

The global economy remained on the path to gradual recovery during the fiscal year ended in March 2015. At Minebea, our performance improved significantly as the groundwork we laid over the years to drive profitability up paid off. External sales volumes for our anchor product line, ball bearings, and demand for LED backlights were both up. On top of that, our motor business is now sure to remain in the black. Thanks to these positive factors, consolidated net sales totaled 500.6 billion yen. That's the first time ever that it reached the 500 billion yen mark. Operating income and net income also reached record highs, totaling 60.1 billion yen and 39.9 billion yen respectively.

Key Strategies in the Fiscal Year Ended March 2015

We continued to work on boosting bearing sales volumes during the fiscal year ended March 2015. Due to an anticipated surge in demand for LED backlights employed in smartphones and other products, we moved ahead to quickly boost production with an eye to their rapid delivery. These initiatives enabled us to grow to new heights during the year under review.

In the machined components segment, we acquired Cixi New MeiPeiLin Precision Bearing Co., Ltd., a Chinese bearing manufacturer, which we made one of our subsidiaries in August 2014. In December we established Shiono Precision Co., Ltd. in Tokyo's Hamura City to assume all business operations of Shiono Seisakusho Co., Ltd. This maneuver was designed to expand product development and marketing operations aimed at the aerospace industry.

In response to growing demand for LED backlights, we made aggressive investments in our electronic devices and components segment to boost production capacity at the Lop Buri plant in Thailand, our Cambodian plant, as well as the Xicen plant in China. Instead of using the Ban Wa plant for our Southeast Asia logistics center as initially planned, we decided to convert it into a production facility for LED backlight parts in November 2014. We went right to work on converting the plant as soon as the decision was made.

While making ongoing structural reforms in the motor business, we've seen it yield steady profits as a result of our all-out effort to improve productivity. In addition to these initiatives, we worked on forging a foundation for launching new products and services. We did this by leveraging the technological capabilities and collective strengths of the people at Paradox Engineering, a Swiss wireless technology company, and MIK Smart Lighting Network Corporation, a joint venture with Iwasaki Electric Co., Ltd. and Koizumi Lighting Technology Corp. This move was aimed at increasing sales of lighting devices and measuring components under the Five Arrows strategy we announced two years ago.

We are moving ahead to supply the lighting market with various parts and products designed for smart cities and smart



Representative Director, President and Chief Executive Officer
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buildings. As a first step we completed basic research for the Smart City Projects in Phnom Penh, Cambodia. We are now looking forward to implementing the projects in the fiscal year ending March 2016.

In February 2015, our measuring component segment acquired Sartorius Mechatronics Tank & Hopper, a German measuring instruments manufacturer, and its subsidiaries (hereinafter collectively referred to as "Sartorius Intec"). The acquisition has significantly expanded the segment's product lines and areas of operations.

Looking Back on Fiscal Year Ended March 2015

The Japanese market remained upbeat. Government initiatives and the Bank of Japan's monetary easing policy, coupled with the weak yen in the foreign exchange market, boosted corporate earnings while consumer spending remained steady thanks to high stock prices and the improved job market. Driven by higher employment and growing consumer spending on top of increased capital expenditures, the U.S. economy continued on its gradual recovery track. In Europe, the economy managed to steadily inch forward in the shadow of the Greek sovereign debt crisis, Ukrainian political crisis, and declining crude oil prices. ASEAN countries, meanwhile, enjoyed moderate economic recoveries.

Working against this backdrop, the Minebea Group has been concentrating on cutting costs, creating high-value-added products, developing new technologies, and enhancing its marketing approach to improve profitability even further.

The machined components segment saw monthly external sales volumes for our anchor product line, ball bearings, exceed 150 million units in most months as demand mounted in major markets. Sales to the auto industry were driven up by rising demand for vehicles with enhanced fuel economy, comfort, and safety features. The growing demand kept production up, which brought production costs down and led to a substantial year-on-year earnings hike. Increased orders for rod-end bearings fueled sales and profits thanks to soaring demand in the civil aviation market as airline companies replaced their aging aircraft fleets with newer models. Sales and profits of pivot assemblies were also up thanks to an increased share of the market for high-end products used in data centers, etc. even though the HDD market overall remained flat.

