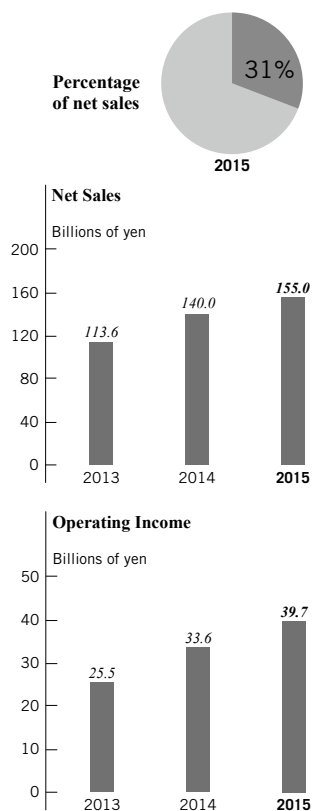


Segment Information

Machined Components



Net sales in the machined components segment were up by ¥14,953 million (10.7%) year on year to total ¥154,986 million. Operating income rose by ¥6,162 million (18.4%) year on year to reach ¥39,713 million, and the operating margin was 25.6%, up 1.6 percentage points year on year. The increase in sales which was fueled by the global economic recovery, our higher capacity utilization that brought unit manufacturing costs down, and the positive impact of exchange rates all drove sales and profits way up.

Demand for our anchor product line, miniature and small-sized ball bearings, remained upbeat across a wide range of markets. Sales to the automobile, office automation equipment, household electrical appliance markets and more drove the average monthly external sales volume up by 6% year on year to total 145 million units. Looking at profitability, we see that the profit margin improved thanks to the increased capacity utilization along with lower U.S. dollar-denominated manufacturing costs due to the depreciation of Asian currencies. This, as well as growing sales brought profits up.

Soaring demand in the civil aviation market where airline companies looked to replace their aging fleets with newer aircraft models fueled orders for rod-end and spherical bearings. That development along with the positive effect of the weak yen boosted sales and profits.

Sales of pivot assemblies remained relatively steady thanks to growing demand in the HDD market, our primary market, with the exception of PC applications. These developments coupled with our huge market share set the stage for excellent profit growth.

Principal Products and Applications and Minebea's Global Market Share

<i>Our product lines & principal products</i>	<i>Principal markets</i>	<i>Global market share*</i>
Miniature and small-sized ball bearings	Small motors, household electrical appliances, information and telecommunications equipment, automobiles, industrial machinery	60%
Rod-end and spherical bearings	Aircraft	50%
Fasteners	Aircraft, automobiles	—
Pivot assemblies	Hard disk drives	70%

*Global market share figures are based on volume, with the exception of the figure for rod-end and spherical bearings, which is based on sales value. Minebea estimates market shares using information it collects on its own and through independent market research firms.

Future Initiatives

We are continuing our efforts to reduce costs in the ball bearings business by improving yields and streamlining production. While we see the strengthening of operations as a return to our manufacturing roots, we are also focusing on reinforcing basic technological development. As we move forward, we will work to expand sales in order to quickly achieve the monthly average external sales volume target of 180 million units outlined in the first arrow of our new Five Arrows strategy we announced in May 2015.

The rod-end fastener business will zero in on overall cost reduction by boosting production capacity for parts in Thailand while enhancing cooperation among marketing operations in the U.K., U.S. and Japan. We will also leverage the strengths of CEROBEAR, which we acquired in July 2013, to enhance research and development of ceramic bearing aircraft parts.

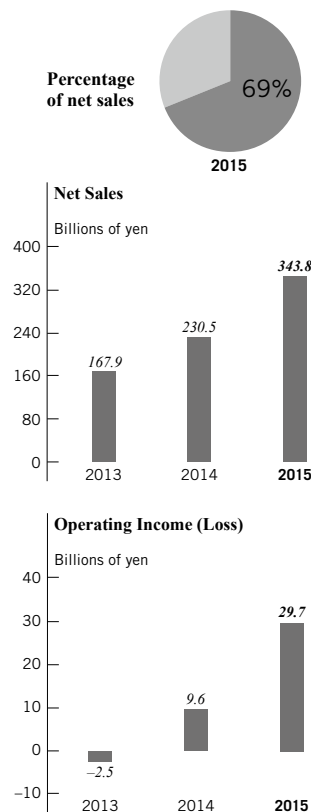
In the pivot assembly business, we have been implementing ongoing cost cutting measures such as improving yields. As we capitalize on the synergy created by our significant market share for pivot assemblies and miniature ball bearings, we will stay competitive in the market for high-value-added products used for servers, etc. with an eye to maintaining a healthy bottom line.

