Strategies by Business

MinebeaMitsumi has established a unique position as a globally unparalleled "integrated precision components manufacturer," and its diversified business portfolio also contributes to risk dispersion.

PT Precision Technologies Segment

Year Business Commenced (Year Business Integration Occurred)

1951 (Founded)

Machined components business, including the founding product, ball bearings

- World No.1 Market Share
- Bearing products: Aiming for an operating margin of 25% or higher
- Aviation Products: Expansion of production bases

Key Products

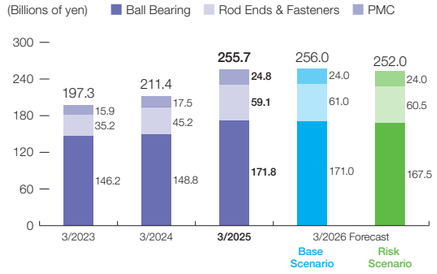
Main Products

Ball Bearings, Rod End Bearings, Spherical Bearings, Fasteners, Precision Mechanical Components (PMC)

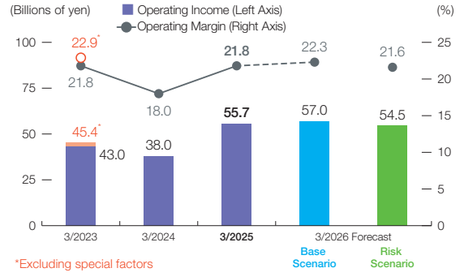
Primary Applications

Automotive, Premium Home Appliances, HDD, Data Center, Drone, Medical Devices, Aircraft, Robotics

Net Sales

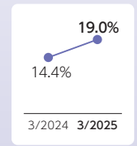


Operating Income / Operating Margin



*Excluding special factors

ROIC Highlights



ROIC increased by 4.6 percentage points year on year in FY3/2025.

MLS Motor, Lighting & Sensing Segment

Year Business Commenced (Year Business Integration Occurred)

1968

To build a diversified business portfolio and strengthen risk mitigation systems, the company expanded beyond its core motor business launched in 1968.

- Motor: Increase in niche top products
- Motor: Profit Margin to Exceed 10% in FY3/2027
- Electronic Devices: Expanding Applications Including Automotive

Key Products

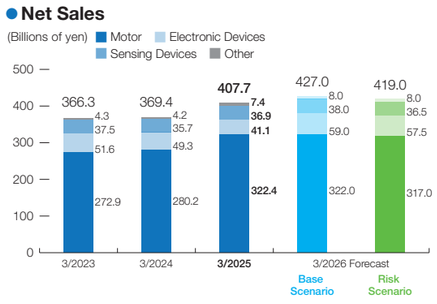
Main Products

HDD spindle motors, stepping motors, fan motors, DC motors, resonant devices, LED backlights, smart products, sensing devices

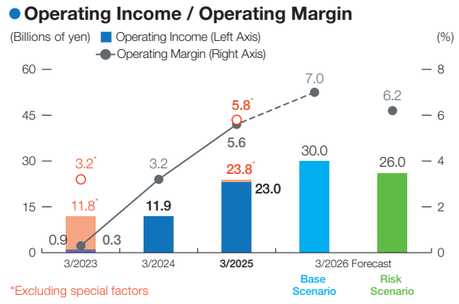
Primary Applications

Automotive, Premium Home Appliances, HDD, Game consoles, OA equipment, Medical equipment, Smartphones, Wearable Devices, Data Center

Net Sales



Operating Income / Operating Margin



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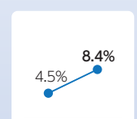
ROIC Highlights



ROIC increased by 3.9 percentage points year on year in FY3/2025.

SE Semiconductor & Electronics Segment

Year Business Commenced (Year Business Integration Occurred)

2017

Founded in 2017 through the business integration of MITSUMI ELECTRIC CO., LTD., the company integrates mechanical and electronic technologies with control technologies, focusing on the acquired business.

- Analog Semiconductors: Niche Top Strategy
- Analog Semiconductors: Achieving a 30% operating margin by the fiscal year ending March 2029
- Optical Devices and Mechanical Components: Aiming to Improve Profitability as a Sub-Core Business

Key Products

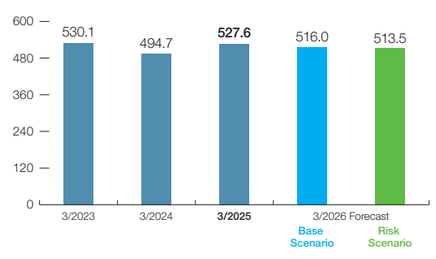
Main Products

Analog Semiconductors, Optical Devices, Mechanical Components, Precision Components, Power Supplies

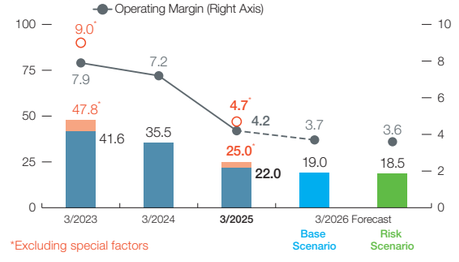
Primary Applications

Smartphones, Premium Home Appliances, IoT devices, Gaming devices, Automobiles, Wearable Devices, Medical Devices

Net Sales



Operating Income / Operating Margin



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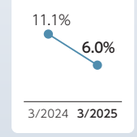
ROIC Highlights



ROIC decreased by 5.1 percentage points year on year in FY3/2025.

AS Access Solutions Segment

Year Business Commenced (Year Business Integration Occurred)

2019

Centered on the automotive parts business acquired through the 2019 management integration of U-Shin Ltd. and the 2023 management integration of Honda Lock Mfg. Co., Ltd. (now Minebea AccessSolutions Inc.)

- High value-added through complementary products
- Moving toward mass production of high-margin products
- Thorough Productivity Improvement Measures

Key Products

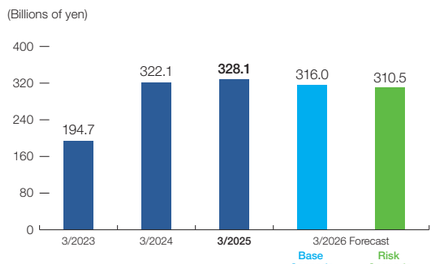
Main Products

Automotive parts (door latches, door handles, door mirrors, etc.), wireless communication devices, industrial machinery parts

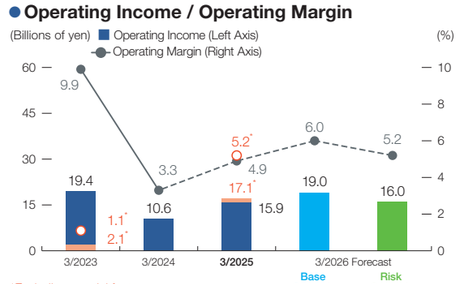
Primary Applications

Automotive, Agricultural Machinery, Construction Machinery

Net Sales

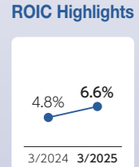


Operating Income / Operating Margin



*Excluding special factors

ROIC Highlights



ROIC increased by 1.8 percentage points year on year in FY3/2025.

* Segment definitions have been revised for certain businesses starting from the fiscal year ending March 2026. The "Smart Products" category from the SE segment has been transferred to the "Electro Devices" category within the MLS segment. Additionally, within the MLS segment, the disclosure category for "Resonant Devices" has been changed from "Electro Devices" to "Motors." Actual results for the fiscal year ending March 2025 and prior are presented under the previous classification.

Precision Technologies (PT)

Strong growth driven by structural demand growth, particularly for ultra-high-quality products, and overwhelming competitive strength

Senior Managing Executive Officer,
Chief of Precision Technologies
Business Headquarters
Satoshi Mizuma

Core competencies

Our fundamental strengths—ultra-precision machining, vertical integration, global expansion, and mass production—which form the very DNA of our company, have established an overwhelming market share and high-level QCDESS*.

We achieved both ultra-high quality and low cost by rapidly expanding overseas and strengthening our in-house production and maintenance capabilities for parts and equipment.

The accumulation of know-how over many years, which cannot be measured by the amount of capital investment, forms a barrier to entry.

*Quality, Cost, Delivery, Eco/Efficiency, Service, Speed

MinebeaMitsumi's Eight Pillars

Bearings	Sensors
Analog Semiconductors	Connectors/ Switches
Motor	Power Supply
Access Products	Wireless/Communication/ Software

PT Coverage Areas

Opportunities

- Increased demand for high-quality bearings overall, contributing to energy savings and downsizing in final products
- Content growth driven by automotive electrification and performance enhancement
- Increased demand for bearings and pivots for data centers driven by rising data generation volumes
- Increased demand for new aircraft equipped with fuel-efficient, high-performance engines
- Recovery in demand for high-margin medical device products

Risks

- Increased competitive entry into the miniature and small-diameter ball bearing market, particularly from Chinese competitors, and intensifying price competition
- Medium-to-long-term decline trend in pivot assembly sales volume due to the shrinking HDD market
- Decreased production rates for new aircraft due to production adjustments by aircraft manufacturers and labor shortages
- Prolonged macroeconomic downturn

Response to Opportunities and Risks

- Further strengthening competitiveness through enhanced precision and productivity improvements in ball bearings
- Expand production bases for aircraft bearings in North America, Europe, and Asia (Thailand, India) to achieve optimal location production
- Utilizing the second factory in Cambodia to meet increased demand for PMC products

Overview for the fiscal year ended March 2025

For the fiscal year ended March 2025, ball bearing sales were strong, particularly for data centers, with external sales volume reaching a monthly average of 237 million units, a 16% increase compared to the previous period.
Sales of aircraft products, including rod-ends, fasteners, and Precision Mechanical Components (PMC), also remained steady. As a result, overall sales reached ¥255.7 billion, a 21.0% increase compared to the previous fiscal year. Operating income increased 46.4% year-on-year to ¥55.7 billion, and the operating income margin also improved 3.8 percentage points year-on-year to 21.8%, setting a new record high for operating income. All major products achieved both sales and profit growth, establishing a solid earnings foundation.

Outlook for the fiscal year ending March 2026

Ball bearings are expected to continue performing well, driven by increased demand for fan motors for data centers and automotive applications. Current orders remain robust, and we aim to achieve a record monthly production of 340 million units in the second half of the fiscal year. Pivot assemblies also remain stable, and we expect PMC to continue performing exceptionally well. For aircraft products, the trend of production recovery is expected to continue, with demand remaining solid.

Business outlook

1 Bearings

- Data volume continues to expand in data centers. Our demand for fan motors is expanding regardless of whether it's air-cooled or water-cooled.
- Despite the sluggish automotive market, content growth continues due to changes in engine types and the increasing sophistication of vehicles.

2 Rod ends & fasteners

- Mach Aero's new plant (third plant) in India commenced operations in February 2025. We are also aiming to expand business by undertaking aircraft engine components.

3 Precision mechanical components (PMC)

- Partial operation of the new Purasat factory in Cambodia is scheduled for the fiscal year ending March 2026. Aiming to expand production of products with expected market growth

Long-term strategy

PT has achieved stable and sustainable growth as our core business since the company's founding. We aim for an operating margin of 25% or higher through expanding sales of high-value-added products and revolutionary productivity improvements. Moving forward, we will continue M&A activities. As part of strengthening our production and supply capabilities in the ASEAN region, we position the Cambodia Puthsat Factory—scheduled to commence partial operations during the fiscal year ending March 2026—as a new growth driver for PT, further solidifying our revenue foundation.

