

## Meaning of business integration with MinebeaMitsumi

### Creating a Win-Win relationship by aiming for the global top together

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President and CEO of ABLIC Inc.  
**Nobumasa Ishiai**

— Roughly one year has passed since the business integration. Could you please explain how you came to choose MinebeaMitsumi as your partner in this?

In recent years, supply and demand in analog semiconductor business has been tight across the globe. Governments are now focusing on strengthening the semiconductor industry as a part of national policy. IoT, automotive, AI, and all related technologies require analog semiconductors, creating an ongoing surplus of demand. Under these circumstances, pre-integration ABLIC struggled to expand our business scale due to a lack of resources such as equipment, engineers, and sites, as well as risks in the BCP. In order to achieve sustainable growth, we needed a partnership with someone who would complement our capabilities well. Based on our desires to find a path for survival in the global markets and pass down the

specialized technologies for analog semiconductors, MinebeaMitsumi emerged as a suitable partner.

MinebeaMitsumi possesses the capital and creditworthiness desirable for ABLIC, a Japanese manufacturer. Besides that, I was able to receive a commitment from President Kainuma when we first met during the screening stage of the M&A that our company would be able to maintain our legal personality, brand, and management policy. We placed prime importance on the above three factors, and thus this commitment was critical to our decision. I placed a lot of importance on whether we could converse from the same perspective without a discrepancy and then reach the same heights together. It was very important that he reassured me on this greatest concern of ABLIC from the start of our talks.

Normally as talks progress, aspects that bring about uncomfortable tensions arise, however at no point in our talks did this ever happen. I believe this is because both of our companies had the same culture of setting high goals. That is, his lofty goal of being the greatest INTEGRATION manufacturer of precision components in the world and our lofty goal of being a global role model for specialized analog semiconductor manufacturers linked together perfectly.

**MinebeaMitsumi is the  
best partner as we aim  
for sustainable growth**

— What was your impression during the preparations for the integration?

I felt strongly that not only was the M&A division of MinebeaMitsumi very professional, they were also speedy, passionate, and hospitable. We were able to achieve meaningful communication by holding many subcommittee meetings ahead of the integration and MinebeaMitsumi employees treating ABLIC employees with honesty and kindness.

We were able to absorb one another's strong points and proceed with preparations in a very smooth and tight-knit manner. During this year, I believe this integration has progressed naturally.

— It appears everything has gone according to plan this year. What are your thoughts now that the business integration is complete?

After the integration, my mind has changed to multilaterally consider not only the growth of ABLIC, but also how we can contribute as a group company of MinebeaMitsumi. ABLIC advocates performance and becoming a change agent and influencer. I realized that MinebeaMitsumi also shares these values. Even a new business entry will be recognized if they are able to produce strong results. This is a quite fair system and one that is shared by our company. MinebeaMitsumi has built a firm presence as a collection of group companies. The group management respects each of these group companies and allows each of the brands they produce to shine.

As there is currently a strong demand for products and services to help solve global issues, I believe that we are able to contribute more to solving social issues as one part of MinebeaMitsumi than we would on our own. For example, I am glad that the CLEAN-Boost® technology of ABLIC that contributes to reducing environmental burden is now expected to be used in various fields, such as Smart Cities and IoT, thanks to the sales network of MinebeaMitsumi that spans the globe.

— What are ABLIC's strengths?

Our greatest strength is not only the employees who make up ABLIC but also our solid unity centered around our brand. We are proud to be a change agent that is able to quickly learn from the merits of others and rapidly evolve. I believe that one of ABLIC's strengths is the pride we take in feverishly pursuing improvements and humbly incorporating them in our ways.

In terms of core elements, ABLIC's semiconductor products were born from the development process for quartz watches and expanded from there. Our products had to be installed in the narrow space of a watch and

## Transforming the analog semiconductor industry into an industry that symbolizes Japan

operate for long hours with limited batteries. As such, product development based on our company vision of "Small, Smart, Simple" took root and we have remained loyal to that. We also have the strength of integrated development, manufacturing, and sales, which is rare for a semiconductor company.

— What are your thoughts on future developments?

Through this business integration, we have successfully complemented one another strategically as alongside MITSUMI we have taken on the analog semiconductor business, one of the Eight Spears strategies. This business integration also has a restructuring element to strengthen Japan's analog semiconductor industry. Since analog semiconductors require specialty technology and teamwork, I believe it will become an area where the strengths of the Japanese people can be utilized. I also believe that, by integrating with our former competitor MITSUMI, we went from fearing that massive overseas competitors would leave us behind to feeling that this was a terrific opportunity to utilize our delicate and specialized technology, which our overseas competitors struggle with, to expand globally through multi-model and small-lot production.

In order to make the most of this opportunity, we will focus on strengthening INTEGRATION between development, manufacturing, and sales to further strengthen our global competitiveness and profitability as ABLIC and contribute to the Group. We intend to deliver new products in quick succession that lead the changes of the world and properly produce results.

— Lastly, please give a message to all the readers.

ABLIC will continue to aim to be a global role model as a specialized analog semiconductor manufacturer. Please support us in the future as a member of the MinebeaMitsumi Group.

Do ABLIC!

— Thank you.