

To Our Shareholders

The 76th Business Year Business Report

April 1, 2021 ▶ March 31, 2022



Business Summary

As the Fiscal Year 2022 (April 1, 2021 - March 31, 2022) has ended, we would like to present our business summary.



Yoshihisa Kainuma
Representative Director
June 2022



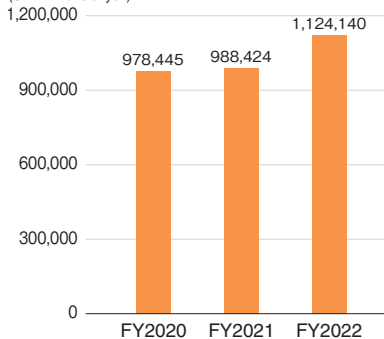
Overview of the year

During the fiscal year under review, the Japanese economy saw a gradual return of normal economic activity as the effects of the COVID-19 pandemic steadily eased, and overall economic recovery continued. In the U.S. economy, although employment issues and restrictions on the supply of raw materials put downward pressure on the economy, overall, the economy showed signs of modest recovery. Elsewhere, although the European economy showed signs of recovery following the relaxation of restrictions brought on by the pandemic, aggression against Ukraine at the end of February has caused an uncertain future. In the Chinese economy, although severe COVID-19-induced restrictions in certain regions negatively impacted individual consumption and industrial production, overall, the economy continued on an upward trend. In Southeast Asia, the return of economic activity following the pandemic ensured economic recovery was on track.

Financial Highlights (Consolidated)

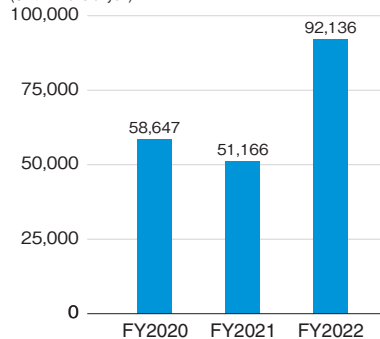
Net Sales

(Unit: millions of yen)



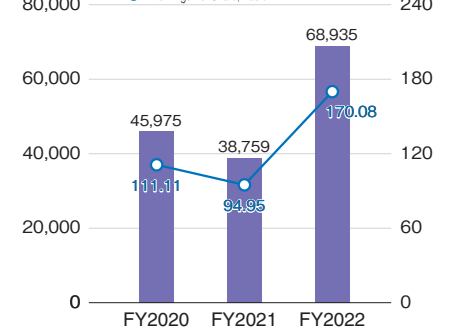
Operating Income

(Unit: millions of yen)



Profit for the Year Attributable to Owners of the Parent / Earnings Per Share, Basic

(Unit: millions of yen) Profit for the Year Attributable to Owners of the Parent (Unit: yen) Earnings Per Share, Basic



The following is an English translation of the Business Report for the 76th Business Year (FY2022) of MinebeaMitsumi Inc. The Company provides this translation for your reference and convenience only and without any warranty as to its accuracy or otherwise.

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 up 135,716 million yen (13.7%) year on year to 1,124,140 million yen, and for the first time since our founding we exceeded 1 trillion yen in net sales. Operating income was up 40,970 million yen (80.1%) year on year to 92,136 million yen, profit before income taxes was up 41,261 million yen (83.3%) year on year to 90,788 million yen, and profit for the year attributable to owners of the parent was up 30,176 million yen (77.9%) year on year to 68,935 million yen. In each of these three areas, we achieved record highs.

Basic policy for profit sharing

Sharing profits with our shareholders is first priority 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, have been determined in light of the overall business environment and with an eye to maintaining a stable and continuous distribution of profits.

Based on the basic policy above, we decided to pay a year-end dividend of 18 yen per share for the fiscal year.

As the Company has already paid an interim dividend of 18 yen per share, the annual dividends for the fiscal year under review will be 36 yen per share, an increase of 8 yen from the previous fiscal year's results of 28 yen per share, excluding the commemorative dividend of 8 yen per share for the 70th anniversary.