INTERVIEW

Our mission as the unsung hero supporting the aircraft industry from the ground up

Business Officer, Head of Rod End /Fastener Business Unit
Kotaro Nishikawa

We, the Rod End & Fastener BU, are one of the two divisions that comprise MinebeaMitsumi Aerospace, the aerospace-related products brand of the MinebeaMitsumi group. We primarily develop, manufacture, and sell components that support aircraft. Our main products are spherical bearings, rod ends, rod assemblies, fasteners, and machined parts (mechanical parts). Spherical bearings play a crucial role in aircraft structures, control systems, and engine components—areas subject to impact and heavy loads—by facilitating smooth movement of moving parts and absorbing vibration and distortion. Derived from this, rod ends are installed at the ends of rods and are utilized as rod assemblies that reinforce the aircraft structure and transmit forces. Fasteners, a general term for bolts and screws, securely join structural components of the aircraft, ensuring overall safety and durability. Furthermore, high-precision machined parts are integrated into various sections of the aircraft, supporting its functions and structure. We deeply contribute to the aircraft industry as the unsung heroes supporting safety and efficiency in the skies.

Our greatest strength lies in our diverse production system with bases worldwide. We maintain production bases in Japan, Asia, Europe, and the United States, each with distinct products and characteristics. Through the cooperation and synergy of these bases, we have established a global supply system capable of responding quickly and flexibly to our customers' diverse needs. Above all, aircraft components demand unwavering quality that ensures durability to withstand use in harsh environments. This quality is our most important advantage. In addition to our long-cultivated machining technology, we handle many of the strict special processes essential for aircraft quality in-house, earning unwavering trust from our customers. Through this high quality, we provide an indispensable value to society: ensuring the safety and security of air travel.

Currently, driven by the growing desire for "faster travel to distant destinations," demand for aircraft is expanding significantly. To support this increased demand, we are actively expanding our capacity while the entire aircraft industry faces major challenges.

We are further strengthening our global production system, including the completion of a new building in India in 2025 and the start of construction on a new building at our Lopburi plant in Thailand. Through these initiatives, we will enhance our stable supply capabilities to meet customer expectations and continue supporting aircraft that carry people and their aspirations.

It is precisely because we provide value to society, meet customer expectations, and firmly support the global aircraft industry that we can achieve growth and improved profitability. Please look forward to our challenge as the unsung heroes behind the scenes.

Motor, Lighting & Sensing (MLS)

Expanding the portfolio to pioneer new business areas and achieve long-term stable growth

Business Officer,
Chief of Motor,
Lighting & Sensing
Business Headquarters
Takahide Sato

Core competencies

Developing motors (including resolvers and resonant devices), LED backlights, smart devices, sensing devices, and more. By integrating our DNA—ultra-precision machining, vertical integration, global expansion, and mass production—with core technologies in electronics such as magnetics, optics, and sensors, we have secured a position as a global niche leader across diverse fields. These include automotive applications demanding stringent quality characteristics, data centers, and mobile devices requiring rapid vertical ramp-up that balances quality and volume.

MinebeaMitsumi's Eight Pillars

- Bearings
- Sensors
- Analog Semiconductors
- Connectors/ Switches
- Motor
- Power Supply
- Access Products
- Wireless/Communication/ Software

MLS Coverage Areas

Opportunities

- Increased demand for precision small motors contributing to energy savings, downsizing, and quiet operation
- Expanding opportunities to enter the motor and sensor markets related to growth sectors like humanoid robots
- Business opportunities for battery protection modules driven by increased demand for high-capacity HDDs for data centers and expansion of AI servers
- Expanding applications for LED backlights (high-end automotive, drone docking stations, etc.)

Risks

- Emergence of low-cost competitors in China
- Impact on profit structure due to soaring raw material and component prices
- Faster-than-expected replacement of existing technologies by new technologies. (HDD market, mobile market)

Response to Opportunities and Risks

- Leveraging strengths through synergy to capture business opportunities by developing products ahead of competitors
- Adjusting selling prices in response to rising raw material and component costs
- Identifying global niche top markets where competitiveness can be demonstrated
- Strengthening competitiveness through cost reductions, including material cost reductions

Overview for the fiscal year ended March 2025

Sales for the fiscal year ended March 2025 reached ¥407.7 billion, a 10.4% increase compared to the previous fiscal year. By product category, motor sales reached ¥322.4 billion, a 15.7% increase from the previous fiscal year. This was driven by steady performance in motors for HDDs and for automotive and non-automotive applications. Electronic Devices sales decreased 16.6% year-on-year to ¥41.1 billion. Sales of sensing devices reached ¥36.9 billion, a 3.1% increase compared to the previous fiscal year. Operating income was ¥23.0 billion, with an operating margin of 5.6%. Compared to the previous quarter, operating income increased by 93.7% and the operating margin rose by 2.4 percentage points. Note that approximately ¥800 million in one-time expenses were included in Q4.

Outlook for the fiscal year ending March 2026

For motors, we will focus on niche markets, including automotive motors and HDD motors, to capture high-margin business. We will continue to focus on improving profitability this fiscal year to achieve an operating margin of 10% by the fiscal year ending March 2027. For backlights, mass production of new automotive products will commence in July. We will also work to improve profitability for tablet-oriented mobile products. Furthermore, the expansion of AI servers is creating increased business opportunities for fan motors, battery protection modules, and other products. Across the entire segment, each business is performing steadily, and we anticipate increased revenue and profits.

Business outlook

1 Motors

- Automotive demand is expected to grow due to electrification and increased functionality (comfort, safety, environmental performance), anticipating content growth even amid a sluggish market
- Steady growth is also anticipated for HDD applications and non-automotive markets

2 Sensors

- Aiming to develop high-value-added products through synergies with our products and expand the business

3 Backlights

- Structural shift from smartphones to tablets and automotive applications

4 Smart products

- Expanding business opportunities for battery protection modules through the growth of AI servers

Long-term strategy

In MLS's core motor business, we will establish a global niche top position and aim for an operating margin of 10% or higher through further improvements in profitability. For sensors, we will expand our portfolio and pioneer new business areas through synergies with our other eight core products.

LED backlights will shift applications from smartphones to automotive, target the high-end market, transition from a sub-core business, and enhance profitability long-term and stably.

We will also grow high-margin businesses in niche areas, such as server battery protection modules, aiming to improve the profitability of the entire segment.

INTERVIEW

Building close relationships with customers to strongly support next-generation product development

Head of EMT Business Unit
Alexander Hoelle

The EMT (Europe Motion Technology) Business Unit is widely recognized for its expertise in developing actuators for automotive applications, as well as BLDC motors for industrial use.

While EMT is well-established in both markets, we acknowledge that competition is intensifying. In response, a price-driven market dynamic has emerged, which has inevitably impacted profit margins. To address these challenges, EMT is leveraging its core strengths—engineering expertise and flexible production capabilities. In line with this strategy, EMT established a new production hub in Mexico (MAS Mx), beside Thailand (Bang Pa-in) and Slovakia (Košice), in November 2024 to secure, support and expand our business in North America. On the development side, EMT continues to collaborate closely with its engineering center in Košice, as well as teams in India and the Philippines. This global R&D approach helps to keep development costs at a competitive level, ensuring long-term viability and efficiency. Equally important is maintaining close relationships with OEMs, not only in the automotive sector but also in industrial applications. This ongoing engagement has provided valuable insight into the solutions being pursued by major market players, enabling EMT to participate in strategic developments from the outset.

Two examples highlight this approach:

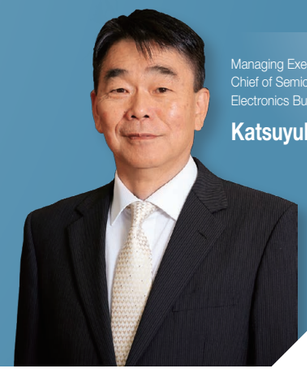
1. Automotive Sector: Climate control systems are gaining increased importance, particularly in electric vehicles (EVs), where highly efficient thermal systems contribute significantly to energy savings and extended vehicle range. Since EMT actuators are already used to control thermal valves, we have expanded into valve development, enabling us to offer a complete "thermal system" solution. This value-added approach positions EMT to benefit from higher-margin opportunities.

2. Industrial Applications: EMT was approached by an OEM to develop a frameless BLDC motor with maximum power density for use in robotics. This project was successfully completed, and EMT now supplies motors for autonomous pick-and-place robots in logistics warehouses. Following our entry into this market, we have also begun receiving RFQs for drives used in humanoid robots—an area poised for significant growth in the future.

These examples clearly demonstrate the importance of engaging directly with OEMs, regardless of which tier of partner a business unit operates as. Understanding the strategies, innovations, and requirements of companies engaged in B to C business is critical. OEMs invest heavily in market analysis, trend forecasting, and customer insights to determine which products will help them grow their market share. By working closely with them, EMT can support their newest developments and position itself as a first-mover in delivering next-generation products—ultimately securing access to higher-margin opportunities.

Semiconductor & Electronics (SE)

Develop new products for future growth areas through synergies among our eight core products, creating business opportunities for the entire group.



Managing Executive Officer, Chief of Semiconductor & Electronics Business Headquarters
Katsuyuki Iwakuma

Core competencies

The foundation of SE's competitiveness lies in its strong technological development capabilities in fields requiring ultra-fine processing, including semiconductor design technology, sensors, optics, MEMS, and electrical circuit technology. Furthermore, within the semiconductor division, the management integration with MITSUMI, ABLIC, HONDA TSUSHIN KOGYO, Minebea Connect (formerly SUMIKO TEC), and Minebea Power Semiconductor Device (formerly Hitachi Power Semiconductor Devices, MPSD) has fused core technologies such as ultra-precision machining and vertical integration—the DNA of Minebea Mitsumi. This has established a seamless system from development to mass production, enabling us to respond meticulously to customer needs. Five of the eight spearhead products belong to SE, serving as the driving force behind the creation of synergies across the entire group.

MinebeaMitsumi's Eight Pillars

Bearings	Sensors
Analog Semiconductors	Connectors/ Switches
Motor	Power Supply
Access Products	Wireless/Communication/ Software

SE Coverage Areas

Opportunities	Risks	Response to Opportunities and Risks
● Growing demand for further reductions in power consumption, miniaturization, and increased precision in key fields such as automotive, communications, and medical applications ● Growing demand for analog semiconductors, connectors, power supplies, and other components capable of handling high voltage and high current ● Improved connectivity in automobiles, home appliances, infrastructure, etc., driven by AI/big data ● Increased inquiries to Japanese companies due to tighter regulations on high-tech industries stemming from U.S.-China trade friction	● Emergence of new technologies/ applications replacing existing technologies ● Rapid changes in demand for end products ● Emergence of low-cost competitors in China and other regions ● Constraints on component supply chains due to U.S.-China trade friction	● Focus on developing new products leveraging technological capabilities and synergies, and acquiring new customers ● Strengthening competitiveness through analog semiconductor capacity expansion and creating synergies with internal resources ● Determining capital investment plans aligned with the business growth phase and establishing a production system that flexibly responds to customer orders ● Identification and targeting of niche markets where competitive advantage can be gained

Overview for the fiscal year ended March 2025

Revenue for the fiscal year ended March 2025 reached ¥527.6 billion, representing a 6.7% increase compared to the previous fiscal year. This was primarily due to the inclusion of the results of MPSD, which became a consolidated subsidiary on May 2, 2024, despite a decrease in sales of mechanical components. Operating income was ¥22.0 billion, with an operating margin of 4.2%. Compared to the previous fiscal year, operating income decreased by 38.1% and the operating margin decreased by 3.0 percentage points. This includes approximately ¥3.0 billion in one-time expenses related to the PPA processing of MPSD.

Outlook for the fiscal year ending March 2026

In the semiconductor business, we are strengthening our focus on niche areas for both analog semiconductors and power semiconductors, and expect increased revenue and profit. For optical devices, the factory utilization rate temporarily declined in Q1 due to the rare earth issue. We have now resumed full-scale operations for the second half and are working to recover production. For mechanical components, the sharp appreciation of the yen caused foreign exchange impacts, resulting in near-break-even profitability. However, we expect to secure operating income in line with the initial plan from the second quarter onward.

