

**Q&A (Summary)**  
**Investor Meeting for 2Q of FY 3/2026**  
**MinebeaMitsumi Inc.**

Date & Time: Thursday, November 6, 2025, 5:30 p.m. - 6:30 p.m.  
Speaker: Mr. Yoshihisa Kainuma / Representative Director Chairman CEO  
Mr. Katsuhiko Yoshida / Director, President, COO&CFO  
Mr. Yusuke Kataoka / Business Officer, Head of Accounting, Finance & Business Administration Div. In charge of Investor Relations

\*This material has been summarized from the original dialogue.

Q: Regarding the operating income guidance for the second half, please indicate which segments have upside potential and which are expected to meet their targets. While net sales forecasts have been revised upward, why has the operating income target remained unchanged? Is this due to a conservative planning approach?

A: Fundamentally, we expect Precision Technologies (PT) to have upside potential. Bearings are performing exceptionally well, with significant growth in demand for ball bearings for fan motors in data centers and for drone-related applications, marking a remarkable turnaround. As explained in the presentation, bearing production has reached a level targeting a record high of 350 million units, demonstrating very strong momentum.

On the other hand, Access Solutions (AS) is being impacted by the overall stagnation in the automotive industry. With factors such as a decrease in production volume and delays in new programs, achieving our guidance presents certain challenges.

Regarding Motors, Lighting & Sensing (MLS), while our assumptions are somewhat conservative, we do not foresee significant downside risks.

For Semiconductor & Electronics (SE), optical devices and mechanical components are key points. Customer forecasts are very strong, and by focusing on manufacturing to meet these expectations, we believe some upside potential is possible.

Q: Please provide your outlook for operating income for the fiscal year ending March 2027. You previously explained that there is potential to achieve operating income of 120 billion yen. While mix improvement across businesses and normalization of underperforming businesses are expected to progress, will profitability improve company-wide? Also, what kind of profit composition do you envision at that time?

A: Assuming no major exchange rate fluctuations, as explained in the presentation, we believe our profitability has already improved significantly. We have been consciously working to implement price correction and expand high-margin businesses. We believe these efforts began to be recognized by the market this year, and their results will truly come to fruition next year. Therefore, barring major global economic fluctuations or sudden exchange rate changes, we believe

discussions about whether operating income will exceed 100 billion yen will become irrelevant starting next fiscal year.

Q: Regarding power semiconductors, are we simply waiting for the external environment to recover?

A: Actually, we are undertaking various initiatives, and I believe the time will come when we can explain them. Rather than simply waiting for the external environment to improve, we are striving to fill the space at our Shiga Plant.

Q: Please provide the actual production and sales volume for ball bearings in Q2 and the forecast for Q3.

A: In millions of units: Production volumes are projected as follows: July 333, August 335, September 316, and October onwards 332, 314, 351.

External sales volume will be 276, 271, 285 from July onward, and 278, 275, 275 from October onward.

Internal sales volume: From July, sequentially 46, 47, 46. From October onward, sequentially 54, 47, 48.

Q: Please explain the background for the semiconductor business adjustment in the second half.  
(Presentation materials P.20)

A: The semiconductor business performed solidly in the first half, and the current book-to-bill ratio is not below 1. While analog semiconductor profits continue to be robust, demand trends for power semiconductors are somewhat less clear. Overall, it is not considered "bad," and we anticipate performance will remain largely flat throughout the first and second halves, with a solid outlook for securing profits.

The conservative expression in the materials stems from our forecast that the overall smartphone market, not just in North America, is entering a slightly slower period. However, we believe sales volume will remain largely flat both in the first and second half.

Q: Regarding the outlook for the SE segment for the next fiscal year. Looking at Presentation P.36, while net sales have remained largely flat since the fiscal year ended March 2023, profits appear to have continued declining. For the core products—semiconductors, camera actuators, and game assemblies—recovery is expected by the fiscal year ending March 2027. What level of certainty and pace of recovery do you anticipate for each?

A: Regarding the SE business, as Kainuma mentioned earlier, our overall assumptions are somewhat conservative. Breaking it down, some segments appear slightly weaker, but for the second half, while performance may not be strong, it is not expected to deteriorate significantly.

For mechanical components, the fiscal year ending March 2026 is expected to show a significant improvement in earnings compared to the previous year, driven by a rebound effect from the very challenging fiscal year ended March 2025 and the launch of new model by our customers.

Currently, this business is being directly handled by Vice President Iwaya, and productivity improvements will begin to show results for the next fiscal year. While we cannot yet provide a clear outlook for our customer's production volumes next fiscal year, if they follow the same cycle as past

sales trends, we anticipate a certain level of recovery next fiscal year.

Regarding optical devices, while operations themselves are currently on a recovery track, the first half of the year saw severe production constraints due to delays in procuring raw materials, including dysprosium, caused by export restrictions on rare earth magnets. However, starting in the second half, dysprosium-free magnets became available. Combined with recovering demand, we have now returned to full production capacity. Sales in October were also very strong, clearly showing the beginning of a recovery trend.

