

## To Our Shareholders

The 75th Business Year  
Interim Business Report

April 1, 2020 ▶ September 30, 2020



### Corporate Philosophy

**To contribute to society by  
“Producing better products,  
with faster speed, in larger  
numbers, at lower cost and  
by smarter means.”**

MinebeaMitsumi Inc.

Securities Code 6479

## Business Summary

As the interim period of the 75th Business Year (April 1, 2020 - September 30, 2020) has ended, we would like to present our business summary.



Yoshihisa Kainuma  
Representative Director  
November 2020

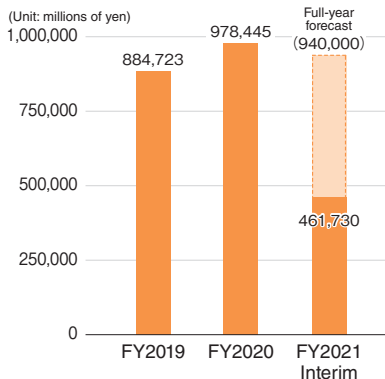


### Overview of the interim period

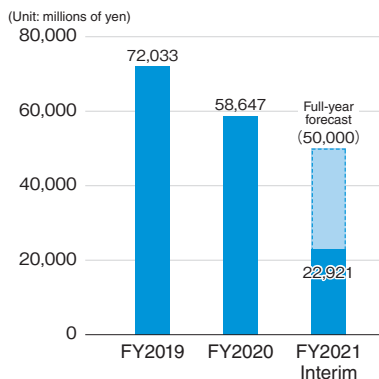
During the first half of the fiscal year (April 1, 2020 through September 30, 2020), the Japanese economy was hit by the largest economic downturn since the global financial crisis triggered by the Lehman Brothers bankruptcy. The factors behind this downturn include substantial declines in exports and consumption resulting from the spread of COVID-19, declining corporate earnings, and reduced capital investment. Economic activity levels remain below where they were pre-COVID-19. Although there were signs of a recovery in the US economy, particularly in manufacturing, exports and capital investment were down substantially due to the global economic downswing caused by the spread of COVID-19. The future remains uncertain due to factors including restrictions on economic activity in some states and policy paths following the presidential election. In Europe, there were signs of a recovery following the decline caused by the extended lockdown and other such factors, but there is concern over a second wave of infections, so it will take some time for economic activity to return to pre-COVID-19 levels. In Asia, China saw resumed economic activity. In addition to investment by the Chinese government in real estate development and measures to promote infrastructure investment, resumption of activities overseas brought an increase in exports, which

### Financial Highlights (Consolidated)

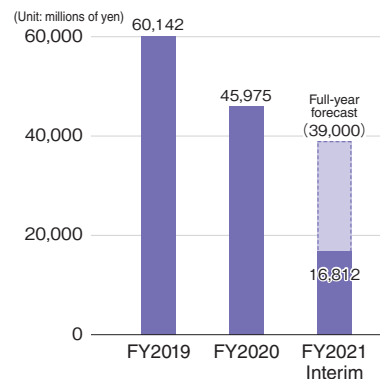
#### Net Sales



#### Operating Income



#### Profit for the Period Attributable to Owners of the Parent



The following is an English translation of the Interim Business Report for the 75th Business Year (FY2021) of MinebeaMitsumi Inc. The Company provides this translation for your reference and convenience only and without any warranty as to its accuracy or otherwise.

had been on the decline. As such, the trend is toward recovery, but the future remains uncertain due to concern over further intensification of trade friction between the United States and China.

Working against this backdrop, the MinebeaMitsumi Group concentrated on cutting costs, creating high-value-added products, developing new technologies, and enhancing its marketing approach to boost profitability further.

As a result, net sales were down 22,168 million yen (-4.6%) year on year to 461,730 million yen. Operating income was down 26 million yen (-0.1%) year on year to 22,921 million yen, profit before income taxes was down 724 million yen (-3.2%) to 22,249 million yen, and profit for the period attributable to owners of the parent was up 497 million yen (3.0%) to 16,812 million yen.