Business outlook

1 Semiconductors

- Analog semiconductors: Continued focus on niche and custom areas. To enhance back-end production capacity, construction has begun on the largest production building at the Cebu plant, utilizing the Global South subsidy (scheduled to start construction in April 2025 and complete in October 2026).
- Power semiconductors will specialize in high-voltage and high-performance segments to further expand business.

2 Optical devices

- Under the Chairman's Office ICU, fundamental operations are under review.
- Expect OIS rare earth export restrictions to be resolved in 2Q or later

3 Mechanical components

- Review of fundamental operations completed under the Chairman's Office ICU
- New model launch commenced smoothly; demand for increased production currently exists

Long-term strategy

Among the eight spearhead products, following semiconductors which grew as the second driver, we recognize that the most important challenge for SE is to vigorously grow the remaining fields into future core businesses. Sub-core businesses (optical devices, mechanical components) are considered businesses at risk of technological obsolescence and eventual disappearance. However, as long as they generate profits, they serve the role of allocating funds for growth investments. We will carefully assess future profitability and aim to improve the overall profitability of the SE business. (Operating margin of 10% or higher).
To achieve this, we will pursue: (1) autonomous growth, (2) development of new products encompassing these businesses, and (3) M&A of companies expected to create synergies with existing businesses and improve profitability.

INTERVIEW

Combining master craftsmanship in analog semiconductors with unique IGBT technology, we aim for global niche leadership

Head of Semiconductor Business Unit
Takatoshi Itagaki

The Semiconductor Division consists of three business units: the Semiconductor Business Unit, the ABLIC Business Unit, and the Power Device Business Unit. I am responsible for the Semiconductor Business Unit. The Semiconductor Division concentrates its development resources on niche and custom areas, focusing on five business domains: ICs for lithium-ion batteries, power supply ICs, IGBTs, MEMS/sensors, and synergistic activities.

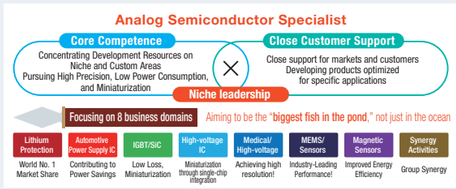
Our lithium-ion battery ICs leverage our position as the global market leader. We have established a development and manufacturing system that enables us to quickly develop new products by gathering information on next-generation systems for smartphones, earphones, and other devices, as well as on new battery technologies. Development employs circuitry and manufacturing processes combining master craftsmanship. In manufacturing, we differentiate ourselves from fabless manufacturers by utilizing contract manufacturers in competitive regions like China while maintaining in-house production at our own factories. This enables flexible supply responses to urgent delivery deadlines directly from our own facilities, a significant strength.

In the power supply IC sector, as the world moves toward electrification and higher currents, we are developing the world's first IC that reduces noise generated by the main power supply using semiconductors, without requiring complex noise reduction systems. This contributes to the miniaturization and weight reduction of customer systems, driving sales growth.

For IGBTs, in-house production at our own factories allows us to closely align device development with manufacturing processes. This enables us to develop unique power semiconductor devices, enhancing our competitiveness.

Furthermore, by synergizing with the eight pillars of the MinebeaMitsumi group, we will accelerate the development of synergistic products that solve societal challenges. Specifically, we will strengthen our robotics solutions by leveraging our high-sensitivity MEMS and sensor technologies, and develop motor control ICs that maximize the performance of our own motors by utilizing our high-efficiency circuit technologies. Through synergies within the MinebeaMitsumi group, we will leverage each company's strengths and integrate them to build high-performance, one-of-a-kind solutions.

Moving forward, we will focus on developing individual technologies in our key areas to achieve organic growth. Simultaneously, we will deepen our synergistic activities. The entire Semiconductor Division will work as one to contribute to achieving the division's overall goals: early operating income of ¥30 billion and, in the medium term, sales of ¥200 billion and an operating margin of 30% by the fiscal year ending March 2029.



Access Solutions (AS)

Maximizing synergies through management integration to enhance competitiveness as a Tier 1 business

Managing Executive Officer, Chief of Access Solutions Business Headquarters
Osamu Nakamura

Core competencies

We possess comprehensive expertise in developing and designing systems for every automotive field—from mechanical mechanisms to electronic technology and even software—handling everything from design through production. Through integration with Minebea Access Solutions (formerly Honda Lock), we are strengthening our product offerings (enhancing synergies in the access products business), sales (expanding Tier 1 business through complementary customer bases), and global footprint (achieving global coverage through complementary regional presence).

MinebeaMitsumi's Eight Pillars

- Bearings
- Sensors
- Analog Semiconductors
- Connectors/ Switches
- Motor
- Power Supply
- Access Products
- Wireless/Communication/ Software

AS Coverage Areas

Opportunities

- Shift toward high-value-added products driven by electrification and increased functionality in automobiles
- Growth in the digital key market driven by the shift to connected cars
- Increase in the number of components per vehicle due to higher value-added products like steering wheels, latches, power closure systems, and door mirrors
- Expansion of Tier 1 business

Risks

- Production adjustments by automakers due to economic trends and parts procurement difficulties
- Potential preference by automakers for existing products due to factors like part/ function safety and commonality
- Intensified competitive pressure from rivals and its impact on pricing strategies

Response to Opportunities and Risks

- Shift from low-priced to high-value-added products through structural reforms
- Enhancing technological presence and accelerating development of high-end products for luxury automakers
- Development of a common engine through our proprietary modularization/actuator technology

Overview for the fiscal year ended March 2025

Sales for the fiscal year ended March 2025 reached ¥328.1 billion, an increase of 1.9% compared to the previous fiscal year. This was driven by factors such as expanding market share in automotive devices, despite a slowdown in the automotive market, particularly in China.

Operating income was ¥15.9 billion, with an operating margin of 4.9%. Compared to the previous fiscal year, operating income increased by 49.9%, and the operating margin increased by 1.6 percentage points. This includes approximately ¥1.2 billion in one-time expenses. This includes restructuring costs at some locations and expenses related to quality issues prior to the MAS integration.

Outlook for the fiscal year ending March 2026

Despite an expected continued downturn in the automotive market, we expect increased profits through continued productivity improvement initiatives.

We have strengthened the development of complementary products to expand our lineup of high-value-added products. Starting this fiscal year, mass production of high-value-added products such as flash handles, which have been under development for many years, will progress further. Furthermore, by strengthening collaboration between bases and systematically promoting the horizontal deployment of successful cases as best practices, productivity has improved dramatically. Through the market introduction of these high-margin products and productivity improvements, we will overcome the challenging business environment and enhance the profitability of the AS segment.

Business outlook

1 Increased proportion of high-value-added products due to electrification of access products

- The electrification of access products expanded beyond expectations, increasing the proportion of high-value-added products
- Successively introducing complementary products such as flash handles and wing handles to the market

2 Despite declining sales, continued profitability improvement is expected through structural reforms, price adjustments, and thorough productivity enhancements

3 The motorcycle business for India is performing steadily

Long-term strategy

AS will pursue expansion of its automotive business by maximizing its presence as a Tier 1 supplier, leveraging synergies from the management integration, and directly proposing various Minebea Mitsumi group products to automakers. Furthermore, we will enhance profitability by shifting toward high-value-added products such as CSD (Compact Spindle Drive) and flash handles, and focusing on creating synergies with other segments. Beyond quality improvements, productivity gains, and strengthening management systems, we will accelerate early profitability improvements by injecting global talent and manufacturing know-how from across the group. We will also establish competitive products through technological integration.

INTERVIEW

Driving growth with passion

Head of the Americas Access Solutions Business Unit
Thilo Rehm

After working at the MinebeaMitsumi Technology Center Europe (MTCE) for over 30 years, I assumed the role of head of the Americas AS Business Unit in January 2024. We manufacture automotive components for the North and South American markets, including door mirrors, door handles, lock sets, and switches. We currently rely on one major customer, but our goal is to increase sales by more than 50% over the next five years by developing products at each of our sites in Japan, the U.S., Europe, and Brazil, and by acquiring new customers. With a higher risk in the supply chain compared to the past and the actual US tariffs, there is a big demand for localization in the USA. MinebeaMitsumi and Minebea AccessSolutions have a global strength with many sales offices, development centers and production locations around the world. Together with a strong benchmarking and Yokoten culture, agile operations and highly skilled workforces we create value through difference, serving the local markets in North and South America with a strong supply chain in Asia and Mexico.

We believe that government policies will continue to bring changes in the business environment, and we recognize that the challenge is to expand our business while adapting to the changing circumstances and hedging risks.

This year, we have received more new inquiries from various OEMs, and we believe that opportunities to expand our business are present and we will build win-win relationships with our customers, including the antenna business, which can become an integrated mechanical and electrical product.

When I arrived in the USA, the factory had various problems, including quality, delivery dates and productivity, and it was low level without passion. The first mission was to enforce the local management by giving clear directions but also giving challenges. Detailed performance monitors, daily Genba walks as well as incentive and recognition programs were the key to improve the engagement and the passion of the production associates. With that, the productivity in the assembly and paint areas were continuously improved. As an example, the paint team improved their first pass yield by more than 15%, and the team members received a memorial shirt as recognition for this significant improvement. Although we significantly improved our performance and operating income during the last year, we are at the beginning of an exciting trip, achieving our challenging targets with passion.

Sales Capabilities

Why What we consider most important in sales

We are advancing reforms across the Sales Headquarters to achieve a target of 2.5 trillion yen in net sales and 250.0 billion yen in operating income. A key focus of these reforms is developing *Sales Open Field*, meaning untapped markets and latent customer demand.

By co-creating with customers and developing optimal solutions for each market, we contribute to solving social issues while opening up new business opportunities. To drive this initiative, we are strengthening data-driven sales activities while advancing the Sales Samurai Project, in which experienced frontline sales members develop the next generation of management. Through these initiatives, we will elevate the capabilities of the entire organization, contributing to sustainable growth and enhanced corporate value.

Message from the Chief of Sales Headquarters

From "market share first" to maximizing profit

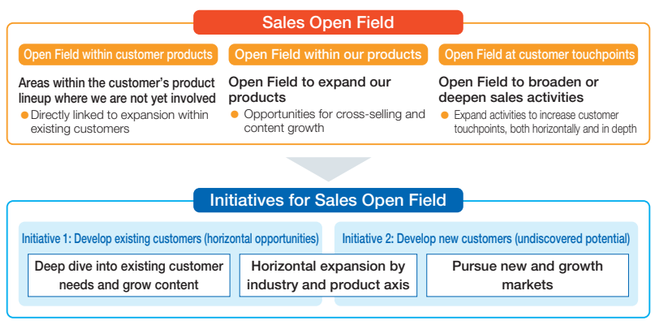
The mission of the Sales Headquarters is to maximize company profit. The surge in raw material and transportation costs that began during the COVID-19 pandemic continues to weigh on earnings. In response, we shifted away from a "market share first" mindset toward price correction to prioritize profit. This experience reaffirmed that maximizing profit, not merely expanding sales, is the true mission of sales. To achieve this goal, we are pursuing systematic and efficient sales activities. Specifically, by introducing a sales support system to centrally manage customer information and project-by-project profit margins and amounts, we are advancing the visualization and sharing of information. We also introduced a new incentive system linked to profit margins and amounts to enhance motivation across the sales organization.

As the Chief of Sales Headquarters, I encourage the entire Sales Headquarters to always set ambitious goals. For example, we estimate the profitability of our products being adopted in growth markets such as humanoid robots, LiDAR, and drones, and present a concrete vision of the future. This illustrates *Sales Open Field* within sales activities to the team, motivating each member to pursue their goals with greater enthusiasm. We will continue driving sales reforms to improve profitability and expand into new markets. By maximizing collaboration through an integrated manufacturing and sales system, we aim to capture markets ahead of competitors and secure greater profits.