Outlook for the next fiscal year

The global economy is plagued by uncertainty, including trade policies in each country, exchange rate trends, geopolitical risks, and questions about when COVID-19 will end. Amid these circumstances, we have put together the full-year consolidated business forecast below based on currently available information.

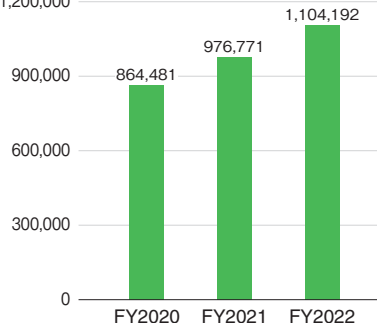
(Amount: millions of yen)

Net sales	1,200,000	Operating income	102,000	Profit for the year attributable to owners of the parent	76,000
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We look forward to your continuous support and guidance.

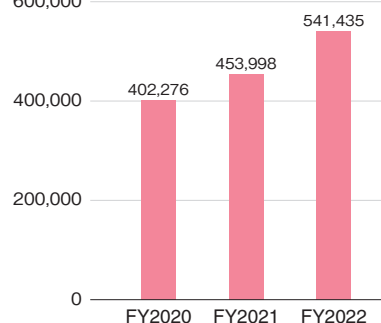
Total Assets

(Unit: millions of yen)



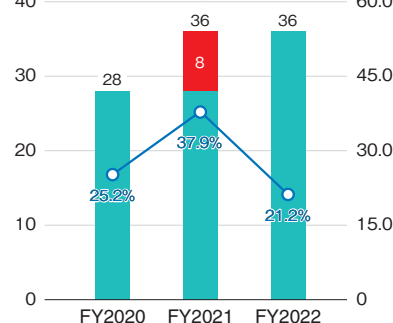
Total Equity

(Unit: millions of yen)

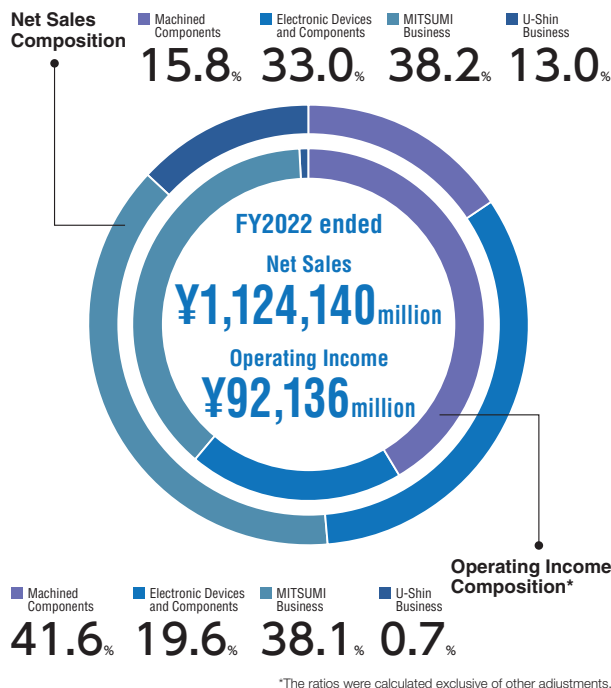


Dividends/Dividend Payout Ratio

(Unit: millions of yen) (Unit: %)



Overview by Business Segment



Electronic Devices and Components

Net Sales 371,023 million yen **Up 7.4%**

Net sales were up, owing primarily to strong performance of motors for HDD and increased demand for automotive motors. As a result, net sales were up 25,428 million yen (7.4%) year on year to 371,023 million yen, and operating income was up 3,876 million yen (21.9%) year on year to 21,561 million yen.

MITSUMI Business

Net Sales 429,116 million yen **Up 21.8%**

Semiconductor devices and optical devices for camera actuators performed well, resulting in an increase in net sales. As a result, net sales were up 76,839 million yen (21.8%) year on year to 429,116 million yen, while operating income also increased by 21,388 million yen (104.5%) year on year to 41,846 million yen.

