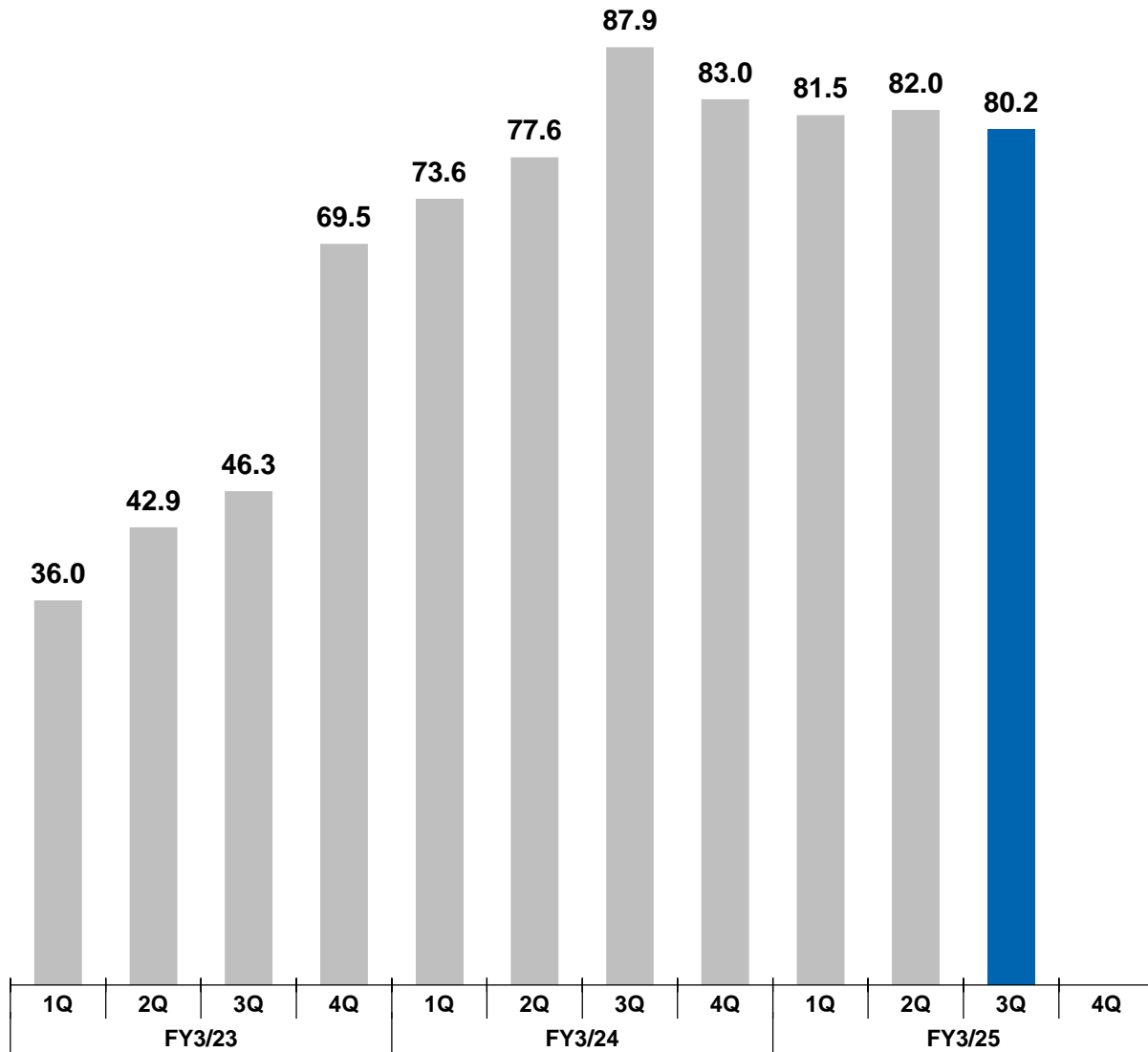


Operating income (Billions of yen)



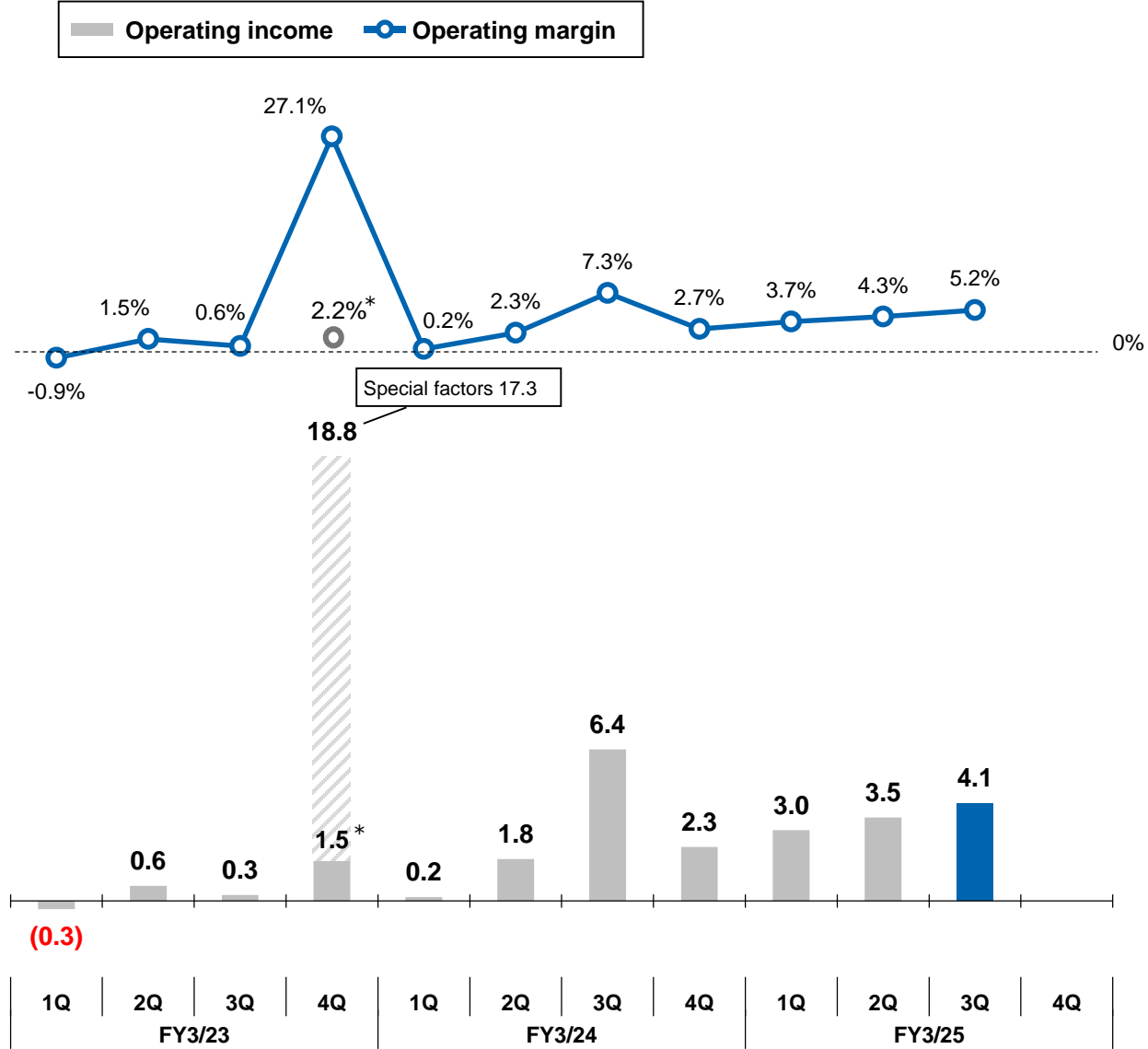
Access Solutions (AS)

Net sales (Billions of yen)



Operating income (Billions of yen)