Managing Executive Officer
and Chief of Sales Headquarters
Shinji Shirakata

Sales reform 1 *Sales Open Field*

Sales Open Field refers to latent demand or unexplored opportunities among customers who have yet to place orders. We are pursuing two initiatives to uncover and realize this potential. The first is approaching potential horizontal expansion. This involves leveraging success stories with existing clients to expand to other customers or applications with similar needs. We promote efficient horizontal expansion through *matrix sales*, where the sales team uses potential customer lists created by the marketing department. The second is uncovering undiscovered potential. To grasp unmet and unknown demand, we collaborate with the marketing and technical divisions to make proactive, hypothesis-driven proposals targeting specific industries and applications. We are also enhancing product catalogs and technical documents on our website to encourage inquiries and uncover latent needs among potential customers. Our current sales style is based on account-based sales, with each salesperson covering a broad range of customer needs, promoting content growth. In some cases, the sales and technical teams collaborate based on customer needs to propose or co-develop new products, expanding our offerings. Leveraging the strengths of account-based sales, our trusted sales representatives step into unexplored areas, creating person-to-person *integration*. By pursuing *Sales Open Field*, we aim to generate maximum sales profit and achieve business expansion.



Sales reform 2 Leveraging databases to strengthen sales capabilities

Until now, sales information was scattered across individual sales reps' computers and emails, making *personalization* a major challenge. To eliminate this inefficiency, we internally developed and implemented a sales platform (sales support system) to promote *visibility* and *information sharing*. This system consolidates all information, including customer data, project roadmaps, and quote history, not only improving sales efficiency but also allowing all stakeholders to share up-to-date information in real time and make faster decisions. In addition to deal management, we aim to centralize workflows such as sample and quotation requests, enabling analysis of profit margins and amounts by project, as well as detailed analysis by application. This initiative represents a shift away from traditional, personalized sales methods toward a data-driven sales approach. We have also introduced an incentive system to boost sales members' motivation. Initially, incentives are awarded for discovering *Sales Open Field*. Many projects have already been logged, rewards have been distributed, and this has contributed to higher motivation among sales members. Going forward, we will update the themes every three months. Incentives will not only reward order achievements but also recognize networking efforts, such as referring potential interests or requests from clients to other sales reps. This will help embed the system and continually boost motivation, fostering a culture of rewarding results.

Sales Samurai Project

The Samurai Project is a key initiative aimed at strengthening personnel and enhancing functionality within the Sales Headquarters. Currently, frontline members with proven track records have been transferred to the human resource development department, where a six-member team is driving two pillars that support the sustainable growth of our sales organization. The first is the development and use of the sales support system, as mentioned earlier. Samurai members collaborate with external experts to centralize customer information and project progress, improving sales efficiency, eliminating dependency on individuals, and promoting data-driven strategic sales. The second is the development of management members capable of training others. We select promising individuals and provide structured training and on-the-job learning to consistently develop high-quality management personnel, focusing on strengthening the Sales Headquarters.

INTERVIEW

Structure and people transforming the sales force
Samurai team drives frontline-led reform

The Sales Samurai team is part of the human resources and general affairs division's human resource development department. It was launched with the aim of developing current and future sales leaders. The two main pillars of this initiative are a *structure built by people* and a *structure built by systems*.

1 Structure built by people

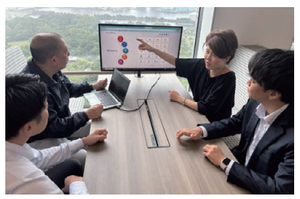
The sales group used to use various meeting formats and management approaches, with an overall lack of standardization. On the human resource development front, the Samurai team is creating and leading practical monthly and weekly meeting formats focused on hands-on OJT, driving structural reform through direct involvement and role-playing. These meetings focus on cultivating execution skills by developing and implementing sales strategies from lead generation to order capture.

2 Structure built by systems

On the system side, we are developing a proprietary sales support system that is specifically built to match *integrated* precision component manufacturers. The system centrally manages customer information, deal progress, sample coordination, and mass production. It also aims to visualize projected profit contribution during the pre-deal potential stage. This enhances the accuracy and speed of proposals on the sales side, improves early investment decision making on the business side, and promotes stronger collaboration and operational efficiency between sales and business sides.

Guided by the belief that *people are always the key to success*, we aim to integrate passion, structure, and business strategy, with the ultimate goal of producing *salespeople who are committed, capable, and able to deliver value to customers*. Through the Samurai initiative, we will continue to develop both the systems and passionate, action-oriented leaders.

Deputy General Manager, Human Resources
Development Department
Yukihiro Katakura



Human Capital

The *integration* between our business and technology, which drives our growth, is enabled by the *integration* among our people. Human capital is what propels our sustainable growth forward. Each employee brings passion to their work, and through *integration* based on that passion, they create meaningful differences that accelerate the realization of our management strategy.

Human capital strategies — Message from officer in charge of human resources development —

Our mission is to maximize the human capital that underpins our growth by creating an environment where diverse employees can thrive and fully demonstrate their abilities. To this end, we have set material issues (materiality) and medium-term targets linked to them, and are executing our talent strategy aligned with these goals.

In our talent strategy, we aim to build a workforce that takes initiative and delivers results, guided by the values that define the strength of MinebeaMitsumi talent: on-site capability, passion to take on challenges, *integration*, and a *My ball spirit*. To transform into such a workforce, we are tackling four priority issues: (1) Systematic management of human resource allocation, (2) Strengthening organizational capabilities by developing and utilizing self-directed talent, (3) Cultivating corporate culture for strategy realization, and (4) Improvement of employee engagement.

Personally, I am driven by the passion to "drive our Company's transformation, create a culture where employees can work freely, and deliver new value and impact to society and the organization."

Business Officer, Deputy Head of HR & General Affairs Division

Motoki Kato

1 Human capital value creation story as the foundation of our growth strategy

Growth strategy

Organic growth

M&A

Developing products and supplying components for addressing social issues

+

Development of high-value-added products through *integration*

Management targets

- Net sales ¥2.5 trillion
- Operating income ¥250.0 billion
- ROE 15% or more
- EPS growth rate 15% or more (CAGR)

Sustainable growth

Human capital as a foundational strategy

Priority topic	Creating a workplace where employees can fully and energetically utilize their skills, knowledge, and experience			
Material issues	Building systems that enable the Company and employees to grow together		Promoting global DEI	Creating a safe and healthy workplace where employees are highly engaged
Medium-term targets	Discovering, developing, and strengthening core talent to lead future group management	Strengthening organizational capabilities by developing and utilizing self-directed talent	Establishing a culture of differentiating ourselves and creating value through *integration* activities based on passion	Improvement of employee engagement / Enhancing health and safety standards
Talent strategy (Four priority issues)	1 Systematic management of human resource allocation Page 53	2 Strengthening organizational capabilities by developing and utilizing self-directed talent Page 54	3 Cultivating corporate culture for strategy realization Page 55	4 Improvement of employee engagement Page 57

Becoming an indispensable company by driving the world forward

2 Strengths of our human capital

The manufacturing know-how that has been cultivated since the foundation of the Company and the technological and sales capabilities that have been augmented through M&As and other factors are the strengths of our human capital. With respect to such human capital (capabilities such as skill, knowledge and experience), we believe that the following are key factors that contribute to our value creation: (1) securing and developing employees through systematic and effective investment (improving employees capabilities) and (2) creating an environment in which diverse employees of all ages can live up to their full potential (elevating the capability leverage level). Based on this belief, we implement effective human resources measures.

Characteristics of our human capital as of the end of March 2025 *End of June 2025

1 Diversity of talents as a source of innovation

Proportion of mid-career hires (Japan)	53.2%
Proportion of foreign executives at the head office*	6.8%
Proportion of female managers (global)	13.7%
Proportion of female employees (global)	59.1%

Number of employees by region

Japan	11,249	13.5%
Asia (excluding Japan)	60,642	72.8%
North & South America	6,169	7.4%
Europe	5,196	6.3%
Entire group	**83,256**	**100%**

Number of employees across the entire group, excluding part-time, contract, and dispatched employees (107,647 employees, including part-time, contract, and dispatched employees)

2 Three-pronged structure combining manufacturing know-how, technological capabilities, and sales capabilities

Global production and sales framework

Locations/bases	28 countries
129 production and R&D bases and 100 sales offices	
Number of Japanese expatriates	705

Engineers and skilled workers who continue to evolve and also pass on their know-how

Research and development personnel

Entire group	9,277	
Of which, have doctoral degrees	49	(0.5%)
Of which, have master's degrees	1,592	(17.2%)

3 Talent strategy linked to our management strategy

Growth strategy + Foundational strategy

Linked

Talent strategy

As-is: Current Workforce

Transformation of talent group

Implementing various human resource initiatives to transform into a workforce capable of addressing current challenges and realizing our strategies (growth strategy + foundational strategy)

Our human resources management policy Page 54

Our human resource ideals Page 54

A workforce that takes initiative and delivers results

<Four values>

On-site | Passion and challenge | *Integration* | My ball spirit

To-be: Workforce in 2029 (four years from now)

< Four priority issues>

1 Systematic management of human resource allocation Page 53

2 Strengthening organizational capabilities by developing and utilizing self-directed talent Page 54

3 Cultivating corporate culture for strategy realization Page 55

4 Improvement of employee engagement Page 57

4 Initiatives for taking on our four priority issues

1 Systematic management of human resource allocation

Main issues

1. Discover, develop, and strengthen the human resources that will lead the group's management in the future
2. Professional development and know-how succession for manufacturing, sales, and technology
3. Secure the human resources needed for growth (securing both quality and quantity of personnel)

Measures

- Systematically discover, develop, and strengthen core human resources
- Renewal of training programs following HR system revisions
- Samurai Project (manufacturing, sales, technology)
- Implement various human resource securing activities

Outcomes

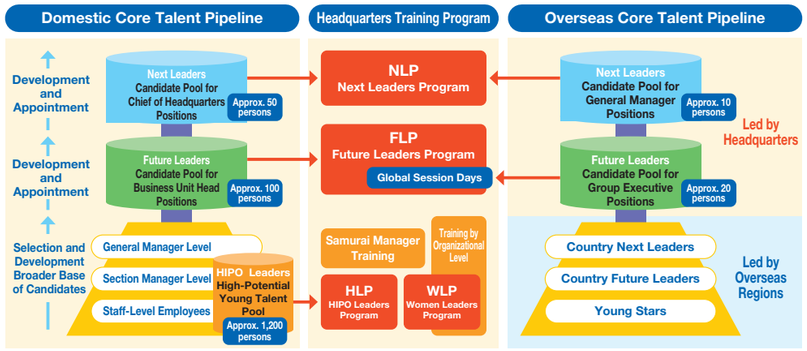
- Systematically secure human resources necessary for implementing our management strategies
- Steadily pass on the strengths befitting the human resources of MinebeaMitsumi to the next generation

Systematic discovery, development, and strengthening of core human resources

We have established talent pools for successors to key group positions, such as chiefs of headquarters, general managers, heads of business units, and group executives, as well as for promising young talent. We provide effective training and assignments to support their development.

In fiscal 2024, we launched three selective leadership programs tailored to specific talent requirements: the Next Leaders Program (NLP), Future Leaders Program (FLP), and HIPO Leaders Program (HLP). Selected candidates from both Japan and overseas are participating from our talent pools. The training aims to: (1) build the mindset, perspective, and skills needed for leadership, (2) cultivate a global leader's ability to think broadly, conceptualize, and execute, (3) foster interaction and synergy among top talent (*integration* activities), and (4) help participants rediscover the source of their personal passion (*My Passion*).

At the same time, we are also actively recruiting human resources for top management from outside the Company to evolve our businesses.