Machined Components

Net Sales 177,470 million yen **Up 12.7%**

Sales of ball bearings, our mainstay product, were up owing to favorable demand for use in fan motors associated with solid server demand at data centers. Rod-end bearing sales decreased due to decreased aircraft-related demand.

As a result, net sales were up 20,059 million yen (12.7%) year on year to 177,470 million yen, while operating income also increased by 14,494 million yen (46.4%) year on year to 45,717 million yen.

U-Shin Business

Net Sales 145,577 million yen **Up 10.2%**

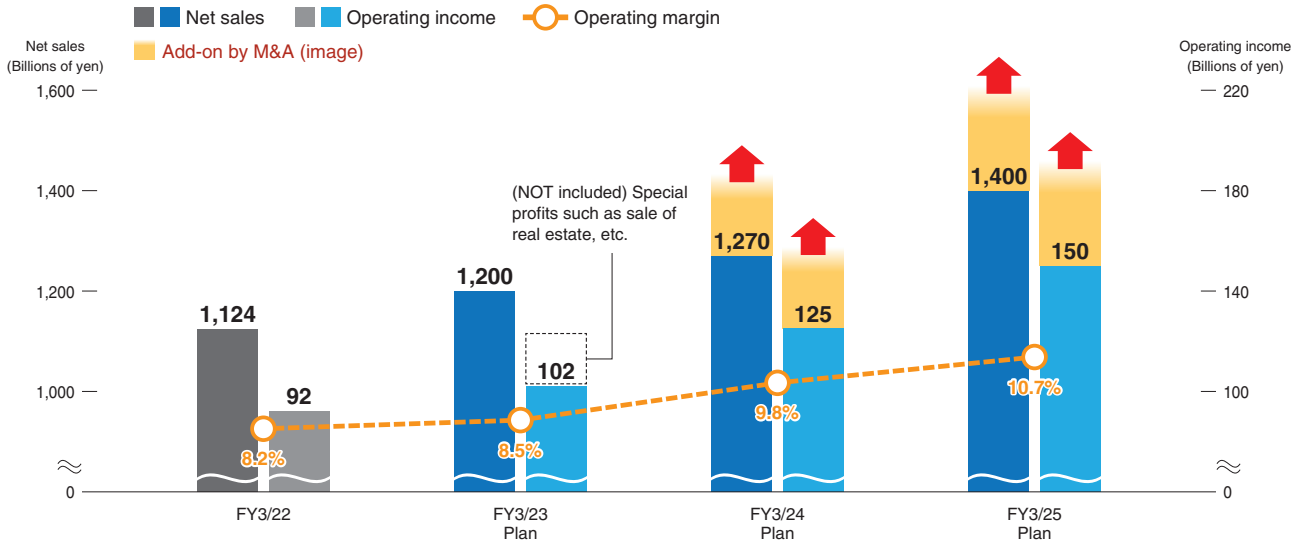
Net sales were up owing to a recovery in demand for automotive components associated with a recovery in the automotive production and favorable demand for industrial equipment components used in agricultural and construction machinery.

As a result, net sales were up 13,465 million yen (10.2%) year on year to 145,577 million yen, and operating income was 732 million yen, an improvement of 3,326 million yen.

- Notes: 1. From the fiscal year* under review the Company changed its corporate organization to transfer the smart product included in the Electronic devices and components business to the MITSUMI business, the automotive devices included in the MITSUMI business to the U-Shin business, and the home security units included in the U-Shin business to the MITSUMI business. Accordingly, segment information has been updated.
2. Machines produced in-house are the main products in our Other business segment other than the above. Net sales were down 75 million yen (-7.2%) year on year to 954 million yen, while operating loss was 1,429 million yen, an improvement of 479 million yen year on year.
3. In addition to the figures noted above, 16,291 million yen is recorded as adjustments on corporate expenses, etc. not belonging to any particular segment. Adjustments in the previous fiscal year came to 13,698 million yen.