ABLIC Inc. was made a subsidiary on April 30, 2020. The company has been included in the scope of consolidation in conjunction with the business integration. This includes the company's profits and losses from the date of the business integration and thereafter.

Provisional accounting treatments for business combinations through acquisition of U-Shin Ltd. were finalized at the end of the previous fiscal year, and the contents of finalization of the provisional accounting treatments are reflected on the figures for the same period of the previous year.

### ■ Outlook for the current fiscal year

With regard to the forecasts for the consolidated fiscal year, although net sales, operating income and profit for the period attributable to owners of the parent were forecast with upper and lower limits, we have reviewed our consolidated full-year forecast and made the following revised forecasts based on our best estimate of current market conditions as well as our performance during the first six-month period.

(Amount: millions of yen)

Net sales	940,000	Operating income	50,000	Profit for the year attributable to owners of the parent	39,000
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### ■ Basic policy for profit sharing and dividend for the current fiscal year

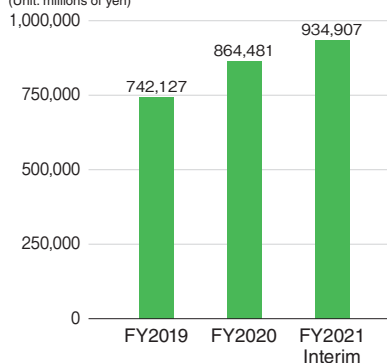
Sharing profits with our shareholders is job one at MinebeaMitsumi. That is why our basic dividend policy gives priority to enhancing equity efficiency and improving returns to our shareholders. Dividends, while reflecting performance, are determined in light of the overall business environment and with an eye to maintaining a stable and continuous distribution of profits.

Under this basic policy, we paid an interim dividend of 14 yen per share and a year-end dividend of 14 yen per share to make the annual dividend payout 28 yen per share in the previous fiscal year based on consolidated results. We set the amount of the interim dividend this year at 14 yen per share.

We look forward to your continuous support and guidance.

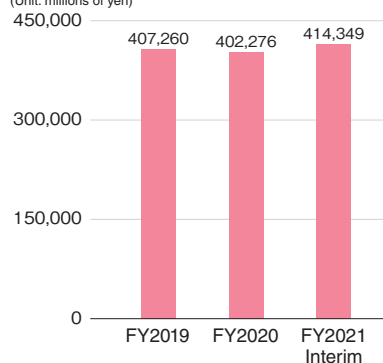
#### Total Assets

(Unit: millions of yen)



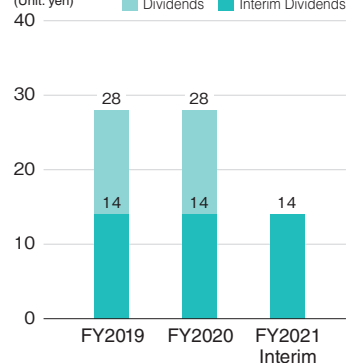
#### Total Equity

(Unit: millions of yen)



#### Dividends

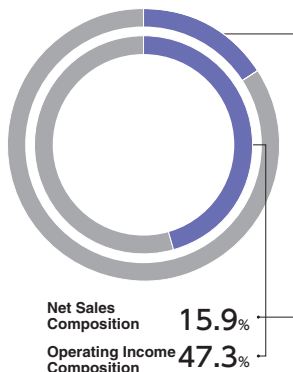
(Unit: yen)



## Overview by Business Segment

### Machined Components Business

Net Sales 73,548 million yen  Down 19.3%

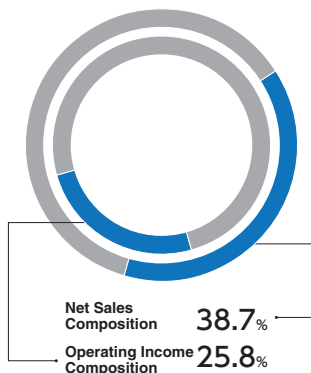


The main products in our Machined components segment include our anchor product line, ball bearings, in addition to mechanical components such as rod-end bearings used primarily in aircraft and hard disk drive (HDD) pivot assemblies, etc. as well as fasteners for aircraft. Sales of ball bearings were down due to decreased demand in the automobile market despite solid demand from fan motors. Rod-end bearing sales decreased due to decreased aircraft-related demand. Pivot assembly sales were down due to shrinking of the HDD market.