Samurai Project (Developing next-generation managers at overseas production plants)

Sales Samurai Project Page 50

Launched in November 2023, the Samurai Project began with the goal of improving the performance of overseas production plants. It includes a support program for overseas production plant managers and a candidate development program. The candidate development program provides training to help employees acquire the knowledge and behavioral skills needed, such as team building, so they can deliver results immediately upon becoming overseas plant managers. Employees who complete this candidate development program are appointed to those positions. After being appointed as overseas plant managers, they are continuously supported through systematic handovers, which help bridge the gap between the ideal and current state of plant management and achieve strong performance.

Implement various human resource securing activities

To secure the talent needed for continued growth, we have implemented a *Reemployment System* for rehiring employees who have left the Company and a *Referral System* that promotes hiring through employee referrals. We also adopted a mandatory retirement age of 65 ahead of many others.

As a global hiring initiative, we established a Global Support Center (GSC) in our Cebu Plant in April of 2024. We are developing local talent in IT, development, and back office functions, and supply them to group companies around the world. We have also defined a global recruitment branding concept: HERE, THERE, EVERYWHERE, and have launched effective recruitment branding activities across our overseas group companies.

2 Strengthening organizational capabilities by developing and utilizing self-directed talent

Main issues

1. Cultivate talent that contributes to business through self-directed growth, supported by fair evaluation and compensation based on performance, contributions, and roles
1. Improve performance of both individuals and the organization through optimal human capital allocation, growth support, and fair evaluation
1. Strengthen organizational competitiveness by aligning employee skills and aspirations with business needs

Measures

- Revision of HR systems (grade system, evaluation system, compensation system)

Outcomes

- Maximizing the potential of each employee and enhancing organizational strength

Revision of HR systems

We position the development and optimal utilization of autonomous talent to strengthen organizational capabilities as a key issue in our talent strategy, and will implement a revision of our HR systems in October 2025 to achieve this. In considering the revisions, we have established our human resources management policy, which expresses our approach, policies, and philosophy regarding human resources. By conducting fair and convincing evaluation based on each employee's achievements, contributions, and expected roles, and providing corresponding treatment, we are working to foster employees who proactively shape their careers, grow autonomously, and contribute to the business.

Overview of the system revisions

Grade system	● Clarify the expected role level for employees in each grade, and strengthen the system for continuously assessing both their approach to work and their results. ● Enable promotions based on evaluation results regardless of nationality, gender, or age, while also providing a system to support employees in proactively building their careers.
Evaluation system	● Establish evaluation items based on "our human resource ideals" to foster a corporate culture unique to MinebeaMitsumi. ● Promote autonomous growth of employees through appropriate evaluation and treatment based on role levels. ● Support career development by ensuring thorough feedback through meetings between supervisors and team members to clarify expected roles and challenges.
Compensation system	● Simplify the compensation composition for clarity, and set appropriate market-level compensation according to the role level of each grade. ● Ensure appropriate treatment based on evaluations to continuously optimize personnel costs.

Our human resources management policy

We highly value employees who achieve results by taking action aligned with our human resource ideals. We appropriately reward them based on performance evaluation results while also offering them further opportunities to take on challenges and achieve growth, irrespective of nationality, gender, age, academic background, life planning, and other such factors.

We will create a bright future for the Company together with our employees by achieving sustainable growth in creating an organization where diverse employees who embrace the Company's corporate philosophy take initiative of their own accord.

Our human resource ideals —A workforce that takes initiative and delivers results

Four values	Content
On-site	● Go *on-site*, checking the *actual situation* and seeing the *actual conditions* directly, in person. Thus develop an accurate understanding by touching, hearing, and feeling the realities of worksites. ● Always keep our corporate philosophy in mind, making appropriate decisions based on fundamental principles.
Passion and challenge	● Not constrained by conventional wisdom, but instead strive to go beyond it, passionately taking on new challenges. ● Set high goals for themselves, consider how they can achieve them, and act with speed.
Integration	● Actively understand, respect, and accept diverse values (DEI). *DEI = Diversity, Equity & Inclusion ● Always strive to leverage the strengths of others, lend their own strengths to others, and unite stakeholders in harnessing their collective wisdom as a team. ● Through these, create new and unprecedented value and achieve sustained personal and organizational growth.
My ball spirit	● Take ownership and exercise initiative in addressing challenges and circumstances, rather than showing passivity and waiting for instructions from others.

③ Cultivating corporate culture for strategy realization

Main issues

1. **Establish a culture of differentiating ourselves and creating value through *integration* activities based on passion**
2. **Promote DEI, the foundation of our *integration* activities**
3. **Establish the values befitting and unique to MinebeaMitsumi**

Measures

- **Promote team building activities**
- **Promote DEI (Promote the advancement of diverse groups, etc.)**
- **Revision of HR systems**

Outcomes

- **Effective management through the best mix of top-down and bottom-up approaches**
- **Establish autonomous *integration* activities in which our diverse group of employees can thrive regardless of their nationality, gender, age, the company they previously belonged to, etc.**

Team building activities

We define team-building activities as initiatives where employees from departments with few day-to-day interactions form teams, work together, and contribute to realizing our corporate philosophy, and we promote these activities companywide.

We encourage bottom-up activities driven by employees' *passion*, spreading best practices developed through these efforts across the group to accelerate the embodiment of our corporate philosophy. This is also an effective management method for enhancing employee engagement. In fiscal 2025, we accepted the entry of 420 teams in 18 countries, and we are conducting activities throughout the Company under the themes of improving productivity, creating value through *integration* activities, creating products focused on solving social issues, and more.

Each fiscal year, we recognize wonderful initiatives and challenges which produced exceptional results in our All-MinebeaMitsumi Team Building Awards (held for the sixth time in fiscal 2025).



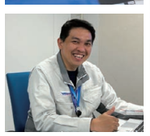
Group executive officer's meetings and large factory management meetings

With overseas employees making up around 90% of our workforce, we have a group Executive Officer system in which members are appointed from non-Japanese management at our overseas subsidiaries. The group Executive Officer's meetings, held twice a year, serve as a forum to communicate with Senior Executive Officers while facilitating swift problem-solving, promoting local management, and executing cross-cutting initiatives at the global level, thereby fostering cross-border *integration* activities within the MinebeaMitsumi group. In fiscal 2025, we are planning, formulating, and implementing global HR initiatives under three key themes: (1) global recruitment branding, (2) talent management and succession planning, and (3) cross-plant employee training and capability development.

At the Large Factory Management Meetings, top executives and local top management from each country actively exchange opinions. By uniting the leadership of our large plants to address challenges and horizontally sharing each plant's best practices, we establish swift and effective management.

Overseas Employee Trainee Program

Since 2016, we have been implementing the Overseas Employee Trainee Program, under which we accept outstanding local employees with the potential to become core personnel at our overseas offices for one year in Japan, providing them with systematic development. Since last year, the fourth intake has included one trainee each from Thailand, China, and the Philippines. They rotate through our plants across Japan, starting with the administrative divisions at our Tokyo head office, gaining an understanding of Japanese operations while undergoing training, thereby developing local talent to lead the future of the MinebeaMitsumi group.


Promotion of DEI and advancement of women

We believe that a corporate culture of creating new value by actively welcoming differences is the foundation of our *integration* activities. Based on this concept, we actively promote diversity, equity & inclusion (DEI). In talent appointments, we actively promote outstanding individuals based on the *spirit of equality*, regardless of their company of origin, and we place particular emphasis on promoting women's participation. As a specific KPI, we have set a target (for MinebeaMitsumi on a standalone basis) of achieving a female manager ratio of 8.0% by the fiscal year ending March 2029 (fiscal 2024 result: 3.8%). Under the leadership of management, we are driving initiatives company-wide to achieve the goal.

● Awareness reform seminars to promote women's participation (fiscal 2024)

In fiscal 2024, we held three in-house seminars between October and December. The seminars were designed to encourage awareness reform among both current managers and female employees. For managers, the program communicated that DEI is essential to business strategy and emphasized the importance of an inclusive organizational culture where diverse talent can thrive, prompting behavioral change. For female employees, Independent Outside Directors and employees with diverse career backgrounds spoke, sharing their real-life experience to convey the importance of proactive career design and the appeal of management roles, fostering motivation for career advancement. Throughout the series, participants gained awareness of *unconscious bias* and shared the importance of dialogue across positions and roles. Many participants offered positive feedback, some saying that "it inspired them in their career development," and that "they now understand the importance of promoting DEI." The seminars were a great opportunity to enhance employee engagement.


● Launched the Next-Generation Women Leaders Program (WLP)

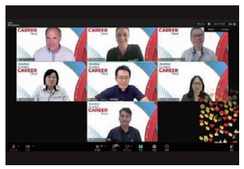
Recognizing the urgent need to develop female managers in a planned manner to ensure diverse perspectives that improve decision-making, we launched the Next-Generation Women Leaders Program (WLP) in fiscal 2025. This program supports each participant in breaking free from conventional, one-size-fits-all images of leadership, maximizing their individual strengths, and establishing their own leadership style, enabling them to grow into next-generation leaders who bring new value and transformation to the organization. After systematically acquiring the skills and mindset needed to lead change, participants undertake team-based practical projects under the theme *Breaking the Company's Status Quo* and directly present their results to management. In parallel, unconscious bias training is provided for participants' supervisors, fostering an inclusive culture that supports women's success across the organization.

● Hosting the DEI Promotion Month

In fiscal 2025, we designated July as DEI Promotion Month and held six events aimed at creating a workplace where diverse employees can thrive and at encouraging reflection on autonomous career development. In the Global Career Talk, which saw online participation from over 800 employees in 12 countries, five employees from Japan, Thailand, the Philippines, China, and Germany with diverse backgrounds served as panelists and discussed their careers centered on their own *My Passion*. This provided an opportunity to reaffirm our diversity as a global company and to consider how employees can work in ways that are true to themselves. Approximately 150 employees attended the Dementia Supporter Training Course, where a certified care worker and representatives from support organizations gave talks. Participants learned basic knowledge about dementia and how using support services can help balance work and caregiving. In the Creating Workplaces that Leverage Individuality seminar, participants had a good opportunity to reflect on their own traits and characteristics, which everyone possesses, and considered how to build workplaces where they can be more true to themselves, while also learning the basics and value of employing persons with disabilities. Through these activities, we enhance employee awareness of DEI, further deepen our corporate philosophy of *integration*, and connect these efforts to the sustainable enhancement of corporate value.

DEI Promotion Month (July 2025)

1. Global Career Talk by employees
2. My Passion Program experience sessions
3. Dementia Supporter Training Course
4. Unconscious Bias Management Workshop
5. Creating Workplaces that Leverage Individuality (Promoting the Inclusion of Persons with Disabilities)
6. Building Teams that Turn Differences into Strength (Equity)



What is *My Passion*?

My Passion is the verbalization of each employee's passion, or in other words, what they are passionate about in life and what they want to accomplish. This is a concept valued by our CEO, Mr. Kainuma. To put our corporate slogan (*Passion to Create Value through Difference*) into practice, each employee is encouraged to have passion and engage in *integration* activities based on that passion to create differences, accelerating the realization of our management strategy.

To articulate *My Passion*, one must reflect on the past and consider what excites them (WANT), what social issues they want to address (MUST), and what they are capable of (CAN), leading them to identify the source of their passion.

Working not on tasks assigned by others, but based on one's intrinsic motivation, enables individuals to act in a self-driven manner with greater sustainability, strength, and creativity. *My Passion* is a driver for developing employees who create value proactively.

Sharing *My Passion* among employees also helps foster a culture that respects diversity in work motivations and values. Furthermore, when supervisors engage in dialogue with members about their *My Passion*, it serves as a management tool for building an organization where every employee can drive themselves forward.