MinebeaMitsumi Group New Medium-term Business Plan Targets

Set new record high in net sales and operating income in the fiscal year under review
Aim for achievement of 100.0 billion yen in operating income in the next fiscal year despite the uncertain external environment



Main points of the New Midterm Business Plan

Achieve organic growth and growth through M&A

- Movements to “with Corona” make M&A more active
- Three spears + 1 (bearings/motors/analog semiconductors + optical devices) will spearhead organic growth.

Ball bearings

- ➔ Continued growth from structural demand increases for ultra-high-quality products
- ➔ Build a framework capable of producing 365 million units plus per month

Motors

- ➔ Automobile applications accelerate growth in the future

Analog semiconductors

- ➔ Achieve stable growth through synergy and organic growth
- ➔ Target net sales of 100.0 billion yen to be achieved ahead of schedule

Optical Device

- ➔ Prepare for future development of the new plant in Cebu
- ➔ Consolidate the industry leader position through aggressive strategies

Establishment of cutting-edge development sites for the next stage of growth with a view to the Company's 100th anniversary -Becoming the mightiest INTEGRATION components manufacturer in technology-

* INTEGRATION means "combining" rather than "simple gathering" of the Company's proprietary technologies to evolve the "core products" and to create new products in various fields through the INTEGRATION of our advanced technology.

Karuzawa Technology Center (Opened May 2022)

We have established the Karuzawa Technology Center at the Company's Karuzawa Plant, Nagano prefecture, to create technologies to solve social issues and strengthen our development capabilities.

By concentrating our machined components engineers in the Machined Components Development Division at Engineering Headquarters in Karuzawa plant, as a Research and Development site specializing in technologies for machined components such as ball bearings and aircraft components, we aim not only for product development, but also to strengthen technological capabilities related to machined components such as raw materials and production equipment and for wide-ranging technological development, from fundamental research to applied products, through INTEGRATION with other divisions in and outside Japan.

Since the Company's Karuzawa Plant commenced operations in 1963, we have developed manufacturing technology as well as designed, manufactured and maintained molds, tools, machinery and equipment to increase the quality, precision and productivity of ball bearings and small motors. We have also performed the role of the mother plant, developing such technologies.

The establishment of the new Karuzawa Technology Center will generate synergies through the combination of diverse core technologies, further promote the Company's INTEGRATION activities, and create new value and components that society cannot do without.

In addition, we also conduct initiatives to secure talented human resources for the future such as preparing a workplace environment that stimulates freedom and creativity and building a showroom to help even elementary school students understand the Company's technological capabilities.



Opening Ceremony



Showroom

MinebeaMitsumi Osaka (Opened February 2022)

With the aim of strengthening our development capabilities for new products and services to solve social issues, in addition to the Tokyo Research and Development Center (TRDC) and development divisions within each business unit, we have opened the Osaka Research and Development Center (ORDC), a new research and development site in Osaka.

With the new office, to be called MinebeaMitsumi Osaka, by also concentrating the Group's Osaka sales offices, we will improve service to all customers in West Japan, while building a collaborative structure with universities and companies in the Kansai region, catalyzing INTEGRATION activities in the Kansai region and strengthening industry-academic cooperation.



Inside the MinebeaMitsumi Osaka Office

(Tentative Name) New Tokyo Head Office building (Preparing for relocation in March 2023)

We acquired the former head office building of Nippon Express Co., Ltd. (Higashi-Shimbashi, Minato-ku, Tokyo) on April 15, 2022. Preparation is under way for planned relocation in March 2023.

The Tokyo Research and Development Center (TRDC), which was established when we relocated our current Tokyo Head Office (Mita, Minato-ku, Tokyo) in 2013, has since its establishment acted as a hinge for each of the Group's development sites, and created synergies by combining the product development of each business unit with diverse core technologies, supporting the Company's INTEGRATION activities.

We will promote this even further with the relocation and concentration to the new Tokyo Head Office building (tentative name), building the ideal space for engineers that facilitate new product development, aiming for a profit center that generates new profit.