The electronic devices and components segment enjoyed substantial year-on-year gains in both sales and earnings for LED backlights. Growing demand in the smartphone market fueled sales of our ultra-thin light guide plates, which boast both a technological and unbeatable supply edge, for high-end product applications as our customer base and market share expanded. Efforts to build a wider measuring components customer base via the acquisition of Sartorius Intec paid off with steadily climbing sales and earnings. Our Electro Mechanics Solutions (EMS) business enjoyed sales and profit growth as well while sales of HDD spindle motors and information motors also rose.

Our other business segment, which mainly includes dies and parts produced in-house, saw increases in sales for both product lines.

Outlook for Fiscal Year Ending March 2016 (as of May 2015)

The Japanese economy is expected to remain healthy due to better employment conditions and higher wages during the fiscal year ending March 2016. The U.S. economy will likely continue on its gradual upward trajectory thanks to robust consumer spending despite signs of a slowdown in corporate earnings due to the strong dollar, etc. While the European economy is expected to slowly pick up steam, it will take some more time before problems like the Greek financial and Ukrainian political crises are solved. In Asia, strong domestic demand should fuel a moderate economic recovery despite the slowdown in the Chinese economy. Other countries in Asia should also see moderate economic growth.

In light of this economic outlook, sales of our LED backlights, the Group's backbone product line, are expected to surge. At the same time sales of ball bearings, motors, and other products are also projected to be robust. As such, we expect **net sales to total 650 billion yen, operating income 67 billion yen, ordinary income 66 billion yen, and net income 48 billion yen in the fiscal year ending March 2016.**

The machined components segment will continue to work on boosting performance in anchor business line, which are ball bearings. We will aggressively build up sales and launch new products targeting the automobile as well as information and telecommunications equipment industries, etc., as we branch out into new markets to meet rising demand across the

globe. At the same time, our German subsidiary, myonic, will work on increasing sales of higher value-added special bearings. We will also boost production and efficiency in the rod-end bearing business while sharpening our competitive edge in delivery and cost with an eye to selling more in the growing aircraft market.

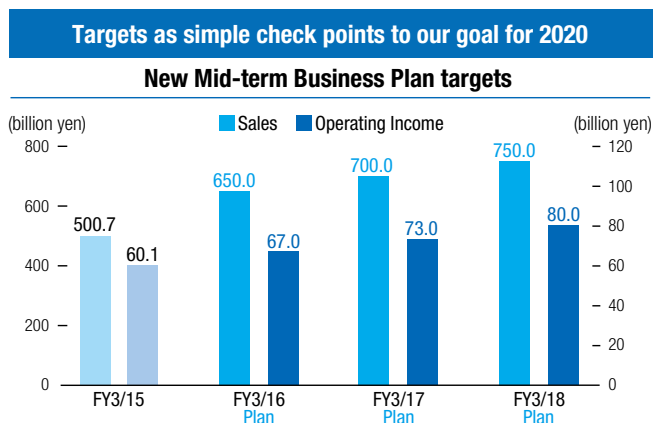
In the area of LED backlights, which are the electronic devices and components segment's core product line, we are working to enhance our capability to supply high-value-added products, including ultra-thin light guide plates for high-end smartphones. Our initiatives are expected to expand the customer base as aggressive marketing and new product launch strategies lead to substantial increases in sales and profits. We will also work on developing new lines of measuring components that leverage their sensor function while driving sales up in the automobile market. This as well as the synergy with Sartorius Intec is expected to significantly boost sales. Moving forward with an eye to enhancing the performance of our information motor and HDD spindle motor businesses, we will zero in on enhancing quality and cutting costs as we work to increase sales of high value-added products for automobile and server applications.

Our other segment will focus on enhancing the precision of dies and parts produced in-house in order to improve production efficiency in the departments that produce finished products as we bring quality to new heights.

Sales and Operating Income Targets under the New Medium-term Business Plan, New Five Arrows and Five Arrows for New Products Growth Strategies