4 Improvement of employee engagement

Main issues

1. Give employees a sense of the direction of our transformation for the next generation
2. Prepare an environment for working more efficiently
3. Further activate vertical (reporting line) and horizontal (cross-headquarters and cross-divisional) communication
4. Create an environment conducive to employees taking on challenges on their own initiative

Measures

- Town hall meetings
- Worksite-level activities that improve employee engagement
- Dialogue-based interactive management training
- My Passion Program
- Promote team building activities

Outcomes

- Develop into an organization in which diverse employees of all ages can work with high engagement, safely, and healthily
- Deepen employees' understanding of our profit strategies and increase the number of employees strongly committed to contributing to profitability, improving productivity, and achieving quality

Overview of employee engagement survey results (conducted December 2024)

We have declared both internally and externally that improving employee engagement is a key management priority, and we are taking organized action toward this goal. In the engagement survey conducted in December 2024, we expanded the scope from the four main companies (MinebeaMitsumi, MITSUMI ELECTRIC, U-Shin, and ABLIC) to 21 group companies in Japan. A year-on-year comparison for the four main companies showed score increases in 13 of the 16 categories, and in 49 of the 60 questions. This indicates a clear overall improvement trend, driven by key initiatives in fiscal 2024 such as town hall meetings, dialogue-based interactive management training, and worksite-level activities that improve engagement. The Sustainable Engagement score, which measures whether individuals are in a state where they can maintain their willingness to contribute, rose by +1.26 points to 61 (previously 60).

Sustainable Engagement Score

61

*Ratio of favorable responses (top two categories) in the five-point scale for the four main companies (MinebeaMitsumi, MITSUMI ELECTRIC, U-Shin, and ABLIC)

Strengths	Issues	Hypotheses	Actions
1 Shared belief in corporate philosophy 2 Understanding of the Company's goals and objectives 3 Strong support for the Company's social responsibility	1 Transformation for the next generation	● Feeling that the pace of transformation in their own organization is insufficient ● Inadequate sharing of information related to transformation	● Town hall meetings ● Worksite-level activities that improve engagement ● Revision of HR systems ● Management transformation
	2 Operational efficiency	● Unable to effectively eliminate factors that reduce operational efficiency	
	3 Communication and coordination	● Insufficient effective information sharing across departments ● Insufficient efforts to incorporate employees' opinions and ideas	
	4 Talent management	● Unable to fully envision potential career paths within the Company	
	Segment Analysis	● Analysis by Job Grade: Scores tend to gradually decline as job grade decreases, with lower scores seen in Grade 4 (Assistant Manager), Grade 5 (Senior Staff), and Grade 6 (General Employees). ● Analysis by Age: Scores are relatively high among those up to their early 20s, and relatively low among those aged 35 to under 45. ● Analysis by Gender: Men's scores are relatively higher than women's scores. Year-on-year comparison shows that improvements in women's scores tend to lag slightly behind those of men.	

Policy for the current fiscal year's initiatives

Based on hypotheses derived from identified issues, we are advancing further improvement initiatives by linking (1) head office-led initiatives and (2) business headquarters/units (worksite)-led initiatives.

Specifically, head office-led initiatives include (1) communicating company-wide messages, (2) management transformation, and (3) HR system reforms. In conjunction with these initiatives, the business headquarters and units (worksite) apply the PDCA cycle to promote improvement measures based on analyses of their current status.

Head office-led initiatives

1. Company-wide message communication
   - President video message
   - President and Vice President town hall meetings
2. Management transformation
   - Promote team building activities
   - Dialogue-based interactive management training
   - My Passion Program
3. Revision of HR systems

Linked

Initiatives led by business headquarters/ units (worksite)

Improvement plans by headquarters/ business units

Common issues for headquarters

(1) Regular organizational meetings (promoting communication)
(2) Cross-unit meetings within the same industry
(3) Personnel exchanges between business units
(4) Smoother communication based on greetings
(5) Operational streamlining (decluttering project)

Management transformation: toward an organization where every employee can drive themselves forward

Team building activities Page 55

Transforming toward our target employee profile requires changes in management methods. While we have driven business growth with a speedy top-down approach, we are now transforming toward a best-mix management style that maintains clear management direction and goals from the top while actively incorporating bottom-up elements that harness employees' autonomy and creativity.

● Town hall meeting with the President and Vice President

Continuing from fiscal 2024, President Yoshida and Vice President Iwaya have plans to visit eight major domestic sites within the fiscal year to engage in direct dialogue with employees at each location. These meetings are held to convey to employees that we are serious about employee engagement and to motivate each person to think about our upcoming management transformation. Specifically, representative panelists from both management and general employees engaged in candid discussions with senior executives on what can be done from their respective positions to transform into an organization where every employee can drive themselves forward.

Employees who attended in person shared positive feedback in post-event surveys, such as: "Hearing opinions from both managers and general employees made me feel that aligning our understanding can create strong momentum," "Active discussions were held not just among representatives but also with the audience," and "The concrete discussions helped me visualize what it would mean for me personally."

● Dialogue-based interactive management training

We are conducting a dialogue-based interactive management training for learning basic skills to improve the quality and quantity of communication between supervisors and team members, based on the challenges identified from the engagement survey results. The objective is for supervisors to acquire the dialogue skills to listen to the sources of motivation and career goals of members, and then to entrust work to members, drawing out their spontaneity and autonomy and promoting transformation into a strong, self-driven organization. We conduct online training for all managers including approximately 500 general managers and deputy general managers, and 1,100 section managers, covering the following four themes: (1) psychological safety, (2) dialogue concerning members' careers and growth, (3) delegation of authority, and (4) coaching.

● My Passion Program

As an advanced version of the dialogue-based interactive management training, this program is being conducted in fiscal 2025 for all general managers. The goal is for managers to rediscover their own *My Passion* and through dialogue about members' *My Passion*, effectively draw out their autonomy and acquire management methods for building strong organizations where members operate independently. Participants commented, "Passion should not be forced, but should come from personal values, ideals, and things we empathize with," "It is important to know, empathize with, and respect each other," and "I was reminded that *integration* begins with people and is born from passion." These show positive responses to applying the My Passion concept.

Policies and initiatives related to human rights

Page 77

We regard respect for the human rights of all stakeholders involved in our business activities as one of the most critical issues under our basic management policy, and we are focusing on preventing human rights violations and ensuring employee occupational health and safety. By fostering a corporate culture that respects employee human rights, we enhance employee engagement.

External assessments (related to employee engagement)

Cebu Mitsumi recognized as one of the "Great Places to Work" in the Philippines

Cebu Mitsumi, part of our group, was recognized as one of seven major manufacturers in the Philippines certified as a "Great Place to Work." 74% of its employees responded that it is a "great place to work," compared to 65% at typical companies in the Philippines.

Great Place To Work. Certified OCT 2024-OCT 2025 PH

Major awards received in Japan

2025 健康経営優良法人 KENKO Investment for Health 大規模法人部門

2025 Certified KENKO Investment for Health Outstanding Organizations Recognition Program (large enterprise category)

2022年認定 くるみん 子育てサポートしています

Kurumin certification

女性が活躍しています！

Eruboshi certification (Highest rank: 3 stars)

Manufactured Capital

Our corporate philosophy states: *To contribute to realization of a sustainable, eco-friendly and prosperous society by providing better products, at a faster speed, in larger numbers, at a lower cost, and by smarter means*. To realize this philosophy, manufactured capital is of critical importance for us as a manufacturing company. The material issue (materiality) of "Application of AI and DX in manufacturing sites" will be achieved by further evolving the manufactured capital we have cultivated since our founding.

Message from Chief of Manufacturing Headquarters

Managing Executive Officer,
Chief of Manufacturing Headquarters
Takuya Sato

At the Manufacturing Headquarters, we consider it our vital mission to ensure that the *Monozukuri (Manufacturing) DNA* built by our predecessors since the Company's founding is carefully conserved and passed on to the next generation.

To achieve this, we will cultivate a large number of personnel equipped with our unique know-how and build a lean and agile organization capable of responding swiftly and accurately to change. M&A, a key pillar of our growth strategy, presents an excellent opportunity to acquire new manufacturing technologies. As a team of professionals, we will combine the technologies of newly joined group companies with those cultivated over the years, enhancing our strengths and maximizing the benefits of *integration*.

We are also actively advancing the material issue of "Application of AI and DX in manufacturing sites," striving to build a uniquely flexible smart factory that others cannot easily replicate. Looking toward the societal challenge of a future decline in the working-age population, use of AI and DX is indispensable. However, there are still areas, such as final mold adjustments, where the senses and experience of skilled technicians are essential. Identifying areas to be automated and those that require human craftsmanship, and achieving the optimal fusion of both in line with the times, is the true source of our competitive edge. Based on this philosophy, we will continue to refine our core competencies in ultra-precision machining and mass production technology.

As the Chief of Manufacturing Headquarters, I will take the lead in never turning away from internal challenges and issues, and maintaining a constant passion for the pursuit of solutions. I share this mindset with my team at the headquarters and aim to foster a culture of continuous challenge across the entire organization.

Basic policy for manufactured capital strategy to achieve management strategy

The Manufacturing Headquarters aims to share best practices, create vision for automated manufacturing, etc., and pass on its *Monozukuri (Manufacturing) DNA* to the next generation. Accelerating *integration* of our people through team building, we will resolve various challenges at our manufacturing sites, including production improvement, further enhancement of supply capabilities, and reinforcing of risk management associated with reducing environmental footprint.

Strengths of manufactured capital
- Vertically-integrated manufacturing
- Global production framework
- Accumulated manufacturing know-how

Aim of manufactured capital
- Establishment of an overwhelming supply system
- Mass production with minimum environmental impact
- Stable supply of high-quality and safe ultra-precision components

Strength 1 Vertically-integrated manufacturing

Many ultra-precision components, such as bearings, require a machine's precision to be at a micron (1/1,000,000) or nano (1/1,000,000,000) level, as well as the need to be mass produced in volumes numbering in the hundreds of millions. MinebeaMitsumi has established a *vertically-integrated manufacturing system* for managing everything from design and development to assembly and in-house inspection, reducing manufacturing costs and providing products with high precision and speed.

Strength 2 Global production framework

We have expanded to 129 production and R&D sites spanning 23 countries. The mother plants in Japan closely work with mass production sites in Asia, plants in Thailand, the Philippines, Cambodia, and China, as well as Europe and the United States, to swiftly and flexibly respond to diverse market needs. Moreover, we have strengthened our risk diversification system by establishing sites in multiple countries, or multiple sites within a single country, for most of our businesses, including bearings. At every location, we promote *identical technologies and management*, and produce uniform models of products at multiple sites, with an eye toward local consumption of locally manufactured products. We have thereby developed systems that drive manufacturing of products with uniform quality, even if manufactured in different locations. This does not simply diversify risk, but enables us to truly avoid risk, supplying products meeting the standards demanded by our customers even when we might encounter production interruption in some regions.

Strength 3 Sharing of manufacturing know-how and specialized team to support manufacturing

MinebeaMitsumi has honed its manufacturing capabilities by specializing in very small and miniature-sized bearings, and maintains productivity at a high level by pursuing performance, quality, and yields to the utmost. This manufacturing know-how has been shared throughout the entire group, not only for bearings but also electronic devices such as motors, as well as access products, leading to differentiation of our products. A specialized team has also been formed to support manufacturing, and synergies have been quickly demonstrated with this business integration.

Issue
Declining working-age population and rising global labor costs

Measure Automation projects

In the machines and electronic component industries, technological innovation is accelerating, and there is rising demand for large-scale, flexible, swift production and supply. With the decline of the working-age population and rising global labor costs, it is an urgent priority to develop and secure talent in manufacturing sites that can realize these initiatives while achieving labor savings. We are not only leveraging our traditional strengths such as vertically integrated production, but also actively promoting automation.

The automation we pursue does not mean unmanning all processes, but rather achieving a fusion of machines and people. The main reason is that while automation reduces direct labor, it increases the number of engineers needed to support back-office automation. Therefore, if this balance in automation is misjudged, it may actually reduce cost-effectiveness in terms of overall plant labor costs. Digitalization is ultimately a means, not something that completely replaces human roles. Our underlying philosophy is not to adopt digitalization indiscriminately, but to focus on what can only be achieved through digital technology. One of our strengths lies in the wealth of data accumulated over many years across our global manufacturing sites. We are maximizing the use of this information asset by promoting visualization initiatives, which are closely linked to advancing automation.