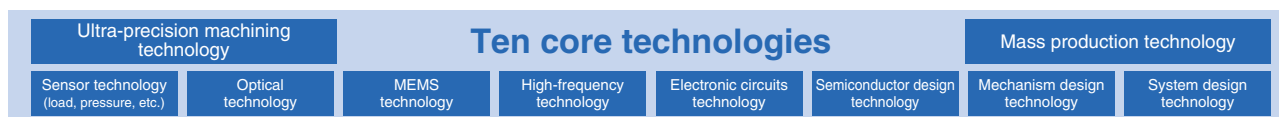
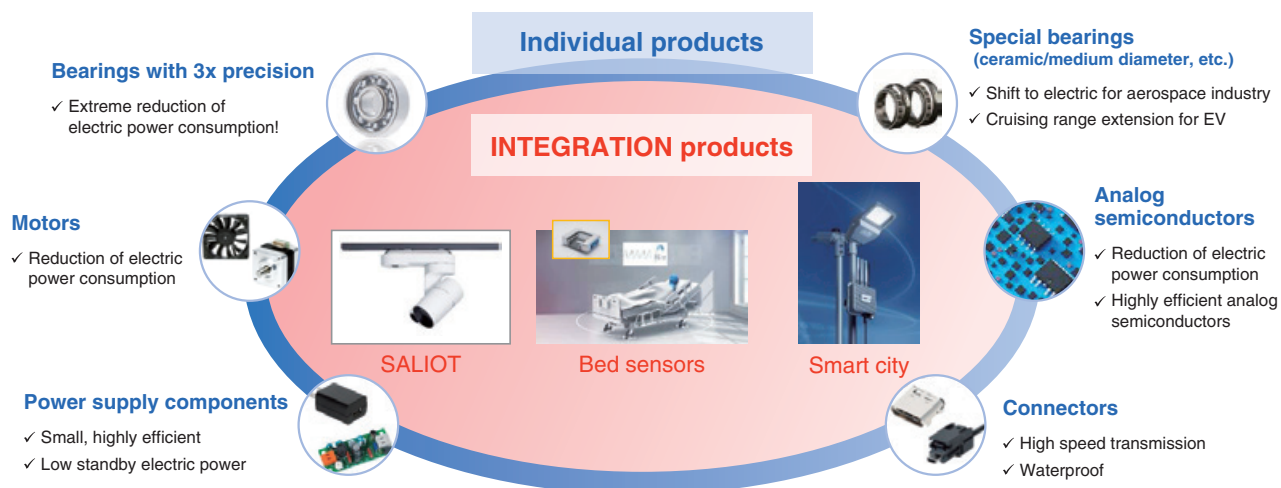
In the fiscal year ended March 31, 2022, which marked the 70th anniversary of the Company's founding, we were able to achieve net sales of ¥1 trillion.

In addition to our achievements to date, we are polishing even stronger technological capabilities and strong manufacturing capabilities and will further accelerate growth towards the achievement of our next targets, net sales of 2.5 trillion yen and operating profit of 250 billion yen in the fiscal year ending March 2029.



New Tokyo Head Office building
(scheduled for relocation in March 2023)

Accelerate growth of products that contribute to solving social issues



Donation to single-parent support organization Project to commemorate the 70th anniversary of incorporation

As initiatives to commemorate the 70th anniversary of incorporation, the Company made donations totaling 100 million yen through the certified NPO Single Mothers Forum, as part of the project of providing financial support to single-parent households that continue to suffer economic hardships due to the COVID-19 pandemic.

The first was a donation of 50 million yen to single-parent households with high school children in July 2021 to provide 1,606 high school students with tuition support of 30,000 yen each.

The second was a donation of 50 million yen in December 2021 as part of the emergency assistance fund "We Support you on New Year! Project" to support single-parent households living in poverty.

To deliver support to households facing economic difficulties as quickly as possible, 20 employees of the Company volunteered to pack and ship QUO cards (gift cards), and managed to send them out to 2,446 households, with face value of 20,000 yen each, to be delivered in time for Christmas.

We will do our best to continue these kinds of support activities going forward.