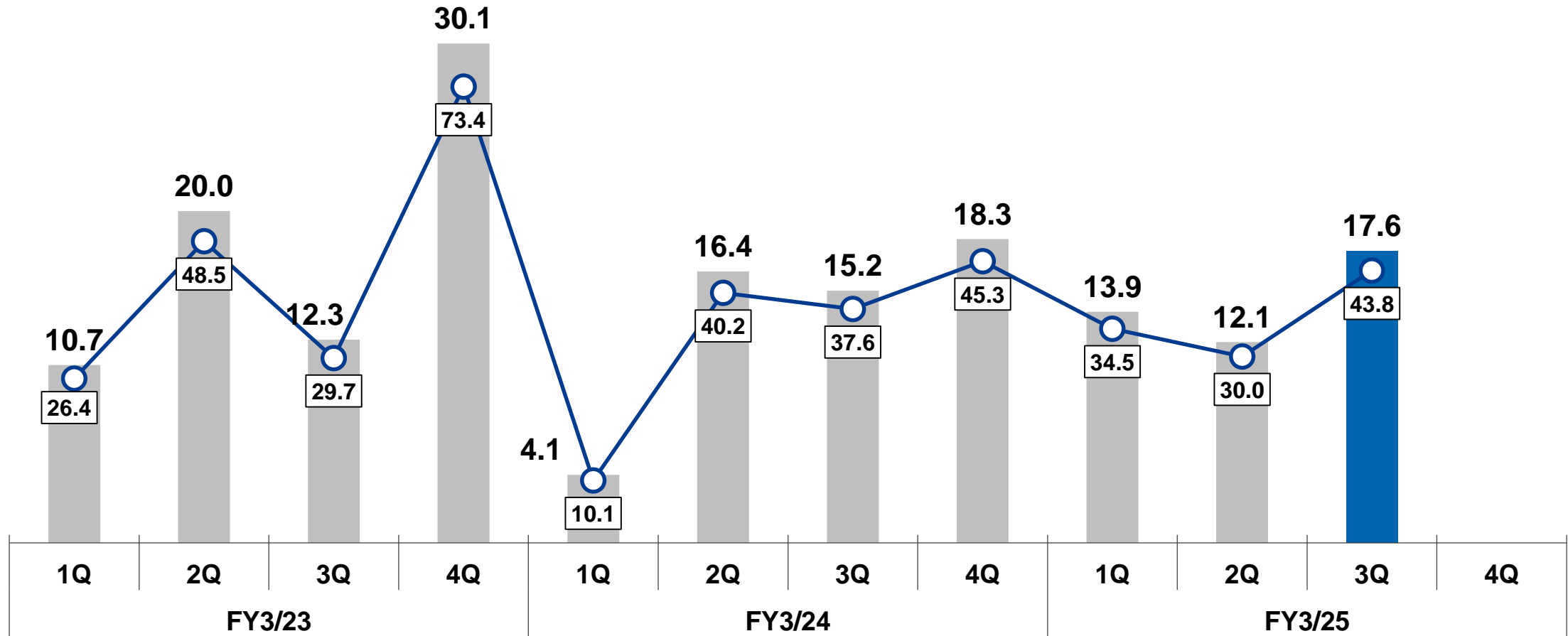
*Excl. special factors



Profit Attributable to Owners of the Parent / EPS

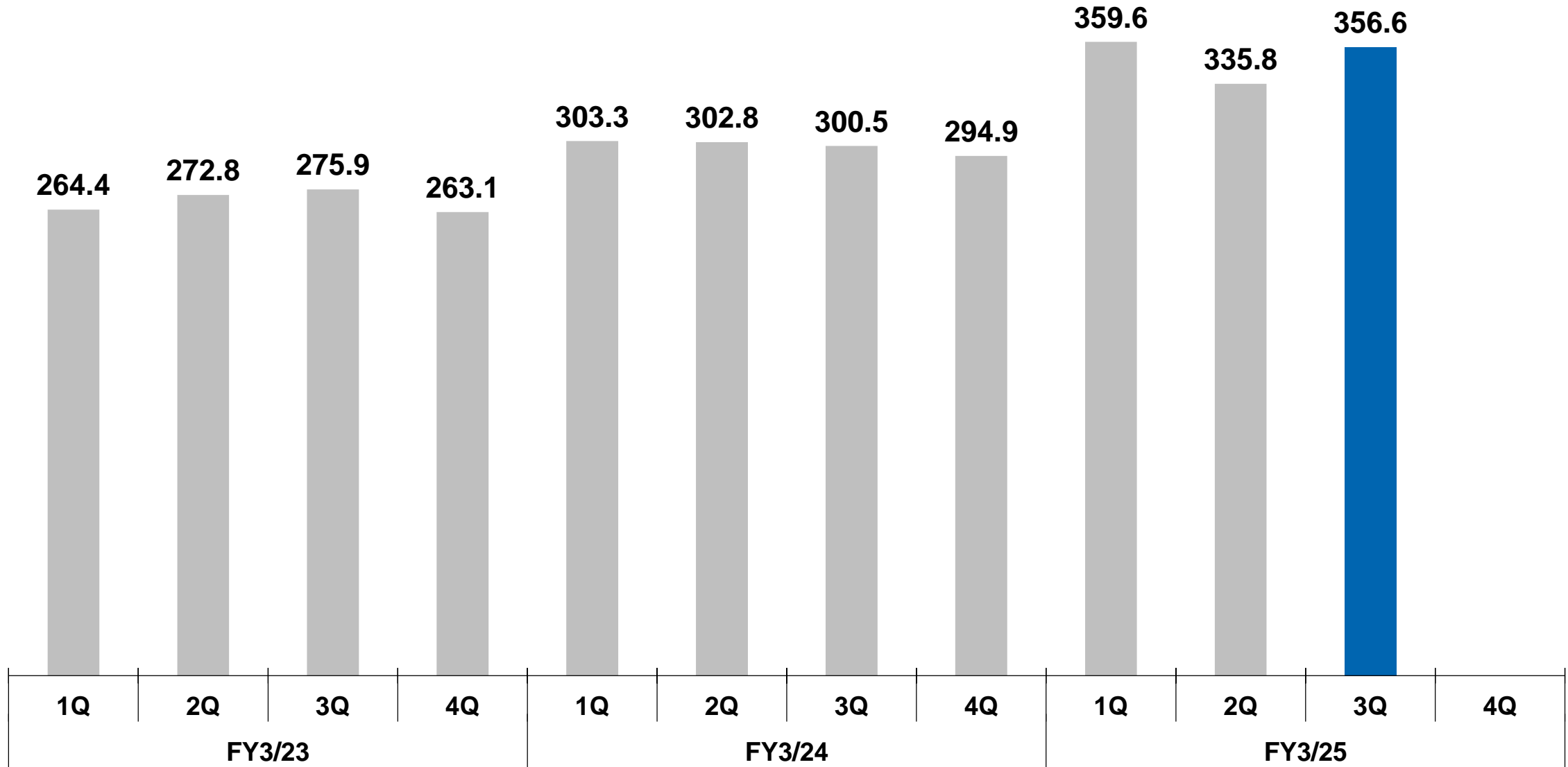
(Billions of yen)

■ Profit for the period attributable to owners of the parent ○ Earnings per share, basic (yen)



Inventory

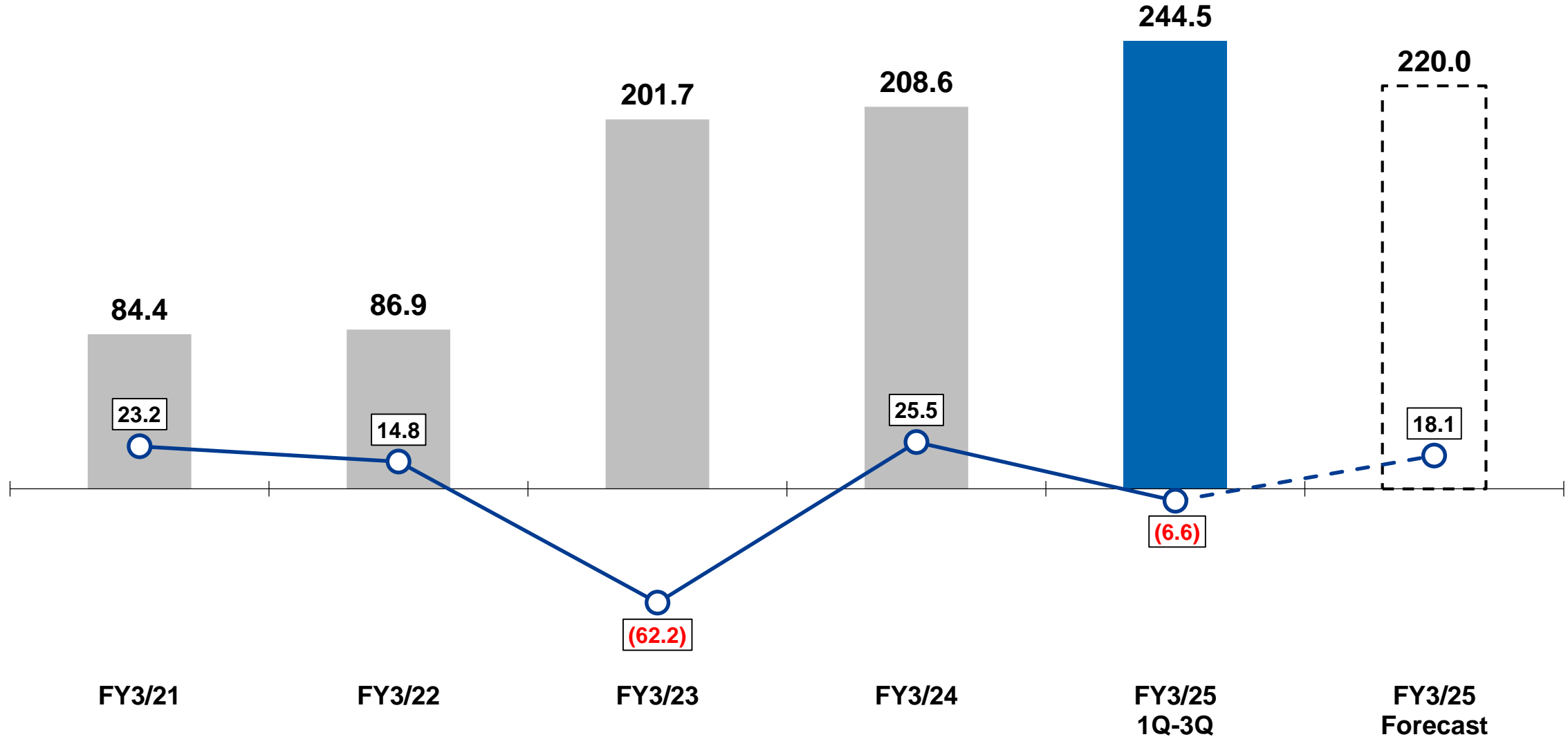
(Billions of yen)



Net Interest-bearing Debt / Free Cash Flow

(Billions of yen)

■ Net interest-bearing debt * ○ Free cash flow



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

Full-year forecast revised

(Millions of yen)	FY3/24	FY3/25			
	Full Year	1st Half	2nd Half	Full Year	YoY
Net sales	1,402,127	778,237	721,763	1,500,000	+7.0%
Operating income	73,536	48,171	44,829	* 93,000	+26.5%
Profit before taxes	75,545	37,387	41,613	79,000	+4.6%
Profit for the period attributable to owners of the parent	54,035	26,048	30,952	57,000	+5.5%
Earnings per share, basic (yen)	133.05	64.46	77.03	141.49	+6.3%

Foreign Exchange Rates	FY3/24 Full Year	FY3/25 4Q Assumptions
US\$	¥143.31	¥150.00
Euro	¥155.18	¥155.00
Thai Baht	¥4.08	¥4.45
Chinese RMB	¥20.03	¥20.80

* One-time expenses of approx. 4 billion yen included

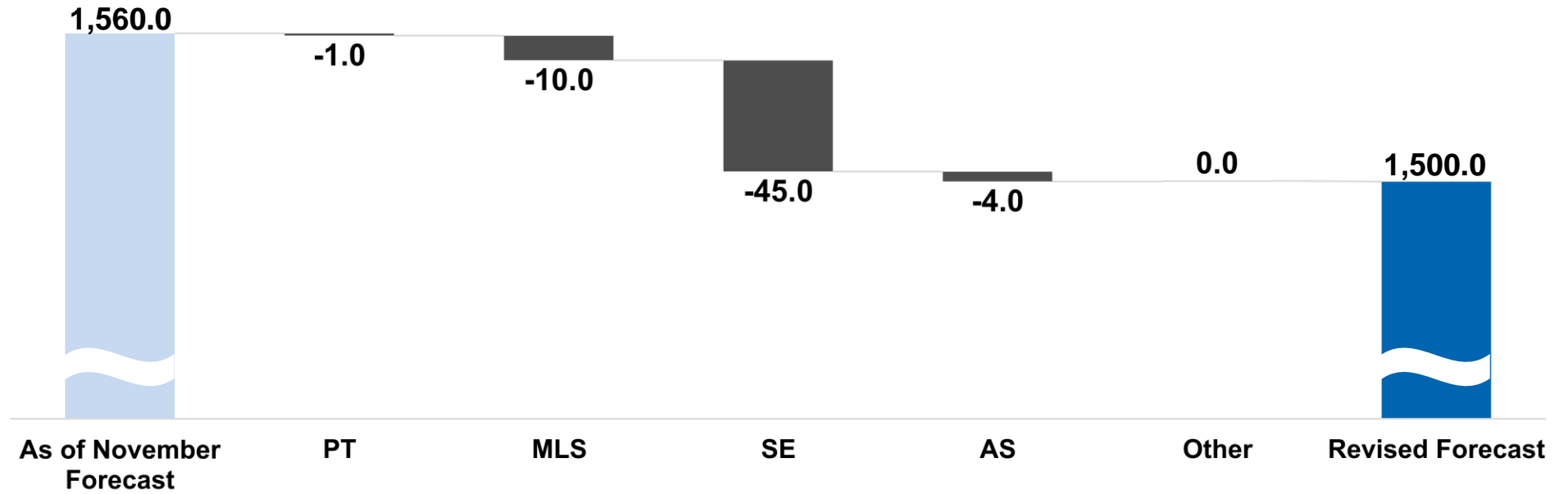
Full-year Forecast for Business Segment

(Millions of yen)	FY3/24	FY3/25			
	Full Year	1st Half	2nd Half	Full Year	YoY
Net sales	1,402,127	778,237	721,763	1,500,000	+7.0%
Precision Technologies (PT)	211,406	127,561	127,439	255,000	+20.6%
Motor, Lighting & Sensing (MLS)	369,388	205,497	199,503	405,000	+9.6%
Semiconductors & Electronics (SE)	494,717	279,944	230,056	510,000	+3.1%
Access Solutions (AS)	322,108	163,539	161,461	325,000	+0.9%
Other	4,508	1,696	3,304	5,000	+10.9%
Operating income	73,536	48,171	44,829	93,000	+26.5%
Precision Technologies (PT)	38,035	27,694	28,306	56,000	+47.2%
Motor, Lighting & Sensing (MLS)	11,867	11,900	12,100	24,000	x2.0
Semiconductors & Electronics (SE)	35,522	14,033	5,967	20,000	-43.7%
Access Solutions (AS)	10,625	6,534	9,466	16,000	+50.6%
Other	-728	-545	-455	-1,000	-
Adjustment	-21,785	-11,445	-10,555	-22,000	-

Full-year Forecast: Differences from the Forecast as of November

(Billions of yen)

Net Sales



Operating Income



Overall

- Total sales and operating income for the first three quarters both reached record highs.
- 3Q operating income for PT and MLS was almost in line with our forecast. SE substantially fell short of our plan mainly due to its sub-core business performance.
- Full-year sales are projected to reach 1.5 trillion yen, marking a record high for the 12th consecutive year. Operating income forecast has been revised downward to 93 billion yen. (supposition of one-time expenses included) Although sub-core businesses have been dragging down profits, core businesses are expected to recover as anticipated. (our business portfolio restructuring is gradually progressing)
 - ✓ The forecast for SE's sub-core business has been revised downward by 12 billion yen from the previous plan. (It has been under the Chairman's Office ICU management since last Dec.)
 - ✓ PT and MLS are expected to reach record highs. AS is also expected to achieve YoY +5 billion yen or more.
- The year-end dividend is planned to be increased by 5 yen, supported by a stable earnings base and positive business growth prospects. The consolidated dividend payout ratio is expected to be just under 32%.