Outcome Achieving optimized production through data-driven automation

By leveraging robotics and automated conveyance, we plan to automate processes equivalent to 13,000 employees by the fiscal year ending March 2026. We reduced labor equivalent to 6,000 employees in the fiscal year ended March 2024 and 4,000 employees in the fiscal year ended March 2025, aiming to achieve labor cost reductions and optimal workforce allocation.

Issue
Environmental issues

Measure Use of renewable energy in manufacturing and reducing environmental impact

We are actively promoting the use of renewable energy at our manufacturing sites to achieve carbon neutrality. A representative example is our large-scale solar power project in Cambodia. Similar initiatives are being pursued at other key plants, including in Thailand and the Philippines, demonstrating our commitment to reducing environmental impact across our global manufacturing system.

Outcome Mass production with minimum environmental impact

In Cambodia, our solar power projects, with a combined capacity of about 50 MW upon completion through two solar power plants, will generate 100 GWh annually and reduce CO_2 emissions by approximately 35,000 tons.

We believe that utilizing renewable energy plays an important role in fulfilling our social responsibility, enabling large-scale production of high-quality products while significantly reducing environmental impact.

Issue
Increased geopolitical and other risks

Measure Reinforcing of risk management

As a components manufacturer with products that have the world's top market share, MinebeaMitsumi believes that fulfilling our responsibility to supply to our customers is our social responsibility, and we have worked to expand our risk management system on a global scale. In our production of ultra-precision components, we engage in thorough quality and safety management to continuously manufacture high volumes of high quality products.

Outcome Stable supply of high-quality and safe ultra-precision components

The diversity of our business and production also functions as a manner of diversifying risk. We have maintained operations and been able to steadily supply products in the face of supply chain disruptions such as the COVID-19 pandemic, rising raw material prices, and semiconductor shortages. We are sharing the quality management approaches and methods that we have developed to date with the entire group, thereby creating a system for supplying high-quality and safe products for all of our business sites worldwide.

Risks and Opportunities Pages 29 to 30
Risk management Pages 93 to 94

Example: manufacturing site mix involving the Ball Bearing Business Unit

Intellectual Capital

We contribute to the realization of our Corporate philosophy—an eco-friendly and prosperous society—by creating solution technologies that address social issues, as identified in our material issues (materiality). The driving force behind this is our unique technology and innovation-centered product development, which is flexible and scalable.

Message from Chief of Engineering Headquarters

Director, Managing Executive Officer,
Chief of Engineering Headquarters
Katsutoshi Suzuki

At the Engineering Headquarters, our vital mission is to establish the foundation for the Company to achieve sustainable growth and reach its 100th anniversary as an indispensable presence in society.

To this end, we aim to become an organization that not only deepens our mastery of underlying technologies to enhance the value of individual core products but also creates new value by combining them to develop what we call *integration* products. Our *integration* is not simply the combination of existing technologies, but about flexibly optimizing underlying technologies to address social issues, and delivering them as one-stop solutions through our broad product portfolio. This is one of our greatest strengths.

We will continue to embrace a market-in approach and pursue highly efficient technologies and products that meet the needs of the Four Highs (high voltage, high current, high frequency, and high speed), especially focusing on technological innovation in the growth areas we have identified: EVs, power electronics/energy conversion, AI, the metaverse, and robotics. This focus is how we will achieve our material issues goal of creating solution technologies that address social issues.

As the Chief of Headquarters, I will further refine our strength in one-stop solutions by pursuing deeper collaboration with external partners. At our collaborative creation office in Tokyo X Tech Garden, which has been in operation since 2023, several industry-academia collaboration projects with other companies and universities are already underway. I hope that we can count on your support as we further expand our intellectual capital.

Basic policy for intellectual capital strategy to achieve management strategy

In order to support rapid growth of our core businesses and increase competitiveness, we will strengthen basic and key technologies that improve the added value of our products, and by developing new products based on market needs. We will also generate synergies that only we can attain through *integration* and focus on solving social issues and developing new products that meet the demands of the next generations.

Strengths of Intellectual Capital
- **Diverse core technologies, including ultra-precision machining technology**
- **Power of *integration* of manufacturing, technology, development, and sales**
- **M&A execution capability/PMI**

Aim of Intellectual capital
Solving social issues, and developing and supplying new products that meet the demands of the next generations

Strength 1 Diverse core technologies, including ultra-precision machining technology

We possess production technologies centered on ultra-precision machining and mass production. By integrating underlying technologies such as sensors, optics, MEMS, semiconductor design, high-frequency, electric circuits, mechanism design, and system development, we create cutting-edge solutions.

Strength 2 Power of *integration* of manufacturing, technology, development, and sales

We have a long history of overseas expansion and have built vertically integrated systems as a result. This encompasses not only in-house production of parts and equipment in manufacturing, but also building know-how ranging from underlying technologies to product-level technologies. As such, one of our great strengths is our *integration* of various intellectual capital, centered on our ultra-precision machining technology refined for over seven decades, as well as on our ability to handle everything entirely in-house from production equipment to environmentally-friendly operations. Our Engineering Headquarters cultivates underlying technologies in each area of ultra-precision machining, materials, analysis, high frequency transmission, optics, sensor devices, motors and actuators, and software, primarily through our five sites in Tokyo, Osaka, Hamamatsu, Atsugi, and Karuizawa, to support our core businesses and *integration* activities. On the product front, we carry out cross-sectional development according to themes, which includes technologies in multiple specialized areas. Through this, we create new product lines that leverage the potential created by combining technologies. Furthermore, we have created an *integration* team consisting of members of the Sales Headquarters and the Engineering Headquarters to promote manufacturing, technology, development, and sales *integration* activities. In addition to planning *integrated* products based on the customer needs researched by each sales division, in growth markets, we also gather up-to-date information based on market trends and use it to develop pioneering *integrated* products by defining development themes and assembling dedicated teams in overseas sites close to customers.

Strength 3 M&A execution capability/PMI

As of August 2025, MinebeaMitsumi has acquired a total of 60 businesses, including 29 since April 2009, in an effort to strengthen and optimize its business portfolio. We have steadily enhanced our ability to execute M&As and also focused on PMI. By permanently upholding a spirit of equality, we are able to motivate the group's members to rapidly generate synergies.

M&A Pages 35 to 36

Issue

Developing and supplying new products that contribute to resolving social issues and that meet the needs of growing markets

Measure Stimulate collaborative creation activities and promote the *integration* of technologies

We are advancing product development by reinforcing our *Eight Spears* strategy. By building an optimal portfolio around the Eight Spears of the Company's core businesses and sub-core businesses, we aim to solve social issues through our products while achieving net sales of 2.5 trillion yen and operating income of 250.0 billion yen in the fiscal year ending March 2029.

Our Eight-Spear products are those with sustainability and stability, positioned in niches within large markets where we can dominate. While reinforcing these products, we are advancing both seed-driven commercialization and mass production, as well as needs-driven product development. We are also creating added value by combining these products together.

To create this new value, we are not limiting ourselves to in-house *integration* activities but are also strengthening collaborative creation initiatives as a medium- to long-term growth driver. We are broadening our perspective to pursue collaborative creation beyond our Company boundaries, including cross-industry, industry-academia-government cooperation. To this end, we are utilizing our collaborative creation office in Tokyo X Tech Garden, operational since 2023, to combine our technologies with customer needs and technologies to promote the development of new, high-value-added products. Hundreds of companies have already visited, and the number is expected to grow further.

Creating new value through collaborative creation

Collaborating with a wide range of stakeholders from industry, academia, government, and customers across every markets to create new value
Aiming to solve social issues and realize a larger vision

Collaborative creation Activities to create new value through sharing our knowledge, know-how, and technology

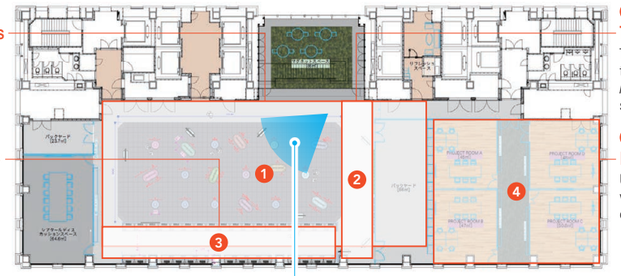
MinebeaMitsumi Core technologies and core businesses × Companies, universities, research institutions, etc.

New value Ideas that did not exist up until now that could not otherwise be pursued by one company
Collaborating to create new value

- **Collaborative creation office layout**

1 Product exhibits
Eight-Spear products + other product groups

3 Special exhibits
Latest developments



2 Technology exhibits
Ten core technologies + *integration* case studies

4 Project rooms
Used in discussion with collaborative creation partners

Outcomes
- **Development of *integrated* products, products that resolve social issues, and environmentally friendly products**
- **Product lineup with No.1 global market share**

At a Glance Pages 19 to 20
Integration Case Studies Page 64

Issue

Protecting intellectual property and strengthening barriers to entry

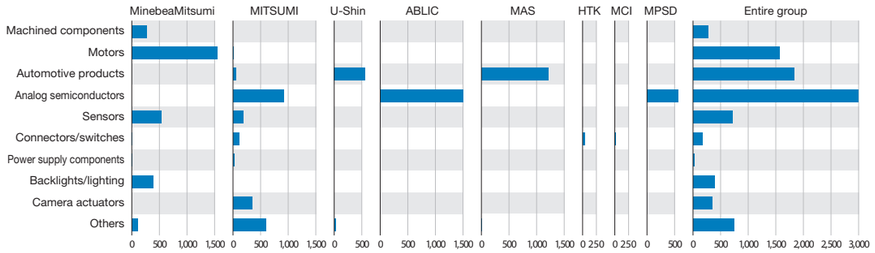
Measure Initiatives related to intellectual property

We are strengthening our core technology portfolio related to the *Eight Spears* based on our intellectual capital strategy, which focuses on reinforcing fundamental and underlying technologies that support our core technologies. To build a strong position in niche markets, we are conducting thorough research and analysis and securing intellectual property to ensure competitiveness. Additionally, through M&A, we expand our business while acquiring the technologies and IP we lack, thereby enhancing our intellectual property portfolio and reinforcing our business strategy from the standpoint of IP.

1 Value creation through an intellectual property strategy integrated with business strategy

The MinebeaMitsumi group builds a robust and diversified business portfolio by developing sub-core businesses in addition to the core businesses we refer to as the *Eight Spears*. To strategically protect these businesses, our group companies within each business segment collaborate and complement one another to form a strong patent portfolio.

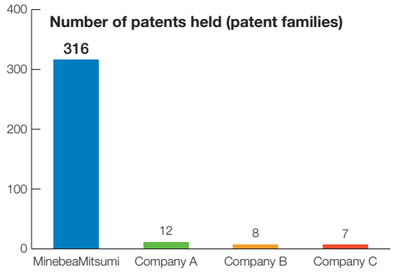
● **Number of patents held by MinebeaMitsumi group by business segment**



2 Establishing strong competitive advantage in the market

Our primary approach to intellectual property acquisition is to establish competitive superiority in the market. While we have secured competitive advantage in many product areas, we maintain a top position in niche markets such as battery protection ICs by firmly protecting our technological superiority. Our patents include innovative technologies contributing to battery longevity, safety, and miniaturization, thereby raising barriers to entry for competitors. This exclusive technological superiority leads to a stable customer base and strong pricing power, resulting in high levels of profitability and margins.