Major Products

Ball bearings Rod-end bearings Spherical bearings Roller bearings Bushings Pivot assemblies
Mechanical assemblies Aerospace fasteners Automotive fasteners

*Segment classification has changed from the fiscal year ended March 31, 2014, due to organizational changes.

Electronic Devices and Components



In the year under review, net sales jumped ¥113,328 million (49.2%) from the previous year to total ¥343,842 million. We also saw a huge increase in operating income, which jumped ¥20,139 million (210.2%) year on year to reach ¥29,721 million, while the operating margin rose 4.4 percentage points year on year to hit 8.6%.

The LED backlight business enjoyed growing sales of our technologically unparalleled ultra-thin LED backlights for our existing customers' new smartphone models. Our customer base for ultra-thin LED backlights also expanded to include Chinese smartphone manufacturers who are seeing sales climb. These factors combined led to increases in both sales and profits.

The profitability of the motor business improved thanks to growing demand in the automobile market which drove sales up and also as a result of the measures we have implemented so far to reduce fixed costs.

Sales of measuring components steadily rose for test equipment and automotive applications, leading to increases in both sales and profits.

Principal Products and Applications and Minebea's Global Market Share

<i>Our product lines & principal products</i>	<i>Principal markets</i>	<i>Global market share*</i>
LED backlights	Middle-range and high-end smartphones, mobile phones, automobiles, digital cameras, portable digital information terminals	40% (middle-range and high-end smartphones)
Motors (stepping motors, HDD spindle motors, brushless DC motors, brush DC motors, fan motors, precision motors)	PCs and servers, HDDs, information and telecommunications equipment, household electrical appliances, automobiles, industrial machinery, office automation equipment	2-70%, depending on the product
Measuring components	Industrial machinery, automobiles, PCs	—

*Global market share figures are based on volume. Minebea estimates market shares using information it collects on its own and through independent market research firms.

Future Initiatives

The LED backlight business is expected to grow even faster than the growing smartphone market. Demand for Minebea products has been increasing as more and more products, including high-end as well as middle-range models, employ the ultra-thin, highly efficient LED backlights needed to produce high-definition, lightweight smartphones with a large battery capacity. Now that we have beefed up production capacity at our Thai and Cambodian facilities, we expect to generate significant gains in both sales and profits for the fiscal year ending March 2016. We are currently working on developing new products that integrate our basic technologies like light guide plates and wireless communications. These new products include smart city LED streetlights being used in Cambodia, outdoor LED lights for tunnels, smart adjustable LED lights (SALL), and more. We will work to expand sales of lighting device-related products as outlined in the third arrow of our new Five Arrows strategy.

The motor business will continue to focus on cost reduction and reorganization with an eye to driving profitability up.

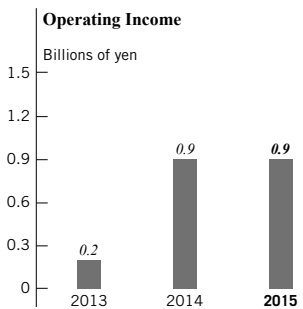
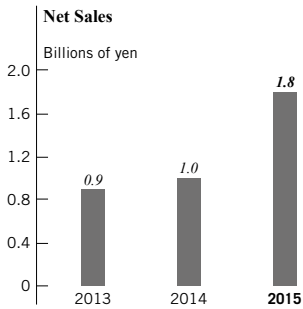
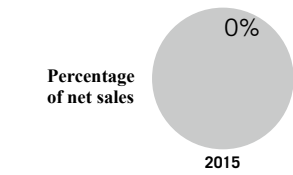
We will implement a business strategy for measuring components that spotlights their sensor function over their use as mere gauges to expand into new markets including medicine and nursing care along with areas related to robotics as well as bridges and other infrastructure. In addition to that we will focus on maximizing the synergy created by the acquisition of Sartorius Mechatronics T&H GmbH, which we brought into the fold with an eye to bringing annual sales up to ¥50 billion.

Major Products

LED backlights	Hybrid components	Stepping motors	Brushless DC motors	Brush DC motors
Fan motors	HDD spindle motors	Precision motors	Measuring components	

*Segment classification has changed from the fiscal year ended March 31, 2014, due to organizational changes.

Other



Net sales for the year under review increased by ¥852 million (85.5%) year on year to total ¥1,848 million. Operating income declined by ¥7 million from the previous year's total to hit ¥859 million while the operating margin dropped by 40.4 percentage points year on year to reach 46.5%.

Major Products

Dies In-house produced parts

Adjustments

In addition to the above figures, ¥10,192 million in corporate expenses, etc. not belonging to any particular segment is shown as adjustments. Adjustments for the previous fiscal year amounted to ¥11,800 million.

*Segment classification has changed from the fiscal year ended March 31, 2014, due to organizational changes.