Precision Technologies (PT)

- The data center and automotive markets are weakening, but we expect growth to continue driven by content growth.
- We are securing more orders for aircraft parts by leveraging our global production network, which includes facilities in Thailand and India. We expect our growth in this sector to outpace the overall market.

Motor Lighting & Sensing (MLS)

- The HDD motors business is performing well. Both automotive and non-automotive applications are performing as expected.
- Automotive backlights are expected to grow in the next fiscal year and beyond, with new applications such as Head-Up Display (HUD) serving as growth drivers.

Semiconductors & Electronics (SE)

- The optical devices business for North American customer is focusing on steady launch of production in the next fiscal year. **We are withdrawing from the Chinese market in principle** and focusing only on high-value-added products.
- We are currently considering measures to improve profitability of mechanical components.
- Although the market for analog semiconductors is sluggish, our niche strategy is working, and the impact on earnings is limited.

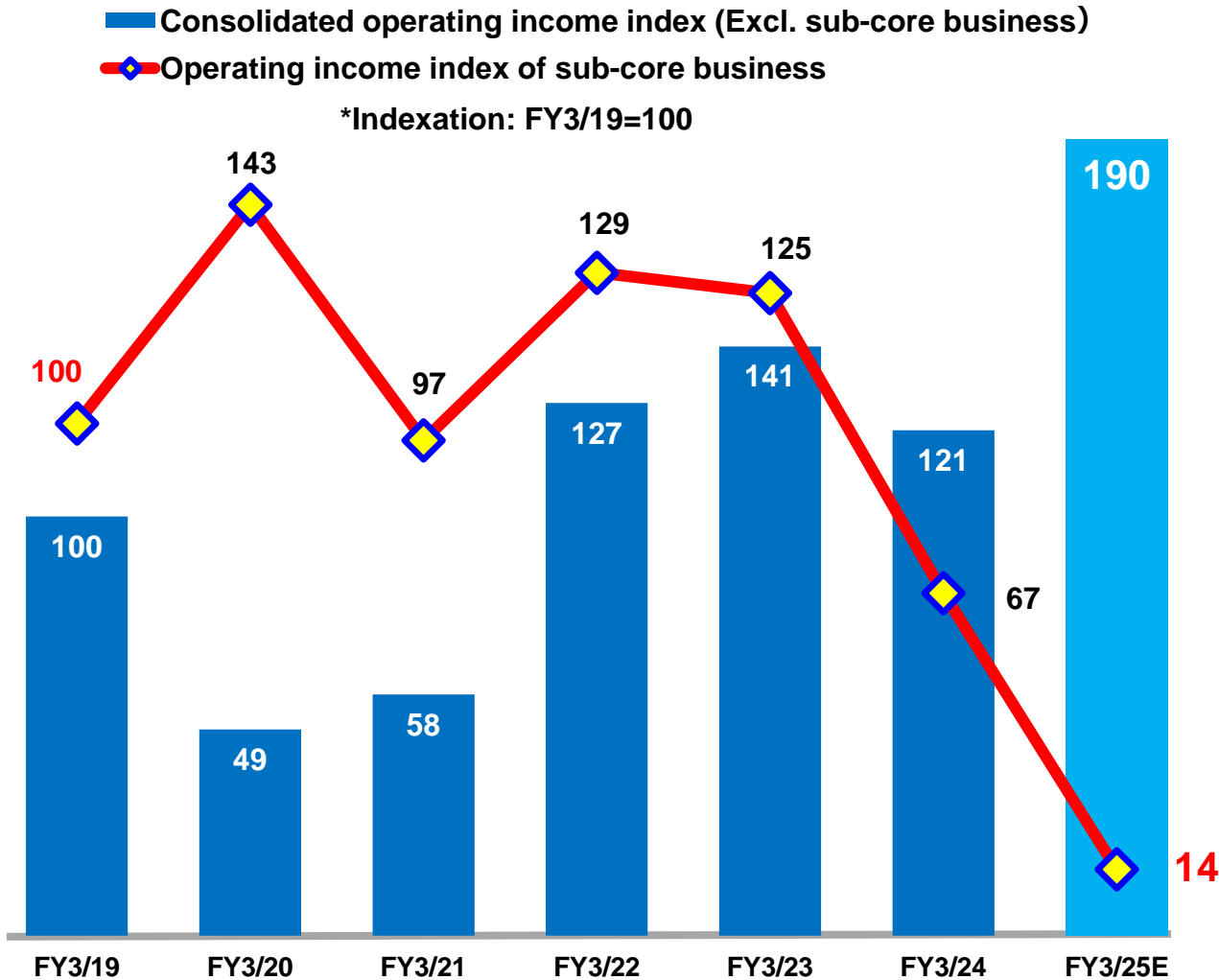
Access Solutions (AS)

- Despite the slowdown in the automobile market, our measures including productivity improvements and price adjustments are yielding positive results.
3Q Operating Income achieved a QoQ growth of +17%.

**Although the full-year forecast has been revised downward,
operating income is up 26.5% YoY**

(Millions of yen)	FY3/24	FY3/25			
	Full Year	1Q-3Q	4Q	Full Year	YoY
Net sales	1,402,127	1,147,880	352,120	1,500,000	+7.0%
Operating Income	73,536	74,594	18,406	93,000	+26.5%
Profit for the period <small>attributable to owners of the parent</small>	54,035	43,654	13,346	57,000	+5.5%
Earnings per share, basic (yen)	133.05	108.24	33.25	141.49	+6.3%

Although sub core businesses are dragging down our profits, core businesses are expected to recover as expected



Outlook for this fiscal year

- Operating income of the PT segment is expected to reach **a record high of 56 billion yen.**
- Operating income of the MLS segment is expected to **double from the previous year to 24 billion yen.**
- Operating income of the AS segment is also expected to **increase by more than 5 billion yen from the previous year.**
- **Sub-core businesses (mechanical components, optical devices, backlights) have seen a significant decline in profitability.**

⇒ **Improving profitability through a variety of measures:**

The three pillars of our approach to this challenges

- ✓ **The Chairman's office ICU management**
- ✓ **M&A for the Eight Spears**
- ✓ **Organic growth for the Eight Spears**

Growing into a position to target operating income of 60 billion yen

Expecting growth in the aircraft business to outpace the market by strengthening the global production network

Key points

1 Business for data center

- Although the market is currently weak, we expect demand for our high-performance bearings (durability, thermal management, quietness, etc.) to continue and expand in the medium to long term.

2 Business for automotive market

- While the automotive market is slowing down, our business remains steady thanks to content growth driven by factors such as the increased use of electronics in response to demands for improved safety and comfort and environmental issues.

3 Business for aircraft market

- In FY3/2025, both sales and revenues are expected to grow significantly due to the acquisition of new business and increased market share. Sales are expected to significantly exceed that of pre-COVID-19 level.
- Expected to grow faster than that of market growth in FY3/2026 and beyond
 - ✓ Started production at new plant in India for new parts business for engines
- Our environmental measures, including utilization of solar power generation at Thailand plant, contribute to realize carbon neutral of aircraft market

Expansion of manufacturing plant for aircraft products

- Aircraft manufacturing-related companies are rapidly shifting their operations to Asia. Increase expectations for our supply from Asian manufacturing plant
- Improve cost competitiveness, supply capacity, and profitability by increasing parts supply from Thailand and India plants to Europe and U.S. plants of our group company

Thailand · Lop Buri Plant

Building area :
Approx. 16,500m²

Production items (planned):
Aircraft components

Total investment (planned) :
Approx. 15 billion yen
(Only for the first period)

Start of production(planned):
2026



India · Mach Aero

Building area :
Approx. 7,223m²

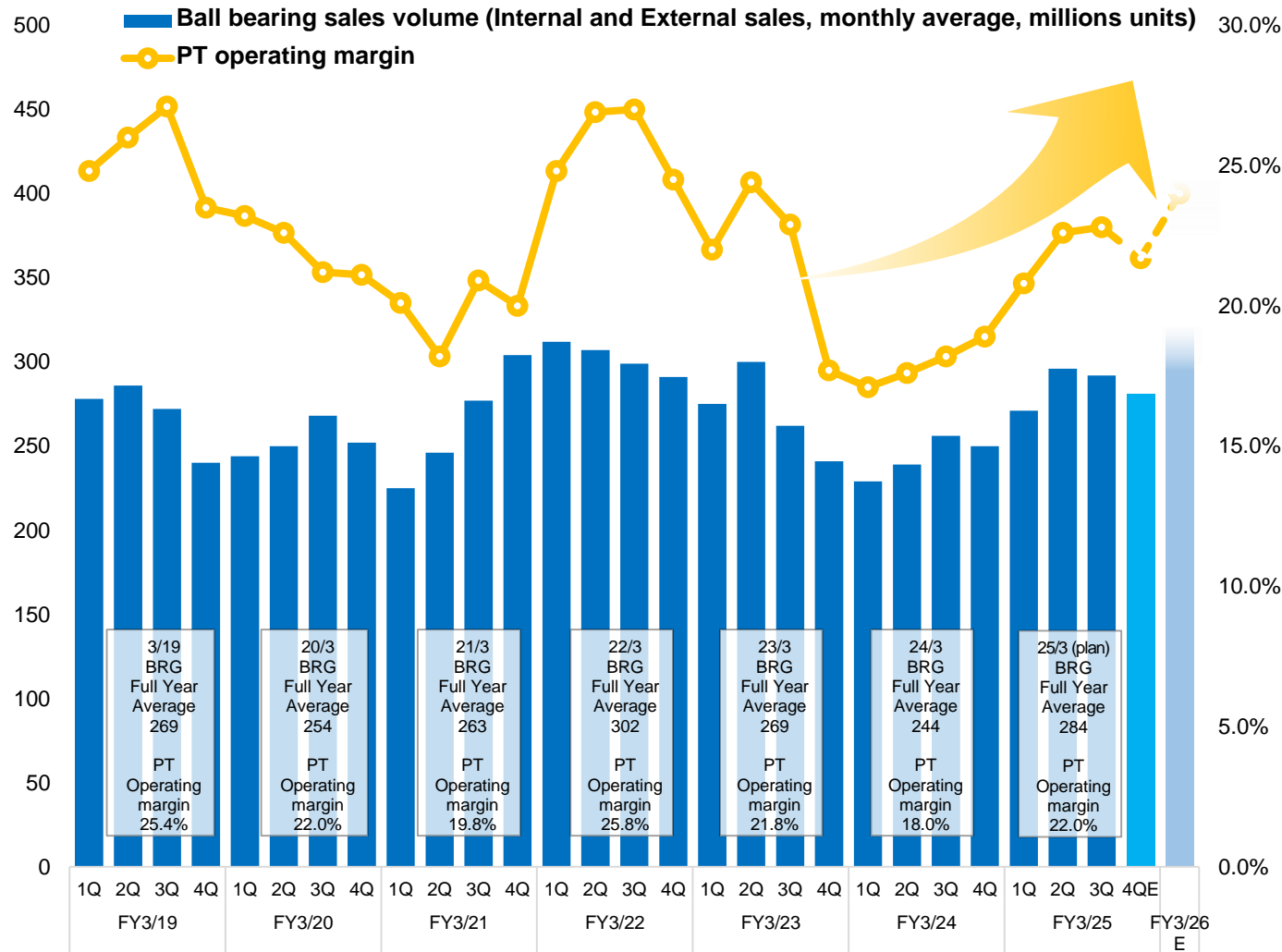
Production items (planned):
Aircraft engine parts, etc.