Holding the presentation ceremony for the donation certificate

Left: Junko Murayama, Secretary-General of NPO Single Mothers Forum
Right: Yoshihisa Kainuma, President of MinebeaMitsumi



Employee volunteers working

Released compact spotlight that emits beautiful light "SALIOT S3 Series"

In February 2022, we released the new smart lighting device "SALIOT S3 Series," which emits a beautiful light that users can control using the dedicated smartphone app.

This new product is a dramatic upgrade from the previous SALIOT spotlight, with the size, design and circuit design of the product all rethought from scratch, thus bringing to reality a substantially smaller and lighter model.

A product developed with elaborate attention to light quality that can beautifully render environments, its small size and quiet operation make it possible to use it in a wider range of locations and application, such as museums, hotels and showrooms, as well as restaurants and sales facilities.

The base color rendering is Ra90*, but we have also developed the high color rendering type Ra97 for the market with high color rendering requirements such as art galleries.

Furthermore, the "Timer BRIDGE BOX," which is for adjusting the direction and brightness of the product according to the specified time, was launched at the same time.

As a product that is particularly environmentally friendly, this product has been certified as "MinebeaMitsumi Green Product."

*Color rendering: The appearance of an object's color when illuminated by light/Ra: The value of the average color rendering index. The closer the value is to 100, the higher the original natural color reproduction property.



It suits many spaces as the design is very smooth, simple and compact.

What are MinebeaMitsumi Green Products?

Since MinebeaMitsumi's ultra-precision products contribute to space and energy saving by reducing friction and resistance, our products and businesses, by nature, contribute to global environmental improvement. Since 2019, we have been certifying products that are particularly environmentally friendly as "MinebeaMitsumi Green Products."

We will further expand the volume of avoided CO₂ emissions of customers by improving the ultra-precision technology of each product, such as bearings, to the limit, and demonstrating synergy by combining our core businesses and core technologies.



Light that enriches your relaxing time

SALIOT pico
いっぺんの暮らしをアップデート

The "SALIOT pico" smart device for home use implements various lighting methods such as task light, indirect light, and directing light through an abundance of light variations and is also an ideal product for indirect lighting in the living room and bedside at home.

To purchase or for details please refer to our official EC site "MinebeaMitsumi Online Shop."

➔ <https://shop.minebeamitsumi.com/saliot/index.aspx>



Consolidated Financial Statements (IFRS)

Consolidated Statements of Financial Position

(unit: millions of yen)

	Fiscal year 2022 (as of March 31, 2022)	Fiscal year 2021 (as of March 31, 2021)
Assets		
Current assets	666,122	575,275
Non-current assets	438,070	401,496
Total assets	1,104,192	976,771
Liabilities		
Current liabilities	415,157	345,772
Non-current liabilities	147,600	177,001
Total liabilities	562,757	522,773
Equity		
Common stock	68,259	68,259
Capital surplus	140,102	139,456
Treasury stock	(43,964)	(39,166)
Retained earnings	320,755	265,417
Other components of equity	53,458	17,175
Total equity attributable to owners of the parent	538,610	451,141
Non-controlling interests	2,825	2,857
Total equity	541,435	453,998
Total liabilities and equity	1,104,192	976,771

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

Consolidated Statements of Income

(unit: millions of yen)

	Fiscal year 2022 (Apr. 2021 thru Mar. 2022)	Fiscal year 2021 (Apr. 2020 thru Mar. 2021)
Net sales	1,124,140	988,424
Cost of sales	908,556	820,832
Gross profit	215,584	167,592
Selling, general and administrative expenses	125,276	107,785
Other income	4,497	5,689
Other expenses	2,669	14,330
Operating income	92,136	51,166
Finance income	1,497	1,482
Finance expenses	2,845	3,121
Profit before income taxes	90,788	49,527
Income taxes	21,862	10,740
Profit for the year	68,926	38,787
Profit (loss) for the year attributable to:		
Owners of the parent	68,935	38,759
Non-controlling interests	(9)	28
Profit for the year	68,926	38,787

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

Consolidated Statements of Cash Flows

(unit: millions of yen)

