

Strengths of Intellectual Capital

We extend ultra-precision machining technology to a wide range of products

Strength 1 Ultra-precision machining technology

In 2018, MinebeaMitsumi achieved monthly production volume of ball bearings, its founding product, exceeding 300 million units as a result of having devoted nearly seven decades to in-house development of ultra-precision machining technology necessary to achieve the ultra-precision required for miniature-sized bearings and mass production. Ultra-precision machining technologies, distinctive to the Company, must enable universal control with respect to setting machining dimensions on the order of nanometers (one nanometer equates to one-billionth of a meter). The Company has completed development of its cutting-edge machining technology in-house, encompassing everything that

makes it possible to consistently maintain quality at nanometer machining precision, from cutting tools for machining, grinding oil, and equipment, to the production environment. As a parts manufacturer, the Company has furthermore established an unparalleled manufacturing framework geared to meeting market and customer needs by undertaking in-house development of applied raw materials and engaging in basic development of new raw materials required for future products. We draw on our experience in ultra-precision machining technologies developed thus far and our performance data, and apply it laterally in-house in the form of robust big data to our machined components and other products.



Strength 2 Comprehensive manufacturing, engineering, development and sales capability

Product development through the INTEGRATION of our core technologies with our Eight Spear products

In addition to expanding R&D investment, we will also develop new markets by utilizing the comprehensive manufacturing, engineering, development and sales capabilities. Having established MinebeaMitsumi Technical Service (Suzhou) Ltd. (China) in December 2018 and MinebeaMitsumi Technology Center Europe GmbH in September 2019, we have been strengthening our framework for swift development in our respective geographical regions.



Create new value through "difference" that transcends conventional wisdom

Strength 3 Maintenance and improvement of M&A capability/PMI

MinebeaMitsumi has been strengthening and reviewing its business portfolio through 50 M&As in 49 years. MITSUMI ELECTRIC, with which we conducted a business integration in 2017, have managed to upgrade their operations in terms of speed, technological capabilities, and products themselves as a result of having gained access to our financial muscle, rigorous commitment to craftsmanship and manufacturing strengths. For instance, with respect to simulations of magnetic circuits

World in which magnetic force develops
 GALILEO X Broadcasted on June 28, 2020
 This TV program introduces synergies of the MinebeaMitsumi business integration with respect to the theme of magnetic force.

for developing cutting-edge technologies, they have been able to leverage synergies brought about by combining simulation technologies of the former Minebea and those of MITSUMI ELECTRIC. In April 2020, MinebeaMitsumi undertook integration of ABLIC, whose mainstay product is Hall effect components for magnetic detection. As a result, we will strive to further increase our competitiveness having added magnetic sensing technology to MinebeaMitsumi's lineup of magnetic products.

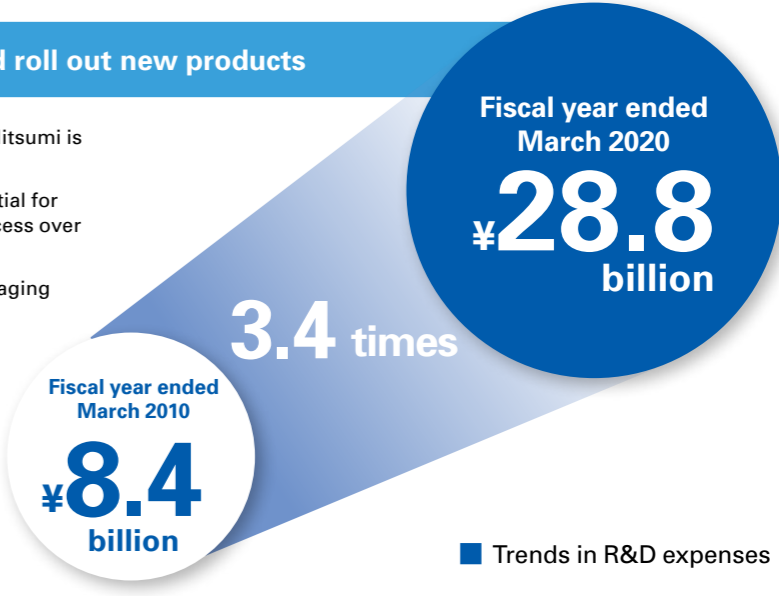
Strategies of Intellectual Capital

Create new value by combining our ultra-precision machining technologies with our core technologies

Strategy 1 Upgrade core technologies and roll out new products

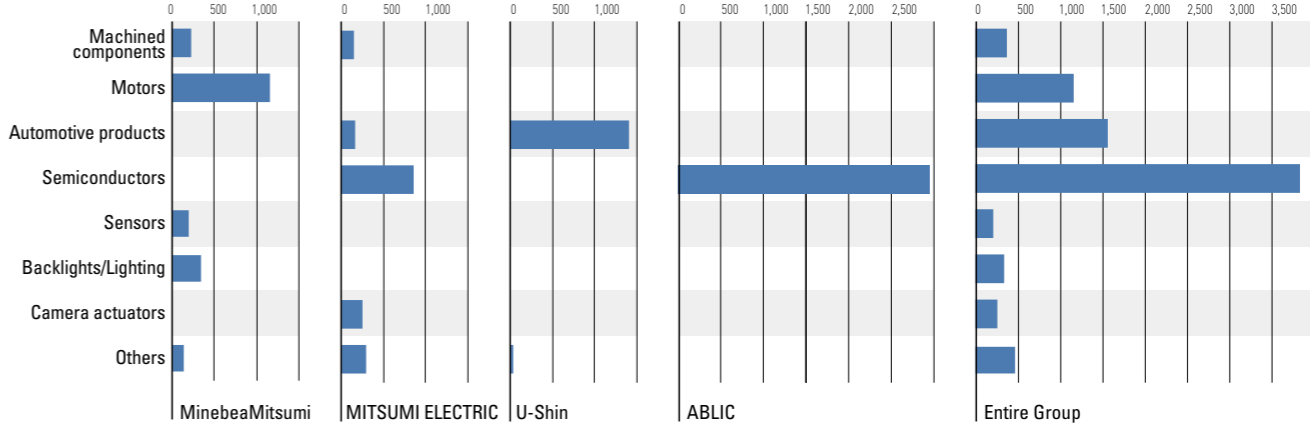
Under its policy for technology development, MinebeaMitsumi is engaging in key strategies that involve:

- Upgrading key technologies (core technologies) essential for developing new products that will achieve market success over the medium to long term, and
 - Promoting launch of new products by effectively leveraging Group synergies.
1. Expand the motor business
 2. Bring about a paradigm shift with respect to the optical technology development product line
 3. Expand the sensor business
 4. Enter the robotics market
 5. Connectivity with sights set on IoT
 6. Increase added value of machined components
 7. Collaborate with U-Shin
 8. Collaborate with ABLIC



Strategy 2 Effectively promote our portfolio in intellectual property management

The MinebeaMitsumi Group maintains ownership of some 8,000 different patents in its portfolio as illustrated below. We have effectively assembled a portfolio that covers the Group's businesses drawing on complementary offerings of MinebeaMitsumi, MITSUMI ELECTRIC, U-Shin, and ABLIC.



Joined "IP Open Access Declaration Against COVID-19"

Based on this declaration, MinebeaMitsumi will neither seek compensation nor assert any intellectual property rights, including patents, utility models, designs or copy rights against any activities whose sole purpose is stopping the epidemic, until the World Health Organization (WHO) declares that COVID-19 outbreak no longer constitutes a Public Health Emergency of International Concern.