As a result, net sales were down 17,639 million yen (-19.3%) year on year to 73,548 million yen, and operating income was down 6,843 million yen (-32.7%) to 14,064 million yen.

### Electronic Devices and Components Business

Net Sales 178,274 million yen  Down 0.4%

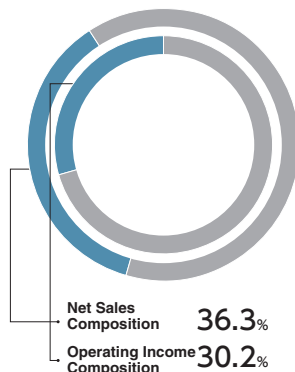


The core products of our Electronic devices and components segment include electronic devices (devices such as LED backlights for LCDs, sensing devices (measuring components), etc.), HDD spindle motors, stepping motors, DC motors, air movers, and special devices. Demand for stepping motors and other motors was down due to sluggishness in the automobile market, but demand for our LED backlights for LCDs that offer a technological advantage in thin devices remained strong, resulting in sales remaining flat.

As a result, net sales were down 645 million yen (-0.4%) year on year to 178,274 million yen, and operating income was up 1,605 million yen (26.4%) to 7,681 million yen.

## MITSUMI Business

Net Sales 167,346 million yen  Up 11.1%



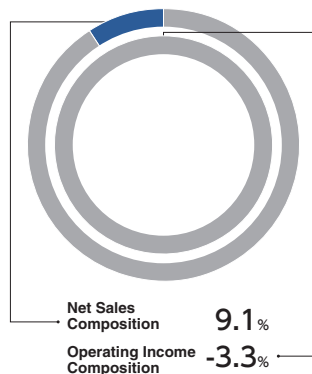
The main products in the MITSUMI business segment are semiconductor devices, optical devices, mechanical components, high frequency components and power supply components. Semiconductor devices performed well as did game consoles and other mechanical components, resulting in an increase in net sales.

Profit and loss of ABLIC Inc. are included in the MITSUMI business segment in conjunction with its acquisition.

As a result, net sales were up 16,768 million yen (11.1%) year on year to 167,346 million yen, and operating income was up 1,835 million yen (25.6%) to 8,984 million yen.

## U-Shin Business

Net Sales 42,153 million yen  Down 32.9%



The main products in the U-Shin business segment are key sets, door latches, door handles, and other automotive components as well as industrial components and housing equipment components (such as building and house locks). Sales of automotive components were down substantially due to deceleration of the automobile market. Market deceleration also caused a decrease in sales of industrial components.

As a result, net sales were down 20,639 million yen (-32.9%) year on year to 42,153 million yen, and the operating income deteriorated 2,428 million yen year on year, recording an operating loss of 974 million yen.

Notes: 1. Machines produced in-house are the main products in our Other business segment. Net sales were down 13 million yen (-3.1%) year on year to 409 million yen, and the operating loss increased 137 million yen year on year to total 831 million yen.

2. In addition to the figures noted above, 6,003 million yen in corporate expenses, etc. not belonging to any particular segment is indicated as adjustments. The total amount of adjustments was 11,945 million yen for the corresponding period of the previous fiscal year.

## "We also take production of masks seriously."

### -External sales of Japan-made masks with high collection efficiency filters-

In order to ensure the safety of our employees and fulfill our supply responsibility through our business activities, we have started in-house manufacturing of masks with high collection efficiency filters in the clean room at our Hamamatsu Plant (Fukuroi City, Shizuoka Prefecture). Additionally, as an effort to help people in need of masks, we began selling these masks externally through Amazon.co.jp and Rakuten Ichiba.