Total investment (planned):
Approx. 3.1 billion yen

Start of production (planned):
February 2025



The sales volume and profitability of ball bearings are on track for recovery
New bearing application opportunities are also emerging in the data center, automotive, and humanoid robotics markets



New trends in the ball bearing market

Air cooling fan motors for data centers

- Even if the cooling method for servers changes to water cooling, air cooling will continue to be used to cool devices other than GPUs.
- As a noise reduction measure for fan motors, there is a trend of reducing their rotational speed and increasing total number of fan motors to maintain the same airflow.
- To support stable 24-hour operation and improve cooling efficiency, the demand for our high-reliability, high-speed super bearings is increasing.

Contents growth for automotive

- Contents growth continues due to changes in engine type (ICE ⇒ HEV +11%, ICE ⇒ EV almost flat)
As the number of products used in HEVs is the highest in our automotive business, our impact of the slowdown in EV demand is limited.
- New applications for electrification are also expanding.
Ex.) EMB (Electro-Mechanical Brake):
This is a conversion of hydraulic brakes to a mechanical system controlled by electric motors mounted on each wheel and allows for precise control. Its use in electric vehicles is highly anticipated.

Humanoid robot

- The demand for our ultra-precision and high-performance bearings increases due to the growth of the humanoid robot market, which requires numerous joints and precise control of fine forces.

Motor sales are steady

HUD is another growth driver for new applications of automotive backlights

Key points

1 Motors

- Sales of motors for HDDs, automotive, and non-automotive applications are all performing well.
- The outlook for full-year operating income of 27 billion yen for FY3/25 remains unchanged.

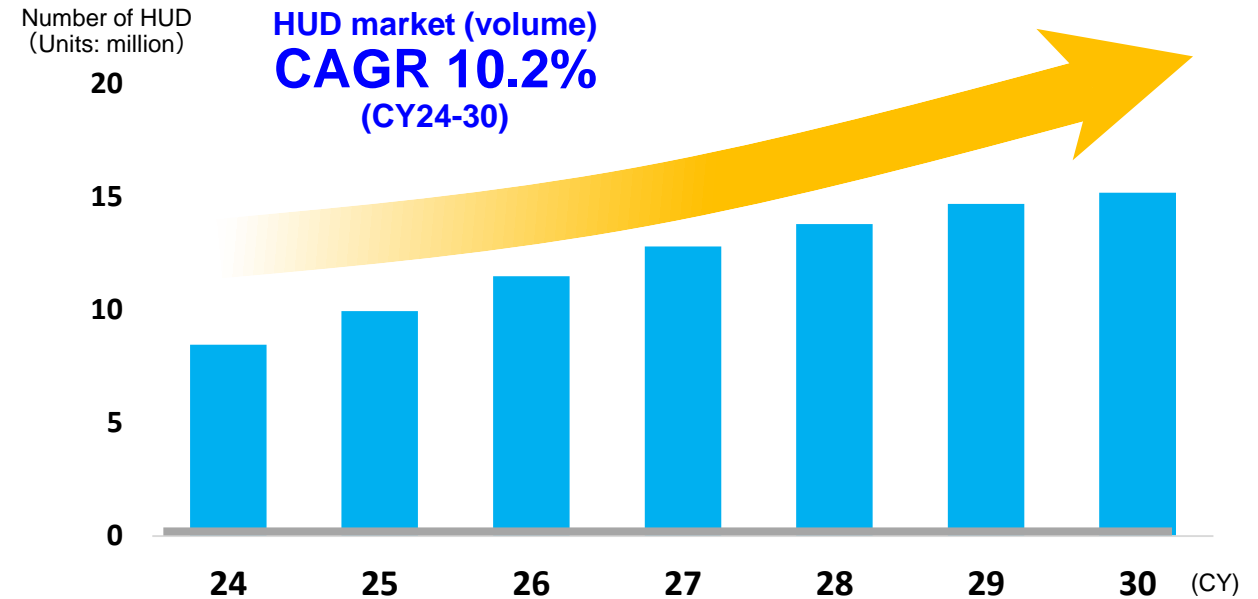
2 Backlight for automotive

- Promoting the development of various in-vehicle displays, including HUDs, as new applications.
- The HUD market is expected to grow at a CAGR of 10.2% (CY24-30, volume basis). Expected to be a new growth driver.

3 Sensing device

- Aiming to improve its profit margin by expanding into the applications of our humanoid robots and access products through INTEGRATION with other businesses.

HUD (Head Up Display) market forecast



Based on Techno systems research data, created by MinebeaMitsumi

Automotive display products (image)

HUD related products



E-mirror



Analog semiconductors focus on niche and custom areas to achieve 200 billion yen in sales and an operating margin of 30% by FY3/29

Key points

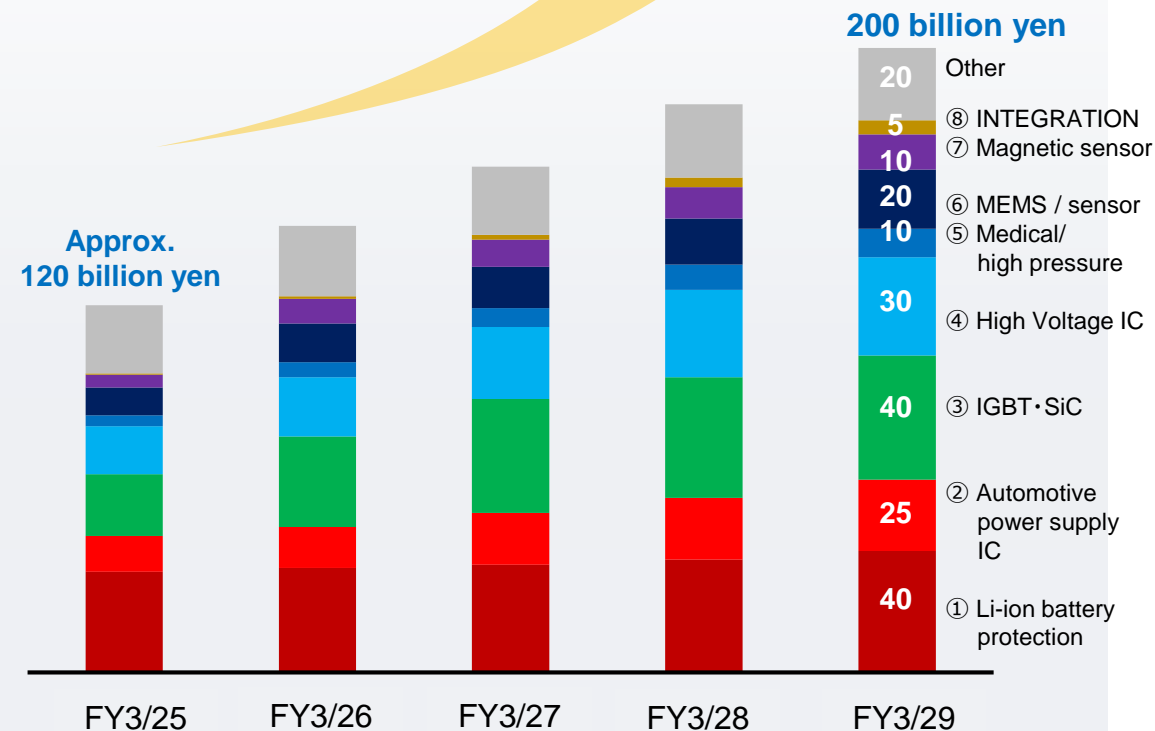
- 1 Semiconductors: Focus on niche areas to realize differentiation from Chinese manufacturers through unique process**
 - Focus on niche and custom areas. High profitability achieved by master high precision, low power consumption, and miniaturization.
 - A unique process achieved through precise fine-tuning prevent other companies from entering the market.

- 2 Semiconductors: To expand the back-end process, a new facility was established at the Cebu Factory utilizing Global South subsidies**
 - Of the total investment of 10.5 billion yen, 4 billion yen was invested utilizing Global South subsidies which suppress investment expenditure.
 - Promote in-house production to satisfy the high customer demands of automotive and medical applications. Unrivaled competitiveness achieved by the “best of both worlds” of Cebu's low costs and Akita's high productivity.

- 3 Sub core businesses (Optical devices, mechanical components) are below expectations, however we are preparing for the successful launch in next fiscal year**

Semiconductor division sales plan image

25 → FY3/29
CAGR +14%



Achieve increase in sales and operating margin leveraging synergies created within the AS Group

Key points

- 1 Products developed by Minebea AccessSolutions (formerly Honda Lock) have been ordered by OEMs around the world**
 - Sales are expected to increase through sales expansion to automobile manufacturers in Japan, North America, Europe, and Asia.
- 2 Expanding the business for motorcycles in India**
 - Expanding the business of smart locks for motorcycles, which is performing well in Southeast Asia to India, a market expected to grow in the future.
- 3 Accelerate the creation of synergies within the AS to maximize sales and profits**
 - Profitability is expected to increase by transferring and consolidating part of the assembly process for automotive parts, which are currently being mass-produced in Europe to Asia.
 - To further strengthen integrated synergies, we are currently implementing projects aimed at maximizing sales and profits. They include expanding collaborative sales activities between factories and expanding collaborative production activities.
 - Increased inquiries at U.S. plant of MAS

Motorcycle business

Expand our business in India, a growing market the future

【FOB, Smart Control Unit】

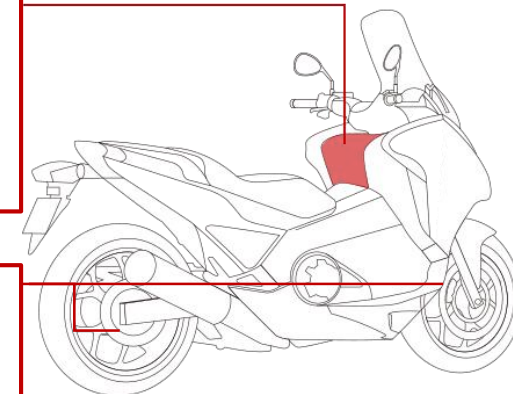
Owner authentication (communication) in smart systems is implemented.

【Handle Lock Switch】

Start/stop the smart system, start/stop the engine, and lock the steering wheel.

【Wheel Sensor】

Transmits wheel rotation information to the ECU on the actual vehicle.