Looking ahead to the next fiscal year, while the factors that have been weighing on performance are gradually being resolved, the results of the Chairman's direct initiative, the Chairman's Office ICU project, are also beginning to show tangible effects on the ground. Therefore, we anticipate sufficient profit improvement for the next fiscal year.

However, we are not yet at a stage where we can provide specific numerical figures. We will provide further updates once the outlook becomes clearer.

Q: Regarding the ball bearing production plan exceeding 350 million units by December 2025, does this mean that the combined total of external and internal sales will reach that level starting from the January-March quarter? Or is this an increase in production looking ahead to the fiscal year ending March 2027?

A: While December typically has more operating days and tends to yield higher production volumes, we have never before produced 350 million units in a single month. This will be our highest monthly output to date. We view this not merely as favorable conditions, but as our production capacity itself reaching a new level.

Currently, demand for data centers remained very robust through the second quarter. We anticipate a slight moderation in the third and fourth quarters, but expect the trend to strengthen further in the next fiscal year and beyond. Based on our established capacity to produce 350 million units, we see room for continued growth. Comparing this fiscal year to the next, we expect solid growth.

While it is premature to provide specific volume projections for the next fiscal year, all major markets—drones, humanoid robots, data centers, and automobiles—are expanding.

Given this market environment, we recognize that we are entering a phase of further ramping up production and expect sufficient growth going forward.

Q: On page 30 of the presentation materials, it was explained that the business portfolio (core *Eight Spears*) will align even more closely with four new markets: AI server products, humanoid robot products, fully autonomous driving (LiDAR), and drone products. Could you provide specific examples and background?

A: For example, humanoid robots naturally incorporate numerous components starting with the power supply. While there are various types of humanoid robots, we prioritize quiet operation, high efficiency, and precise movement. Since they are meant to be human-like, a robot that moves with loud operational noise cannot truly be called a "humanoid." In this regard, we believe the technology to move them quietly, smoothly, and precisely is where our strengths lie.

Next, regarding LiDAR, we plan to showcase actual components at our upcoming IR Day.

Manufacturing LiDAR requires precision-machined and polished parts made from difficult-to-cut materials.

The same applies to drones: four motors require eight bearings. Furthermore, we are also developing motors for stabilizing drone footage—specifically, drive components for image stabilization.

We look forward to sharing these specific details with you at our IR Day.

Q: Could you please explain again the background behind MLS net sales exceeding expectations? Also, regarding the somewhat limited profit growth compared to net sales growth, please explain this, including the impact of the strong Thai baht.

A: 2Q represents a planned figure calculated by subtracting Q1 results from the initial 1H guidance, which may have slightly distorted the appearance of the numbers. MLS sales were 105.1 billion yen in Q1 and 113.1 billion yen in Q2. Looking solely at motors, sales increased from 80.2 billion yen in Q1 to 84.3 billion yen in Q2. Operating income for MLS also increased from 5.1 billion yen in Q1 to 7.3 billion yen in Q2, improving the operating margin from 4.8% to 6.5%. While we would like to see a slight further improvement in the profit margin, we believe a reasonable improvement occurred from Q1 to Q2.

Q: Regarding paid supply parts for mechanical components and optical devices of SE, please provide the Q2 results.

A: Paid supply parts for mechanical components were 34.8 billion yen in Q1 and 37.0 billion yen in Q2. We do not disclose paid supply parts for optical devices specifically.

Q: You mentioned that Q2 sales for optical devices fell short of the guidance. Could you provide a sense of the scale?

Also, you mentioned a 1.6 billion yen loss for the first half. What is the outlook for full-year operating income?

A: Q2 sales were 24-25 billion yen below the August forecast (initial 1H forecast minus Q1 actual). While Q2 sales more than doubled compared to Q1, they fell significantly short of the originally anticipated figure.

The reason for this is the export restrictions on rare earths, as previously explained. However, this issue has already been resolved. While there will be some timing differences in Q3 and Q4, we expect to be able to adjust for the negative impact in Q2.

Therefore, we have not revised our full-year forecast for optical devices.

We have set a very conservative figure for the full-year operating income of optical devices. Learning from the experience of falling short of the guidance for the fiscal year ended March 2025, we have estimated a level that we are confident we can achieve this time.

While we anticipate full-year operating income of 19 billion yen for the entire SE segment, the optical devices segment is based on a very conservative assumption.

Considering that our optical devices business traditionally generates annual operating income of around 10 billion yen, the absolute amount of operating income is not at all satisfactory. However, it will show significant improvement when comparing the first half to the second half.

The full-year operating income for optical devices is projected to be conservative even compared to the fiscal year ended March 2025.

The company's overall operating income guidance of 100 billion yen is structured with a significantly conservative assumption for optical devices, as described above.