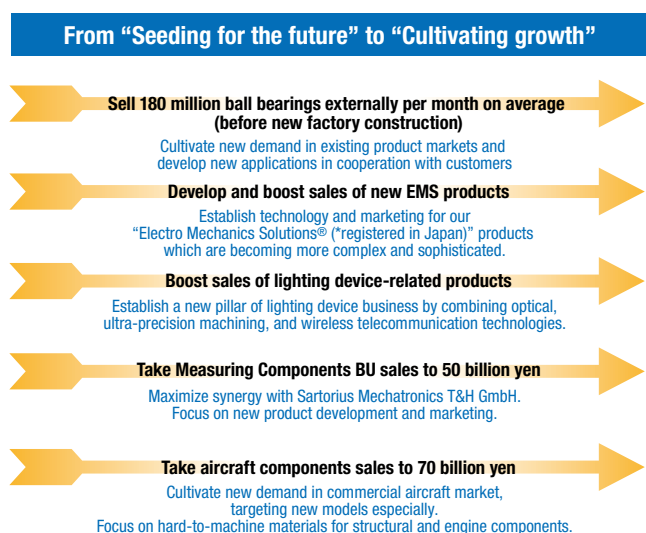
In the fiscal year that ended March 2015, we saw net sales top 500 billion yen for the first time ever. Back in May 2014 we announced a net sales target of 500 billion yen and an operating income target of 50 billion yen set under our medium-term business plan. After achieving these goals two years earlier than expected, we set new medium-term targets for the fiscal year ending March 2020. We said that we would shoot for one trillion yen in sales or 100 billion yen in operating income, whichever comes first. We then developed a new medium-term business plan to guide us toward hitting this giant target. For the first year ending March 2016, we set the net sales target and operating income target at 650 billion yen and 67 billion yen respectively.

New Mid-term Business Plan targets



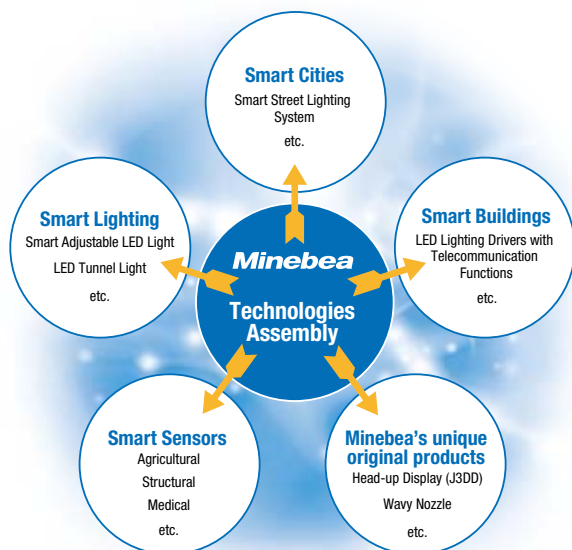
In November 2013, we announced our Five Arrows strategy in anticipation of Minebea's 100th anniversary. The goals we outlined were partially achieved as a result of growing sales of bearings as well as the acquisition of the German-based Sartorius Intec by our measuring components segment. So we decided to revise that strategy, coming up with the New Five Arrows. We will now move into high gear with lighting devices and measuring components in addition to bearings, EMS products, and aircraft parts.

The new "Five Arrows" strategy



We also developed the Five Arrows for New Products in order to ensure further growth. We will combine the basic technologies and assembly techniques we have developed over the years to create more sophisticated street lighting and building management solutions for smart cities. We will also launch other new products like the Wavy Nozzle, an auxiliary device for machine tools; concave mirrors for head-up displays made by JAPAN 3D DEVICES Co., Ltd. (in which we acquired a stake); smart sensors for agricultural, architectural, and medical applications; Smart Adjustable Light for IoT (SALIOT) that make various lighting controls possible, and more.

"Five Arrows for new products" strategy



These new products will incorporate Paradox Engineering's wireless technologies, designed for building highly scalable networks, to deliver outstanding performance and reliability.

**Passion is Power, Passion is Speed,
Passion is the Future**

We have leveraged our advanced technological capability to gain a large share of niche markets and are producing more products with a high profit margin. These efforts have enabled us to move ahead with laying a solid foundation for Minebea's 100th year of operations and achieve our best performance ever in the fiscal year ended March 2015.

Aiming even higher, we announced a new medium-term target which we call "1 and/or 100 by 2020." Those figures mean we are aiming for either one trillion yen in net sales or 100 billion yen in operating income by 2020, whichever comes first.

We continue to enjoy the huge market share we have garnered for our anchor product line, miniature and small-sized ball bearings, as well as HDD pivot assemblies, rod-end bearings for aircraft, LED backlights for high-end thin smartphones, etc. All of us at Minebea will continue to work with passion as we steadily build on these products to ensure that when we reach our 100th anniversary, we will still be an indispensable parts manufacturer.

Thank you for your continued cooperation and support for the Minebea Group

July 2015

Representative Director, President and Chief Executive Officer