FOB

Control Unit

Handle Lock Switch

Wheel Sensor



Dividends

The year-end dividend is planned to be 25 yen (annual dividend 45 yen)

FY 3/25	Interim Dividend		20	Yen/Share
	Year-end Dividend (Planned)	Undecided	25	Yen/Share

(Reference) FY 3/24 annual dividend 40 yen (Interim 20 yen, Year-end 20 yen)

- **Sustainable and stable dividends:** Based on the medium-term cash allocation policy, stable dividends will be implemented
- **Consolidated dividend payout ratio of 30%:** Assuming a consolidated dividend payout ratio of approximately 30% in the future, backed by a stable earnings base and business growth prospects
- **Long-term trust relationship:** Aiming to build long-term trust relationships with our investors

Share buyback

Regarding the share buyback disclosed on August 2, 2024, the acquisition status as of November 6, 2024 (on a contract basis) is as follows, and the share buyback has been completed

Total number of shares acquired: 2,800 thousand shares (upper limit 2,800 thousand shares)

Total acquisition cost: 7,778.6 million yen (upper limit 10,000 million yen)



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.

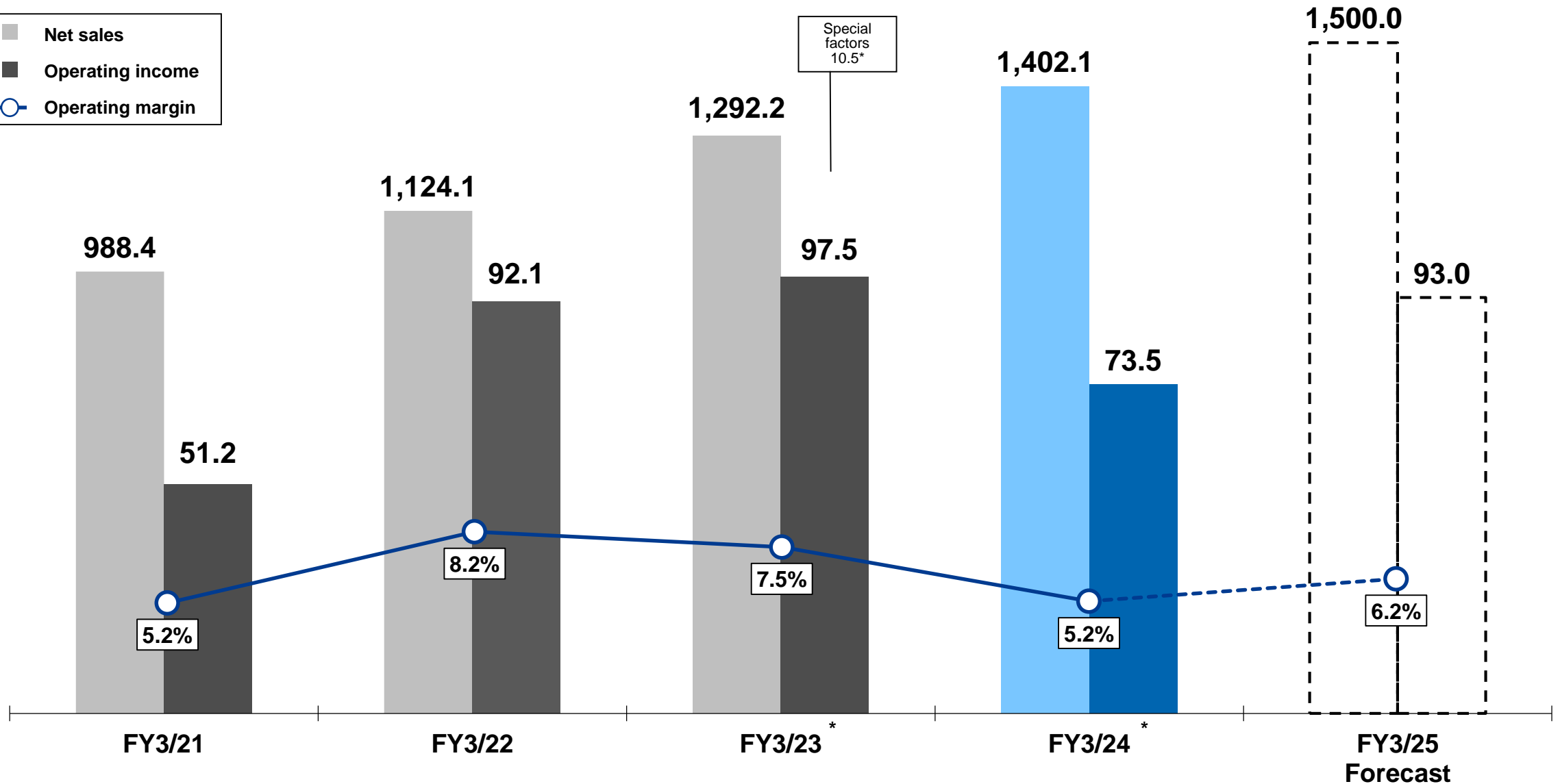
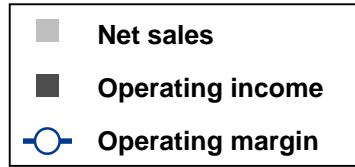
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Reference

Net Sales, Operating Income / Margin

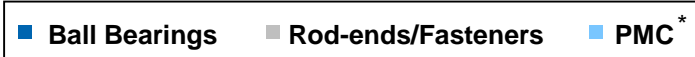
*Operating income prior to 3Q FY3/24 has been revised in accordance with finalization of PPA for HONDA TSUSHIN KOGYO CO., LTD., Minebea Connect Inc., and Minebea AccessSolutions Inc.

(Billions of yen)

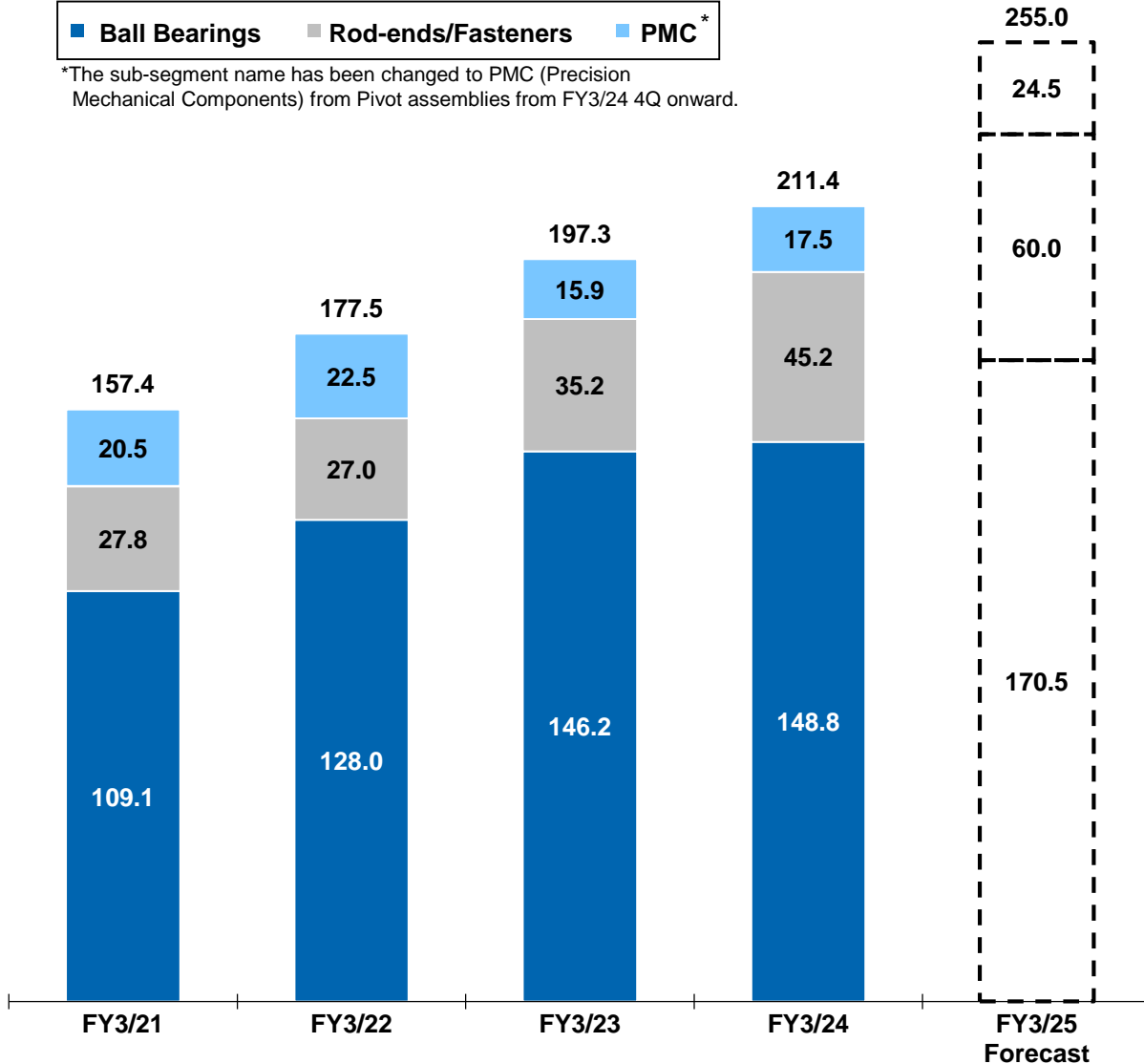


Precision Technologies (PT)