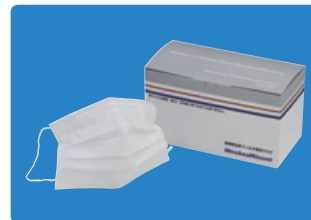
In a filter collection efficiency test conducted at the Nelson Laboratories, LLC. in the United States, our masks achieved a VFE (Viral Filtration Efficiency), PFE (Particle Filtration Efficiency) and BFE (Bacterial Filtration Efficiency) rating of 99%.



Clean room for mask production (Minebeamitsumi Inc. Hamamatsu Plant)

With an easy to breathe fit and soft ear loops that do not put a strain on ears, the masks are very comfortable to wear and are well received by our customers.

We will continue to provide the various supports and initiatives necessary to combat viruses.



In-house manufactured masks  
Product name: Disposable Mask

Joined the Japan  
Face Mask Industry  
Association



## Began demonstration experiment of tunnel inspection using wireless power supply technology in collaboration with Kyoto University

The Company and Kyoto University have announced they will carry out a demonstration experiment for tunnel maintenance using wireless power supply technology.

A recursive-type infrastructure monitoring system that can collect sensing information in real time while transmitting power from a vehicle traveling at 50km/h to a sensor will be used to monitor the fall and collapse of heavy ancillary equipment, such as jet fans for smoke exhaust bolted to tunnel structure frames. This system was developed under the Kyoto University COI program\*, mainly by the Company's research and development group, and integrates the elemental technologies of "microwave wireless power transmission," "high-speed image signal processing" and "battery-less bolt axial force sensors" that directly detect loose bolts.



(Figure) Image of wireless power transmission

In the maintenance and management of social infrastructure where aging and deterioration are an issue, labor-saving technologies are expected to be increasingly utilized to compensate for labor shortages. This infrastructure monitoring system is expected to make it possible to inspect the entire area of infrastructure efficiently and economically while driving through tunnels, mixed with general traffic without imposing traffic restrictions.



Joint press conference with Kyoto University

\*Center of Innovation (COI) program of the Japan Science and Technology Agency (JST)

# Consolidated Financial Statements (IFRS)

## Condensed Quarterly Consolidated Statements of Financial Position (unit: millions of yen)

	Fiscal year 2021 Interim (as of September 30, 2020)	Fiscal year 2020 (as of March 31, 2020)		Fiscal year 2021 Interim (as of September 30, 2020)	Fiscal year 2020 (as of March 31, 2020)
<b>Assets</b>			<b>Liabilities</b>		
<b>Current assets</b>			<b>Current liabilities</b>		
Cash and cash equivalents	124,569	130,746	Trade and other payables	132,951	143,964
Trade and other receivables	198,600	182,890	Bonds and borrowings	146,374	95,268
Inventories	186,469	169,803	Other financial liabilities	6,290	6,984
Other financial assets	18,866	18,057	Income taxes payable	7,778	2,905
Other current assets	15,057	14,375	Provisions	4,485	4,353
			Other current liabilities	47,065	42,209
<b>Total current assets</b>	<b>543,561</b>	<b>515,871</b>	<b>Total current liabilities</b>	<b>344,943</b>	<b>295,683</b>
<b>Non-current assets</b>			<b>Non-current liabilities</b>		
Property, plant and equipment	288,257	275,064	Bonds and borrowings	133,173	126,444
Goodwill	43,715	18,626	Other financial liabilities	15,473	13,639
Intangible assets	14,081	13,798	Net defined benefit liabilities	23,063	22,482
Other financial assets	20,781	18,896	Provisions	581	579
Deferred tax assets	20,247	18,008	Deferred tax liabilities	1,709	1,702
Other non-current assets	4,265	4,218	Other non-current liabilities	1,616	1,676
<b>Total non-current assets</b>	<b>391,346</b>	<b>348,610</b>	<b>Total non-current liabilities</b>	<b>175,615</b>	<b>166,522</b>
<b>Total assets</b>	<b>934,907</b>	<b>864,481</b>	<b>Total liabilities</b>	<b>520,558</b>	<b>462,205</b>
			<b>Equity</b>		
			Common stock	68,259	68,259
			Capital surplus	139,361	134,707
			Treasury stock	(34,468)	(34,455)
			Retained earnings	245,761	234,667
			Other components of equity	(7,099)	(8,806)
			<b>Total equity attributable to owners of the parent</b>	<b>411,814</b>	<b>394,372</b>
			<b>Non-controlling interests</b>	<b>2,535</b>	<b>7,904</b>
			<b>Total equity</b>	<b>414,349</b>	<b>402,276</b>
			<b>Total liabilities and equity</b>	<b>934,907</b>	<b>864,481</b>