● **Comparison of patent value in battery protection ICs with competitors**



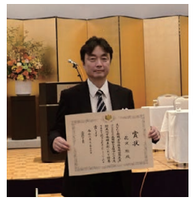
3 IP contributions in M&A

When acquiring companies, we conduct exhaustive intellectual property due diligence to assess the value and risks of the target's IP assets in advance. For post-merger *integration*, the Intellectual Property Division leads the smooth integration of the IP management structures of both companies. This strengthens cross-departmental collaboration and maximizes the synergies gained through integration.

Topics

ABLIC* received the Commendation by the Minister of Education, Culture, Sports, Science and Technology at the 2024 Kanto Region Invention Awards for a patent on waveform quality improvement in transmission ICs for ultrasound diagnostic devices. The MinebeaMitsumi group will continue to create high-value-added inventions.

*Award recipients: ABLIC Inc.: Satoshi Hanazawa, Toshio Shinomiya, Hiroyasu Yoshizawa



Outcomes

- Built an IP portfolio aligned with the *Eight Spears* strategy to strengthen business competitiveness
- Supported successful M&A from an IP perspective and contributed to enhancing corporate value across the group

Integration Case Studies

Bed Sensor System: Proposing the *Future of Sleep*

Among the products and technologies created through MinebeaMitsumi's core management strategy of *integration*, the MinebeaMitsumi concept bed exhibited at PASONA NATUREVERSE at the 2025 Expo (Expo 2025 Osaka, Kansai, Japan) is currently attracting global attention.

This concept bed is a product that contributes to solving social issues, centered on the Bed Sensor System™ technology we have been developing for over 10 years. By combining it with various internal underlying technologies, it provides a simulated experience of MinebeaMitsumi's vision of *Future of Sleep*.

In this *Future of Sleep* experience, a user's physical condition is monitored non-invasively while sleeping, and the data is displayed on a monitor on the bed canopy. The system also adjusts music, lighting, scent, and vibration according to the user's condition to guide them into a comfortable sleep. Even after the user falls asleep, the system continues to monitor heart rate, breathing, ventilation volume, and body movement. If it detects any abnormalities, the bed responds by moving to help alleviate them, supporting the user from falling asleep to waking up.

While such a product is generally completed through the collaboration of multiple companies with their respective technologies, MinebeaMitsumi possesses all the technologies required to realize *Future of Sleep* in-house.

Going forward, we plan to collaborate with major furniture manufacturers to bring *integration* into more market-ready forms and advance its social implementation.

Through our *integration* activities, MinebeaMitsumi not only creates technologies and products that help solve social issues but also pioneers new markets, thereby realizing our sustainable growth.

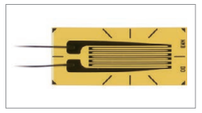
Concept bed reproducing *Future of Sleep*

● Technologies by MinebeaMitsumi reproducing *Future of Sleep*

The concept bed combines the following five products and technologies to generate new value through exceptional differentiation beyond conventional thinking.

1 Bed Sensor System with high-resolution, high-performance strain gauges

MinebeaMitsumi's advanced sensing technology, with a resolution of 1 in 500,000, enables non-invasive, contactless measurement of physical data during sleep.



High-performance strain gauges

2 System developed in-house to accurately display vital information on the canopy

The software displaying vital data on the canopy, based on the measurements, is developed by Minebea Software Solutions, which became part of the MinebeaMitsumi group in 2022.

Image of vital monitoring via in-house developed system

3 Resonant devices producing sound through vibration

Vibration devices using mechanical resonance vibrate the bed's frame to create an acoustic experience audible only to the user.

Resonant devices

4 Smart LED lighting (SALIOT) for a comfortable sleep environment

By flexibly controlling light color, brightness, light distribution angle, and direction, the system creates an optimal lighting environment depending on the time of day and body condition.

5 System signal control for physical actuation for sleep environment based on body condition

Based on vital information measured by the Bed Sensor System, appropriate signals can now be sent to control physical drive components. For example, it can adjust the bed's angle to provide an optimal sleeping posture or generate subtle vibrations synchronized with heartbeats to aid in waking. In addition, it can adjust scent and lighting in response to the user's condition.

Smart LED lighting "SALIOT"

INTERVIEW

This concept bed is one of the symbols of MinebeaMitsumi's *integration* activities. Four load sensors placed under the bed detect vital signs such as body movement, liver activity, respiration, heartbeat, body weight, and ventilation volume, displaying the data in an easy-to-read format. Based on that data, the lighting and music are adjusted to provide the optimal sleep environment. According to Professor Emeritus Masaru Mimura of Keio University, who supervised the bed project and researches sleep science, advancing the concept of *Future of Sleep* may one day enable us to choose the dreams we wish to see. We believe that MinebeaMitsumi's power of *integration* not only contributes to business performance but also possesses unique strength that can change our future and build a better tomorrow.

Toshiaki Nishimura Deputy Head of Sensing Device BU, Motor, Lighting & Sensing Business Headquarters

AI & DX Promotion

Purpose: Maximize corporate value through data-driven business transformation

The vast amount of data generated through daily corporate activities inherently contains both the root causes of various problems and the seeds of future business opportunities—making it a management resource. In other words, by extracting valuable information from data and utilizing it in business, we can aim to maximize corporate value. Therefore, we are committed to the strategic use of AI as a tool to ensure future competitive advantage and achieve sustainable growth. Through business transformation driven by data using AI, MinebeaMitsumi will continue to contribute to society by creating new value.

General Manager, AI & DX Promotion Division
Tohru Fuse

3 steps to DX through data utilization

1 Collection and operation of value-generating data

The first step in our digital transformation is the collection and operation of data that generates value. In addition to the processes from product planning and design development to mass production, we handle large volumes of data even in the back office, and have long performed operations by accumulating, analyzing, and processing data according to the purpose of each task using systems tailored to each function. However, such legacy systems tend to silo data within specific functions, limiting cross-functional data use. To overcome this, the AI & DX Promotion Division is transitioning separately accumulated data into a data lake compatible with AI analytics platforms. This data lake is managed and operated as the foundation for generating value from data.

Furthermore, unstructured data such as paper documents, handwritten records, and images are converted into structured data using AI, enabling management and reuse in shareable formats.

2 Business transformation and maximizing efficiency

The second step is extracting value from data by utilizing AI. By entrusting AI with routine tasks and complex data analysis work which were previously performed by humans, we can significantly improve the accuracy and speed of analysis.

High-precision analyses that used to take a long time can now be performed in a much shorter time, enabling us to apply the results to strategic planning and concentrate on higher value-added tasks.

3 Value creation from data utilization

The third step is creating value through data utilization. From problem-solving by frontline personnel to the review of performance indicators and planning by management, visualization tools and business analysis tools are used to combine and analyze various data, enabling problem-solving and the materialization of business opportunities.

Roadmap: Maximizing corporate value by developing talent capable of utilizing data

We will continue to strengthen our data utilization capabilities through phased introduction of digital tools and steady human resource development.

	[2021] 1 Collection and operation of value-generating data	[2024] 2 Business transformation and maximization of efficiency	[2028] 3 Value creation through data utilization
Introduction and expansion of digital tools	**Introduction of communication improvement tools** ● Business chat and document management (from 2021) ● Cloud groupware (from 2023) **Introduction of support services for specific operations** ● Sales activities, HR management (from 2023)	**Data analysis and application in operations** ● Process management (from 2024) ● Procurement management (from 2025) **Promotion of generative AI introduction and utilization** ● Back-office support (from 2024) ● Manufacturing process support (from 2025)	**Problem-solving and productivity enhancement using digital twin methods** ● Analysis of past failures ● Prediction of potential failures **Improving operational efficiency through data analysis** ● Examination and verification of management indicators and business plans
Digital talent development	**Development of digital literacy** ● Basic training for cloud usage ● Project management training ● BI* tool utilization training	**Development of data literacy** ● Basic AI training (literacy) ● Data analysis skills training ● UX* improvement method training	**Development of transformation executors** ● Advanced AI technical training (expertise) ● Training in business process analysis methods ● Business model development training

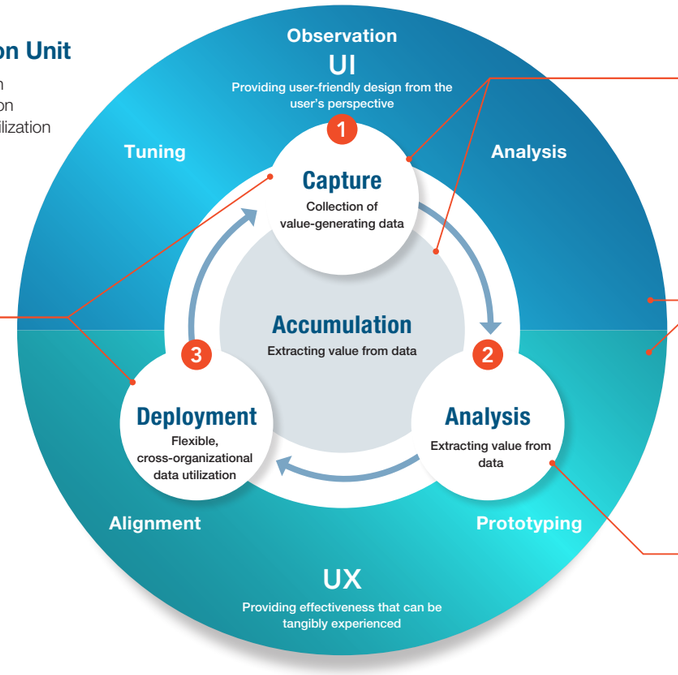
*BI: Business Intelligence
*UX: User Experience

Structure for data utilization as a source of competitiveness

Five functional units cooperate to promote data utilization and maximize corporate value

AI & DX Promotion Unit
Formulation and execution leadership of transformation strategies through data utilization

Digital Factory Unit
Close coordination with manufacturing sites, promotion and establishment of digitalization



AI & Data Infrastructure Unit
Collection, management, and utilization of structured and unstructured data

UI/UX Unit
Utilizing human-centered design methods

AI & Data Analysis Unit
Utilizing technologies such as machine learning, deep learning, and generative AI

AI utilization in manufacturing sites

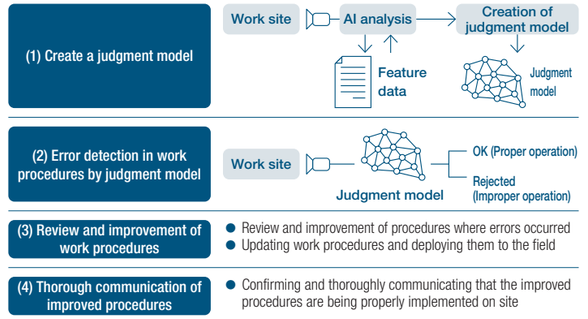
Examples of workflow digitalization and AI-based efficiency improvement in manufacturing sites

Workflows in manufacturing sites are defined by specific procedures, and as long as these procedures are followed, errors can be minimized.

Until now, each site has operated under a system where compliance with procedures is confirmed through visual inspection or checklists.

Nevertheless, to eliminate even the minimal errors that still occur, we are working on detecting work errors using AI and analyzing their causes.

Work errors in manufacturing sites are reduced in the following four steps.
(1) Create a judgment model
(2) Evaluate on-site work procedures and detect errors
(3) Use AI to analyze work procedures and operations to determine if there are any omissions in the procedures
(4) If omissions or areas for improvement are identified in the work procedures, update them and ensure the improvements are thoroughly communicated on-site
Because AI can be expected to detect even momentary movements without oversight, once a mistake is detected, identifying the conditions under which it occurred enables the workplace to thoroughly share countermeasures (knowledge).



Innovation through skills *integration*

The key players in business transformation are employees. The AI & DX Promotion Division explores new business ideas through technical discussions not limited to specific technical fields. By flexibly combining the expertise of seasoned veterans, the fresh perspectives of younger staff, and the specialized knowledge of career professionals, we aim to seize opportunities for innovation.

Novel ideas are first filed for patent applications, setting the stage for innovation initiatives.