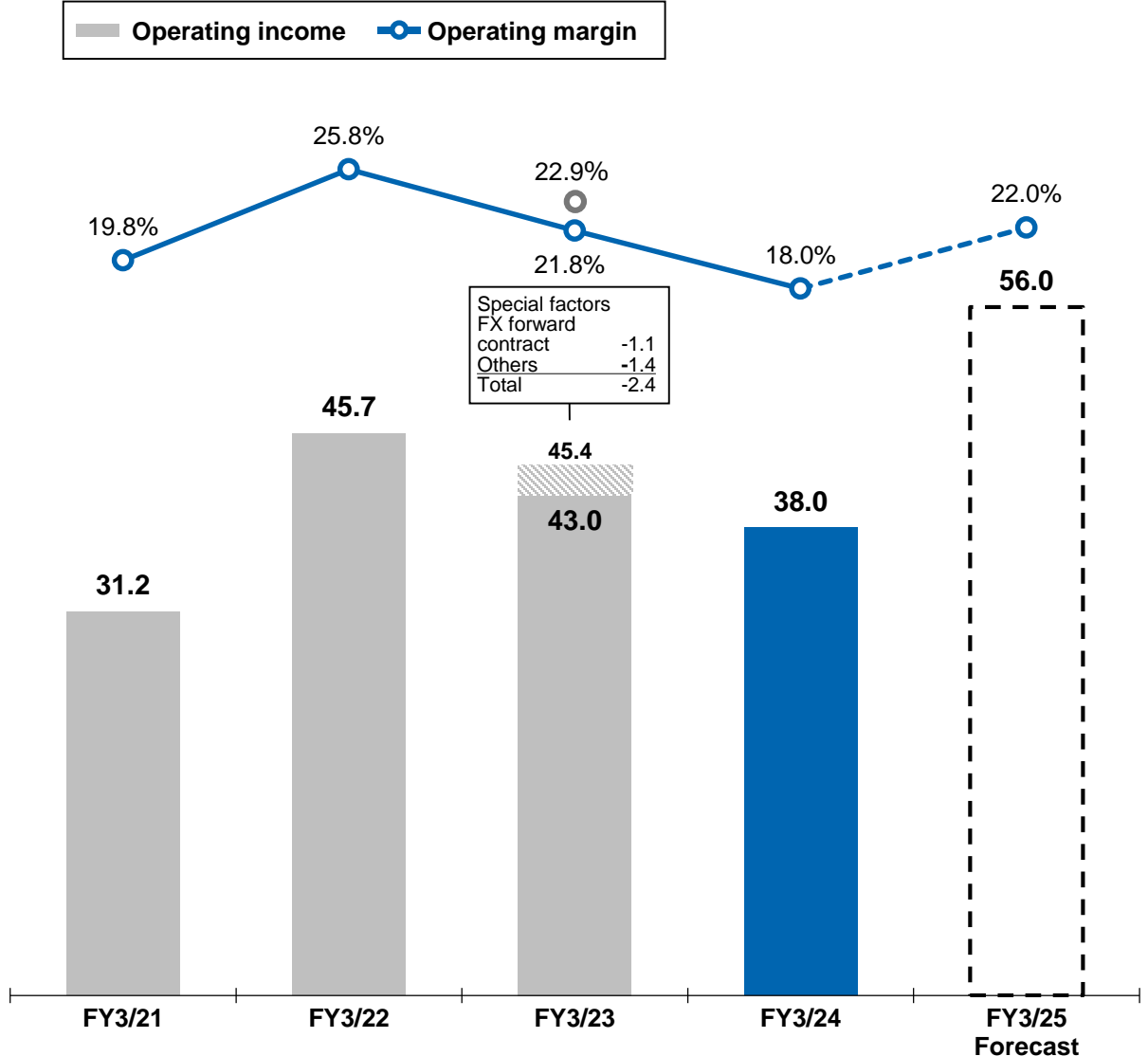
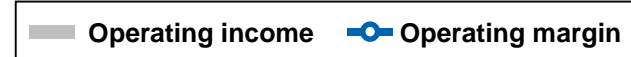
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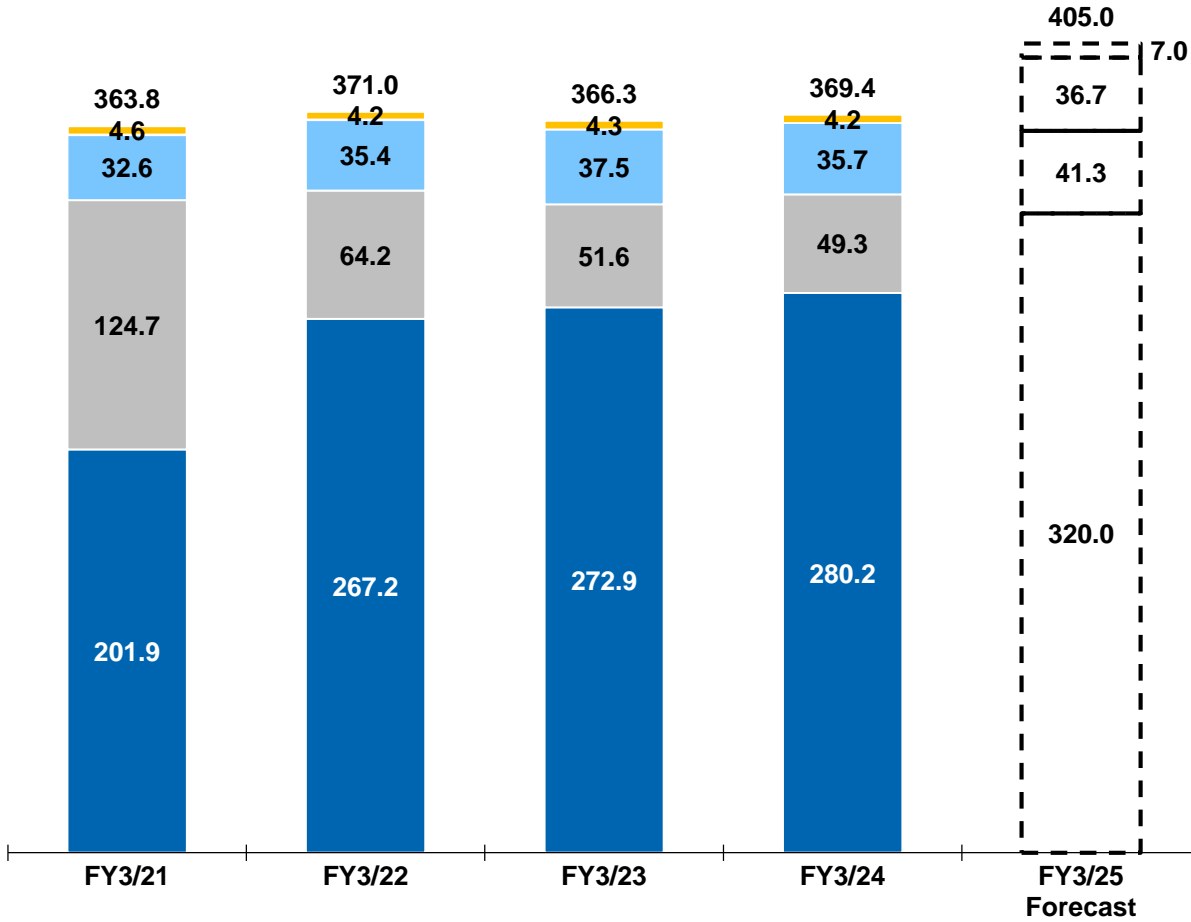


Operating income (Billions of yen)

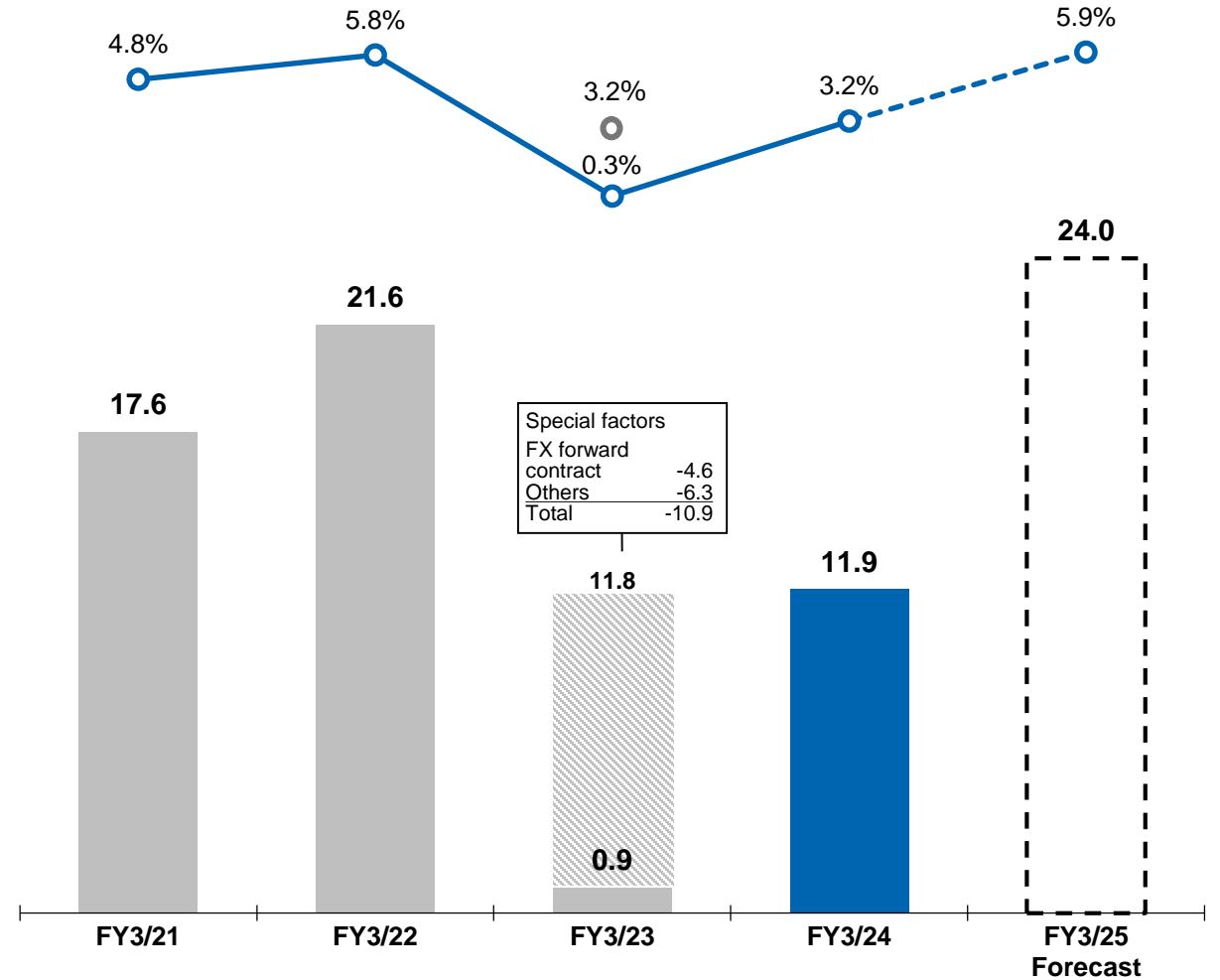


Motor, Lighting & Sensing (MLS)

Net sales (Billions of yen)

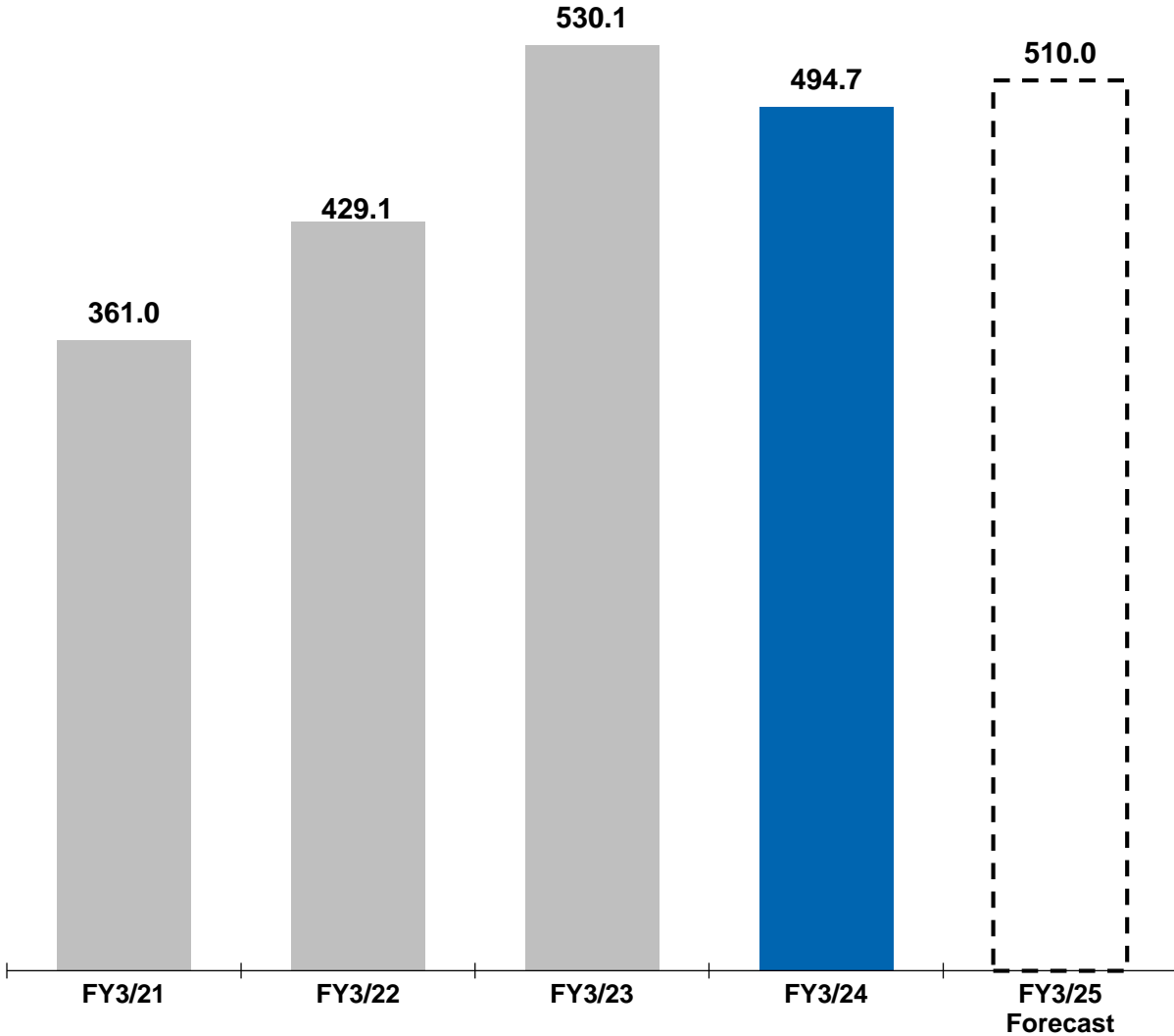


Operating income (Billions of yen)