Note: Amounts less than one million yen have been rounded.

● **Condensed Quarterly Consolidated Statements of Income**  
(unit: millions of yen)

	Fiscal year 2021 Interim (Apr. 2020 thru Sept. 2020)	Fiscal year 2020 Interim (Apr. 2019 thru Sept. 2019)
Net sales	461,730	483,898
Cost of sales	384,979	408,533
Gross profit	76,751	75,365
Selling, general and administrative expenses	51,269	54,030
Other income	3,302	2,360
Other expenses	5,863	748
Operating income	22,921	22,947
Finance income	801	961
Finance expenses	1,473	935
Profit before income taxes	22,249	22,973
Income taxes	5,400	5,959
Profit for the period	16,849	17,014
<b>Profit for the period attributable to:</b>		
Owners of the parent	16,812	16,315
Non-controlling interests	37	699
Profit for the period	16,849	17,014

Note: Amounts less than one million yen have been rounded.

● **Condensed Quarterly Consolidated Statements of Cash Flows**  
(unit: millions of yen)

	Fiscal year 2021 Interim (Apr. 2020 thru Sept. 2020)	Fiscal year 2020 Interim (Apr. 2019 thru Sept. 2019)
Cash flows from operating activities	7,731	13,892
Cash flows from investing activities	(47,455)	(27,017)
Cash flows from financing activities	33,425	(1,481)
Effect of exchange rate changes on cash and cash equivalents	122	(5,170)
Increase (decrease) in cash and cash equivalents	(6,177)	(19,776)
Cash and cash equivalents at beginning of period	130,746	122,432
Cash and cash equivalents at end of period	124,569	102,656

Note: Amounts less than one million yen have been rounded.



## Corporate Data

Trade Name :	MinebeaMitsumi Inc.	Registered Head Office :	4106-73, Oaza Miyota, Miyota-machi, Kitasaku-gun, Nagano 389-0293, Japan Phone: 81-267-32-2200
Established :	July 16, 1951		
Capital :	68,259 million yen	Tokyo Headquarters :	3-9-6 Mita, Minato-ku, Tokyo 108-8330, Japan Phone: 81-3-6758-6711
Number of Employees :	4,529	Headquarters and Plants :	Tokyo Headquarters, Karuizawa Plant, Matsuida Plant, Hamamatsu Plant, Fujisawa Plant, Yonago Plant

## ▶ The MinebeaMitsumi Group Integrated Report 2020 is now available

We issued the “Integrated Report 2020”. Through publishing this report, we aim to create new opportunities for dialogue with our shareholders, investors, and our other stakeholders by communicating our initiatives to expand the corporate value of the MinebeaMitsumi Group. Please visit our website to read the report. We hope that many of our stakeholders read it and deepen their understanding of the MinebeaMitsumi Group. ([https://www.minebeamitsumi.com/english/corp/environment/integrated\\_report/index.html](https://www.minebeamitsumi.com/english/corp/environment/integrated_report/index.html))



# Share Information (as of September 30, 2020)

## Overview of Shares

Total Number of Shares Authorized	1,000,000,000	shares
Number of Shares Issued	427,080,606	shares
Number of Shareholders	29,038	