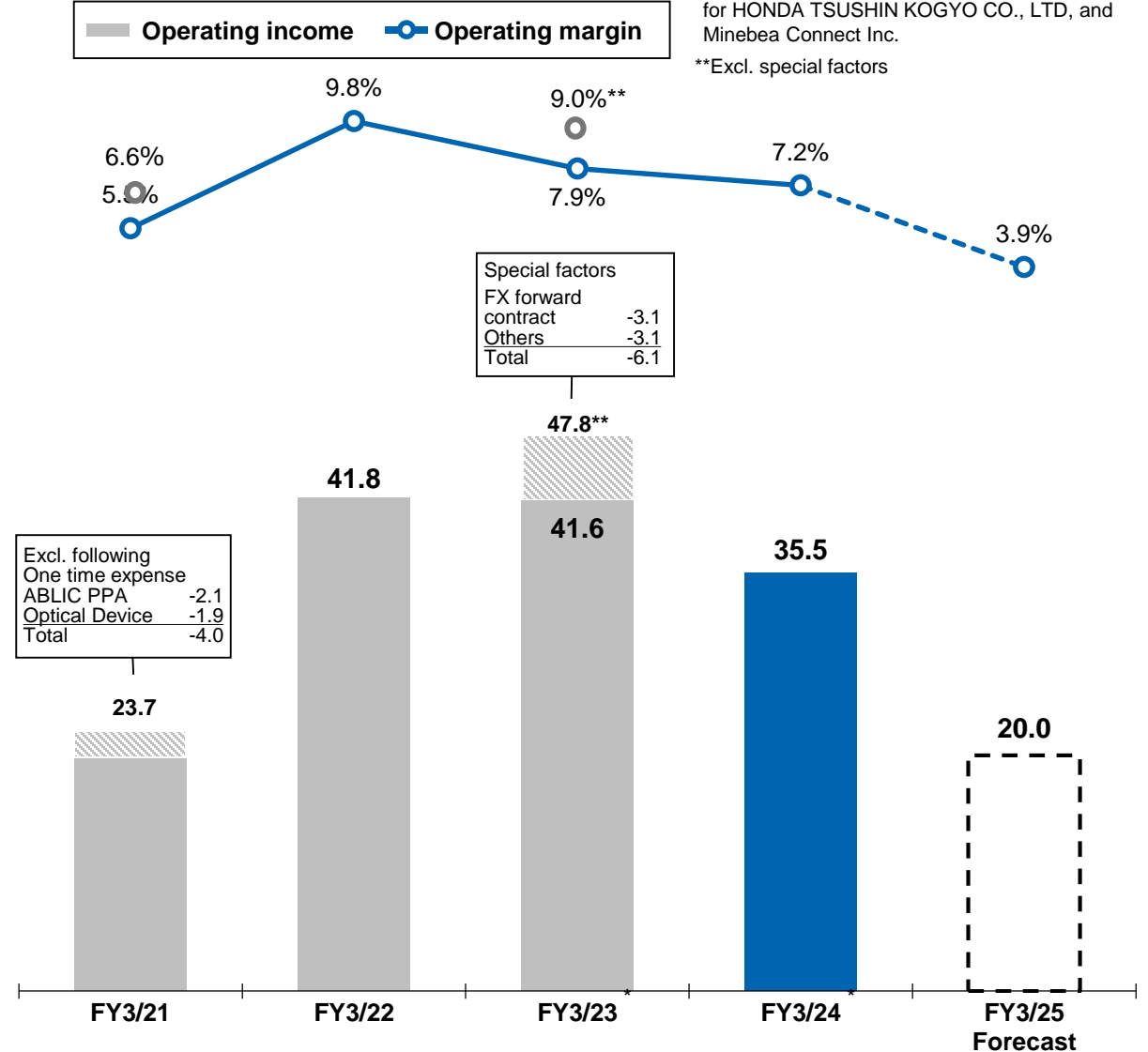


Semiconductors & Electronics (SE)

Net sales (Billions of yen)



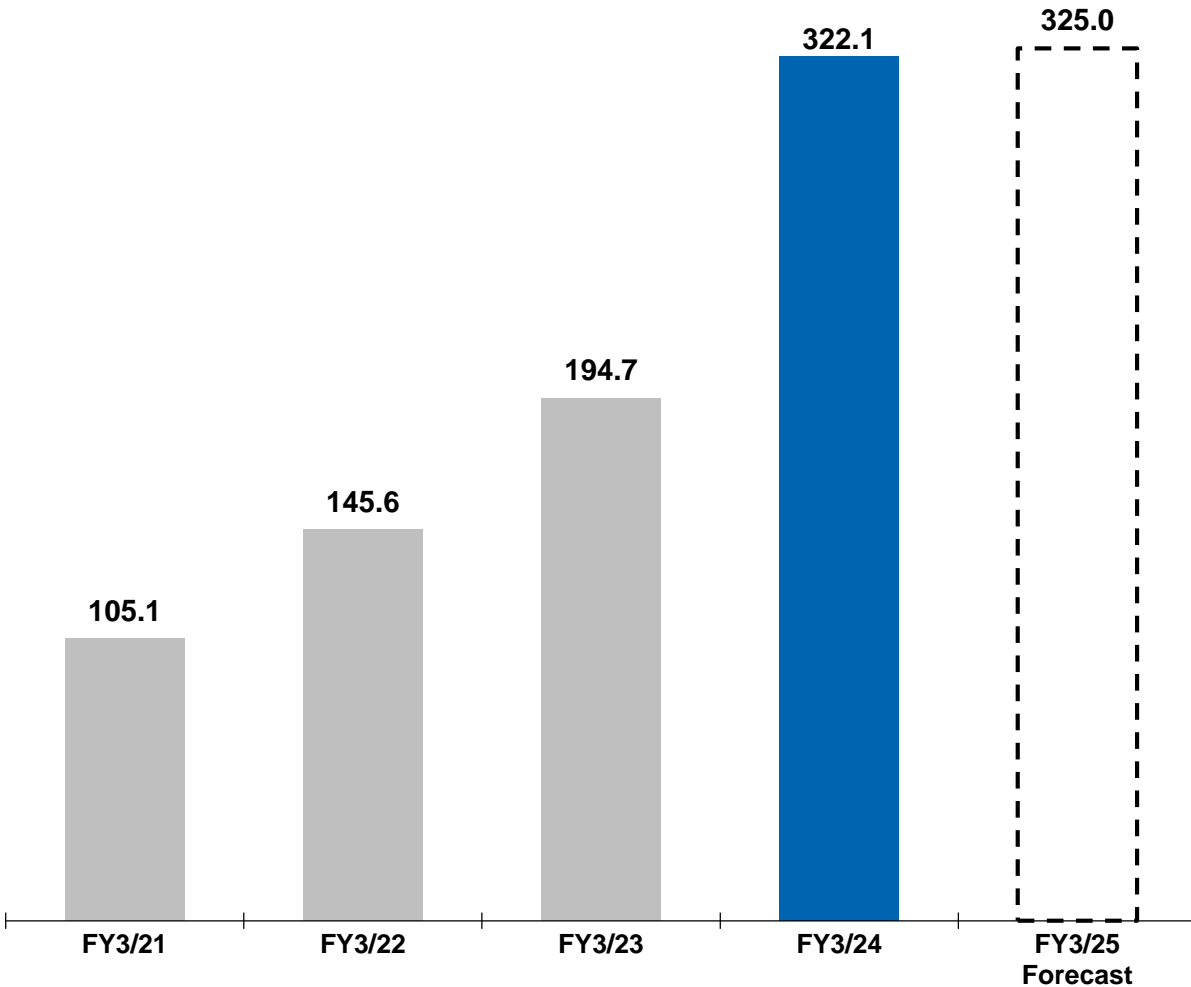
Operating income (Billions of yen)



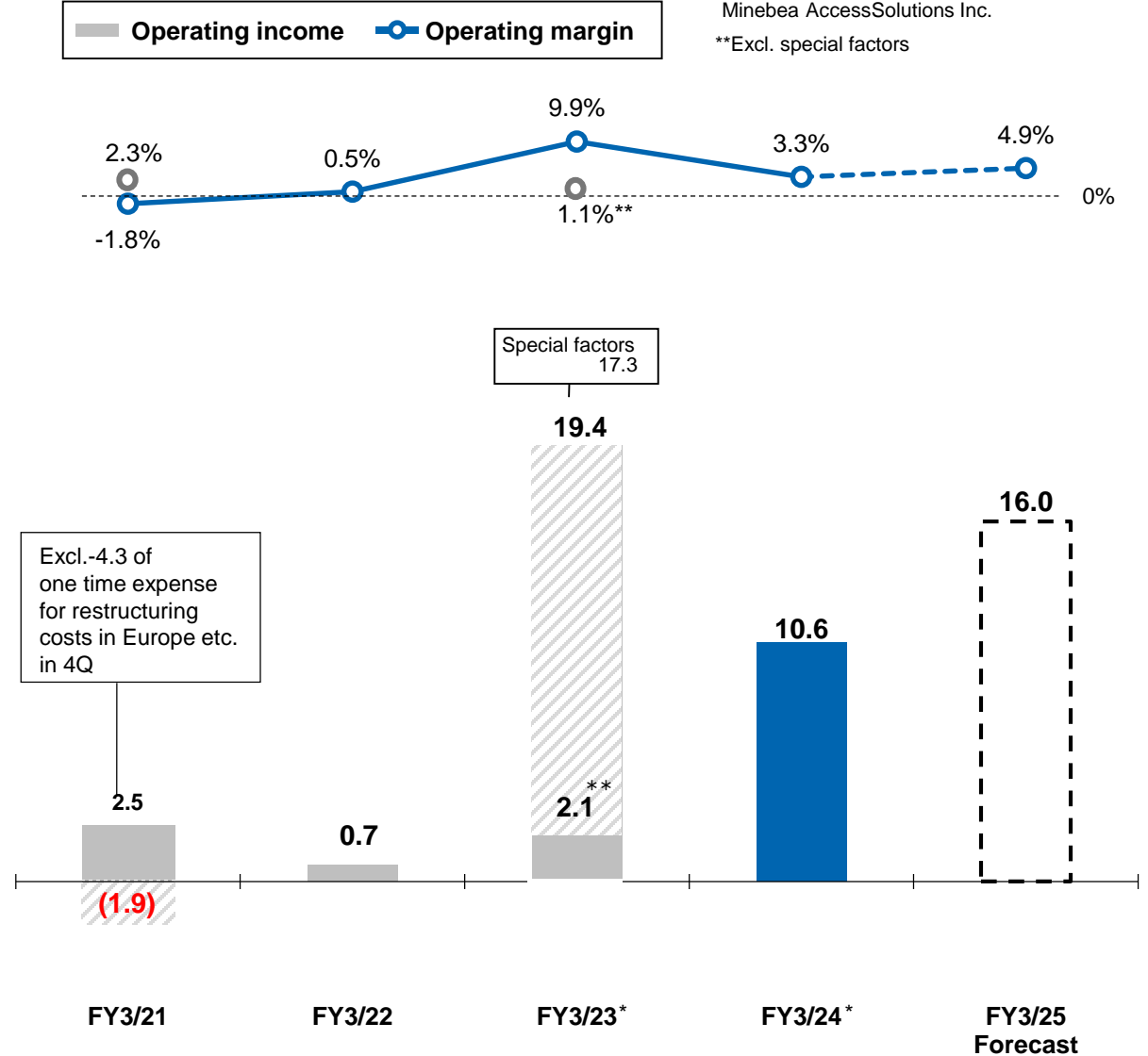
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 **Excl. special factors