## Major Shareholders (Top 10)

	Number of Shares (shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	44,768,200	10.96
CUSTODY BANK OF JAPAN, LTD. (TRUST ACCOUNT)	22,919,300	5.61
SSBTC CLIENT OMNIBUS ACCOUNT	15,732,707	3.85
Takahashi Industrial and Economic Research Foundation	15,447,330	3.78
Sumitomo Mitsui Trust Bank, Limited	15,413,900	3.77
CUSTODY BANK OF JAPAN, LTD. (TRUST ACCOUNT 4)	14,037,800	3.44
Sumitomo Mitsui Banking Corporation	10,223,597	2.50
MUFG Bank, Ltd.	10,181,739	2.49
Keiaisha Co., Ltd.	10,100,000	2.47
STATE STREET BANK CLIENT OMNIBUS OM 04	8,940,006	2.19

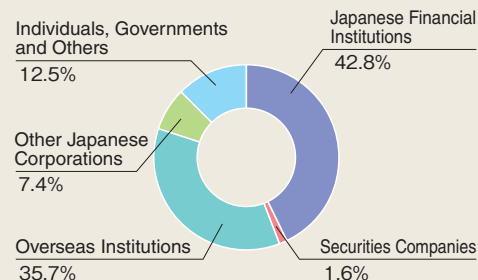
Notes: 1. The Company holds 18,554,454 shares of treasury stock, and is excluded from the shareholders list.

2. Shareholding ratio is calculated exclusive of treasury stock.

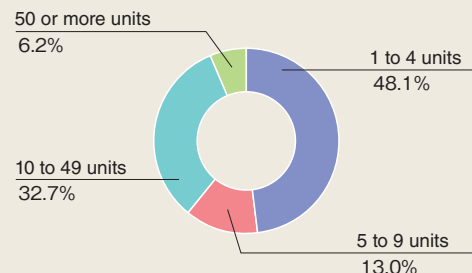
## Stock Price on Tokyo Stock Exchange




## Distribution of Shareholders by Investor Type




## Distribution of Number of Shareholders by Number of Shares Held



## Information for Shareholders

Business Year	From April 1 to March 31 of next year
Ordinary General Meeting of Shareholders	June every year
Shares per Unit	100 shares
Record Date	Ordinary General Meeting of Shareholders March 31 every year
To Be Eligible to Receive a Dividend	Year-end Dividends March 31 every year Interim Dividends September 30 every year
Stock Transfer Agent and Account Management Institution for Special Accounts (Mailing Address)	Sumitomo Mitsui Trust Bank, Limited 1-4-1, Marunouchi, Chiyoda-ku, Tokyo, Japan Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Business Planning Department 2-8-4, Izumi, Suginami-ku, Tokyo 168-0063, Japan
(Telephone Inquiries)	 0120-782-031 (Weekdays 9 a.m. to 5 p.m.)
Public Notice	Public notice by the Company shall be carried out by way of electronic public notice. ( <a href="https://www.minebeamitsumi.com/">https://www.minebeamitsumi.com/</a> ) Provided, however, when the Company is unable to carry out public notice by way of electronic public notice due to an accident or unavoidable reason, it shall be given in the Nihon Keizai Shimbun.
Common Stock Listings	Tokyo and Nagoya

### [Shareholders' Inquiries and Notifications Concerning Matters Such as Change of Address]

Shareholders whose shares are recorded in <b>the account at a securities company</b>	Please contact the securities company.
Shareholders whose shares are recorded in <b>the special account</b>	For each of the shareholders who did not use the Japan Securities Depository Center (JASDEC) prior to share certificate dematerialization, the Company opened a special account at Sumitomo Mitsui Trust Bank, Limited, stock transfer agent. *Shares registered in our special accounts cannot be traded. To sell or buy shares in a special account, shareholders are requested to open an account with a securities company and transfer such shares from our special account to their account. For details of the procedures, please contact the Stock Transfer Agency Business Planning Department of Sumitomo Mitsui Trust Bank, Limited.  0120-782-031 (Weekdays 9 a.m. to 5 p.m.)

MinebeaMitsumi Inc.

**Tokyo Headquarters**

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