Access Solutions (AS)

Net sales (Billions of yen)



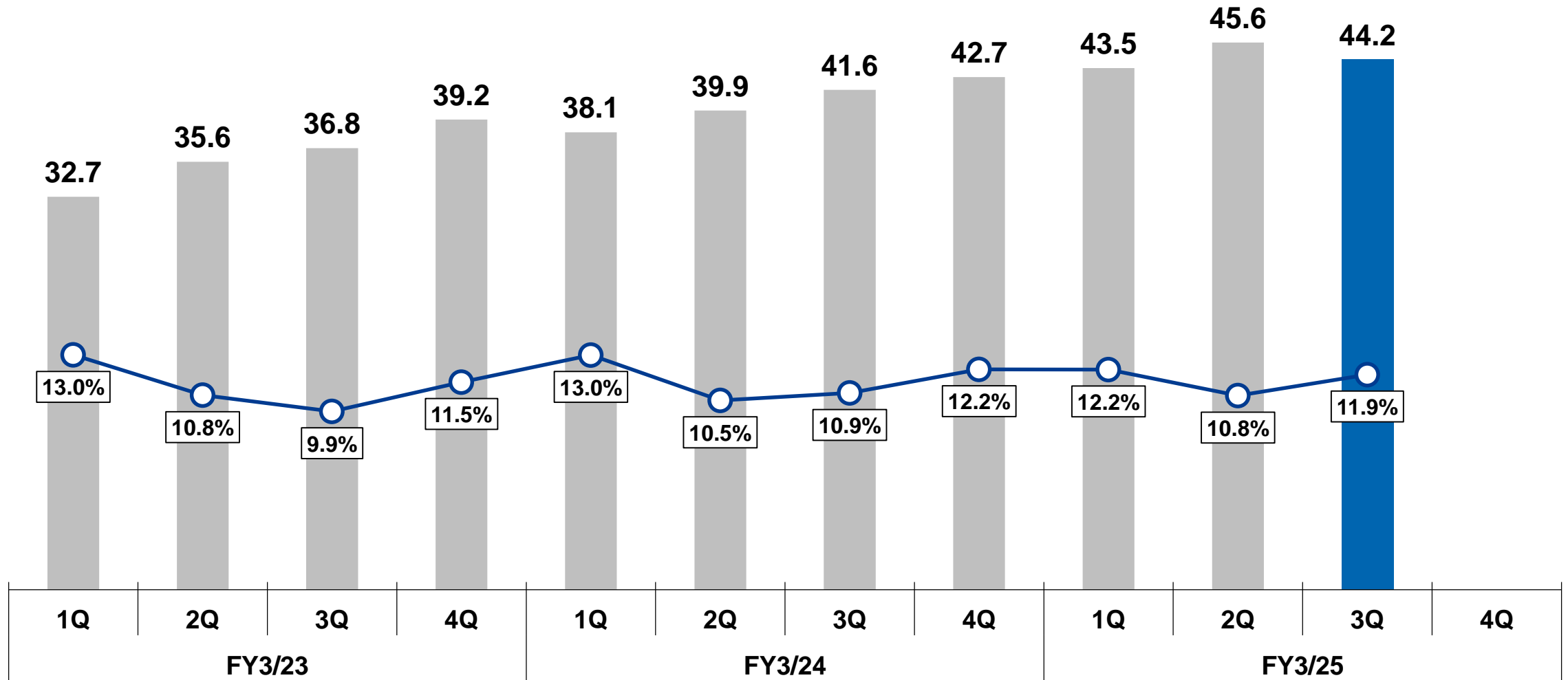
Operating income (Billions of yen)



S.G.&A. Expense / Ratio

(Billions of yen)

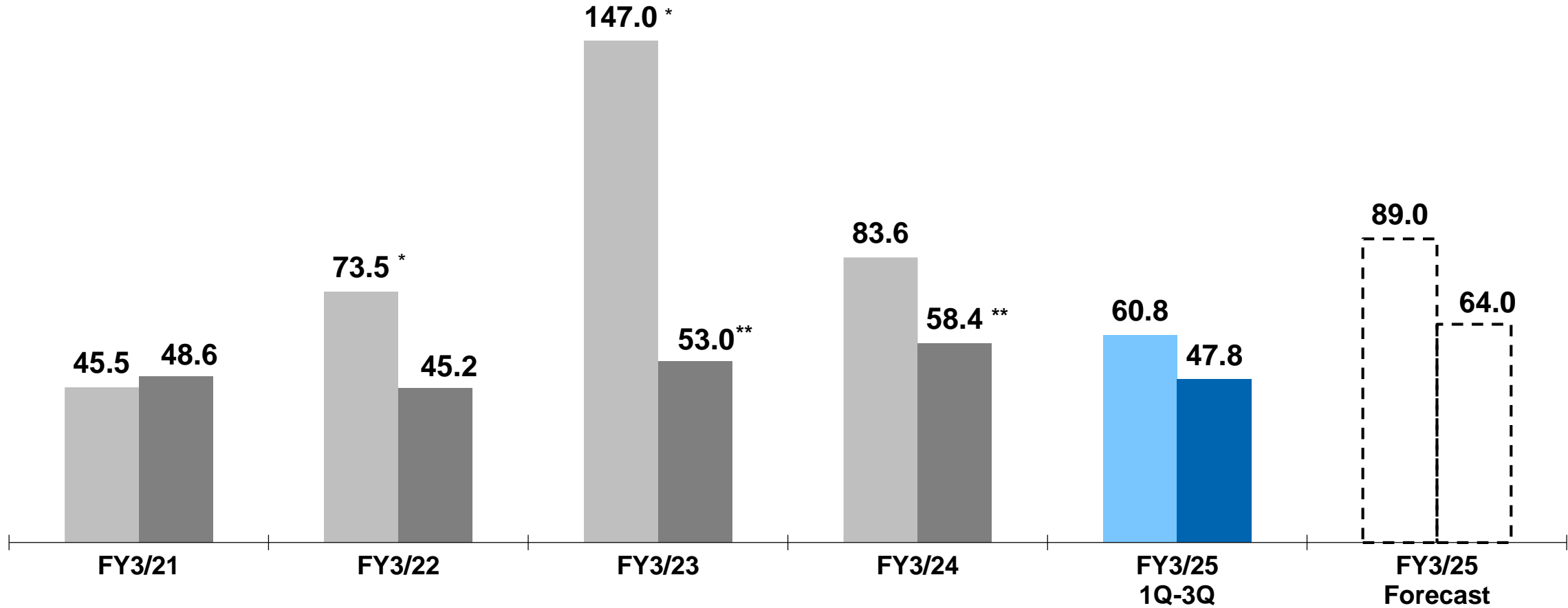
■ S.G.&A. expenses ○ S.G.&A. to sales ratio



Capital Expenditure / D&A Expense

(Billions of yen)

■ Capital expenditure ■ Depreciation & Amortization expenses



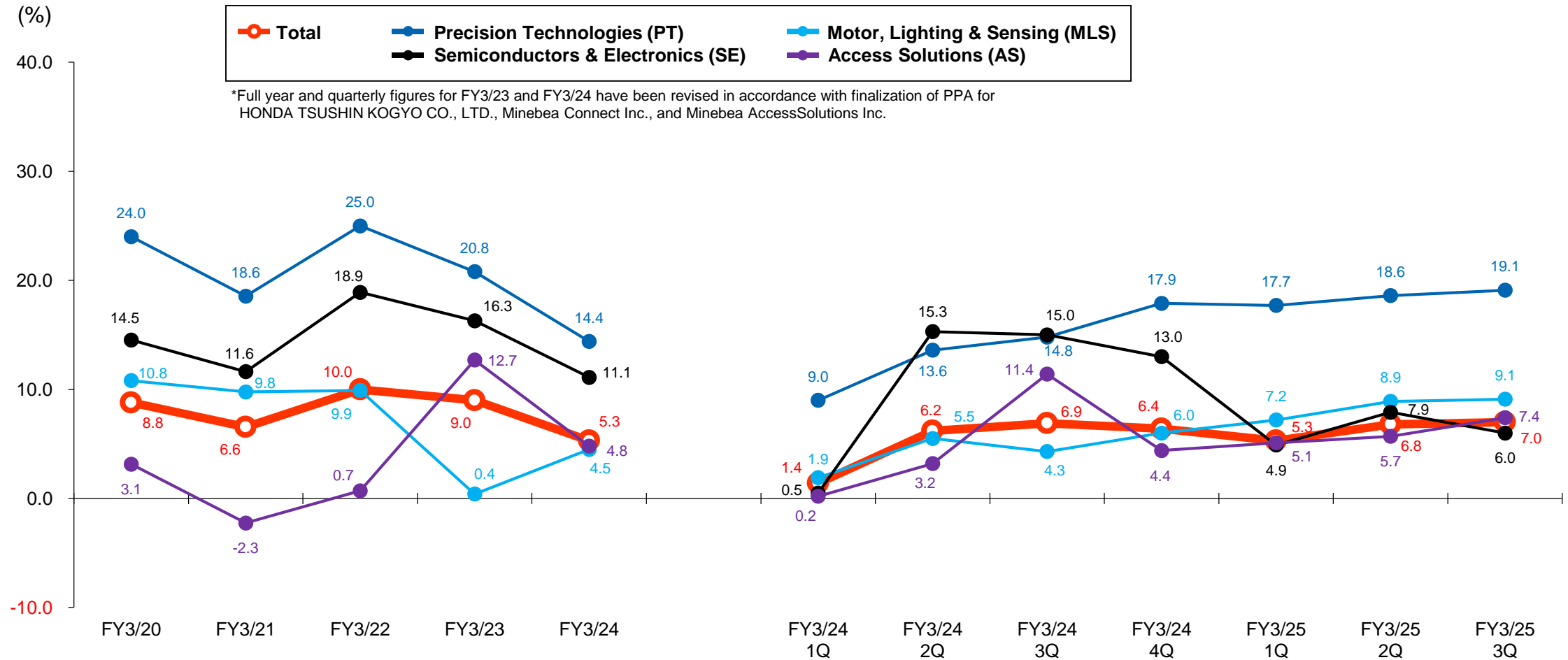
* Capital expenditures of FY3/22 & FY3/23 include new HQ building acquisition expenses

** D&A expense prior to 3Q FY3/24 has been revised in accordance with finalization of PPA for HONDA TSUSHIN KOGYO CO., LTD., Minebea Connect Inc., and Minebea AccessSolutions Inc.

ROIC (Return On Invested Capital)

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

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



*Full year and quarterly figures for FY3/23 and FY3/24 have been revised in accordance with finalization of PPA for HONDA TSUSHIN KOGYO CO., LTD., Minebea Connect Inc., and Minebea AccessSolutions Inc.