	Fiscal year 2022 (Apr. 2021 thru Mar. 2022)	Fiscal year 2021 (Apr. 2020 thru Mar. 2021)
Cash flows from operating activities	78,417	93,763
Cash flows from investing activities	(63,605)	(70,581)
Cash flows from financing activities	(25,547)	9,257
Effect of exchange rate changes on cash and cash equivalents	8,844	2,294
Increase (decrease) in cash and cash equivalents	(1,891)	34,733
Cash and cash equivalents at beginning of year	165,479	130,746
Cash and cash equivalents at end of year	163,588	165,479

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 :	68,258 million yen	Headquarters and Plants :	Karuizawa Plant, Matsuida Plant, Hamamatsu Plant, Fujisawa Plant, Yonago Plant
Number of Employees :	4,523 (as of March 31, 2022)		Tokyo Headquarters, MinebeaMitsumi Osaka

Corporate Officers

Directors

Representative Director, Chairman & President (CEO & COO)

Yoshihisa Kainuma

Representative Director, Vice Chairman

Shigeru Moribe

Director, Vice President Executive Officer

Ryozo Iwaya

Director, Senior Managing Executive Officers

Shigeru None

Michiya Kagami

Katsuhiko Yoshida

Outside Directors

Yuko Miyazaki

Atsuko Matsumura

Yuko Haga

Hirofumi Katase

Takashi Matsuoka

Audit & Supervisory Board Members

Standing Audit & Supervisory Board Member

Naoyuki Kimura

Standing Outside Audit & Supervisory Board Member

Koichi Yoshino

Outside Audit & Supervisory Board Members

Shinichiro Shibasaki

Makoto Hoshino

Executive Officers

Senior Managing Executive Officers

Satoshi Mizuma

Nobumasa Ishiai

Managing Executive Officers

Hiroshi Yoshikawa

Joerg Hoffmann

Takuya Sato

Kazunori Sawayama

Daniel J. Lemieux

Hiroshi Murayama

Koji Yano

Hidenori Kawakami

Keiichi Kawai

Togo Sanai

Executive Officers

Osamu Nakamura

Motohide Ishigami

Shinji Shirakata

Kazunori Kanda

Hidekazu Kudo

Tetsu Shiozaki

Takashi Kamioka

Yoshihiro Sakanushi

Tatsuya Mori

Share Information (as of March 31, 2022)

Overview of Shares

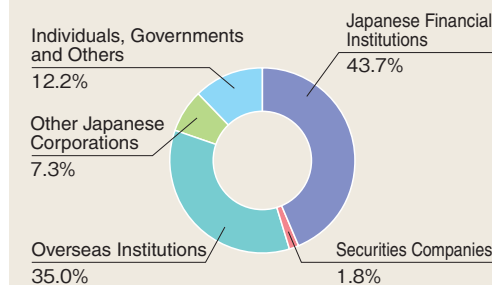
Total Number of Shares Authorized	1,000,000,000	shares
Number of Shares Issued	427,080,606	shares
Number of Shareholders	26,523	

Major Shareholders (Top 10)

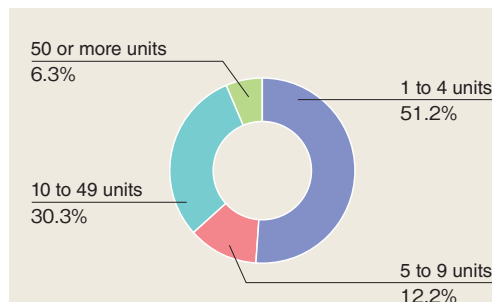
	Number of Shares (shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	73,673,100	18.13
Custody Bank of Japan, Ltd. (Trust account)	29,025,100	7.14
Takahashi Industrial and Economic Research Foundation	15,447,330	3.80
Sumitomo Mitsui Trust Bank, Limited	15,413,900	3.79
SSBTC CLIENT OMNIBUS ACCOUNT	11,379,733	2.80
Custody Bank of Japan, Ltd. (Trust account 4)	10,955,900	2.69
Sumitomo Mitsui Banking Corporation	10,223,597	2.51
MUFG Bank, Ltd.	10,181,739	2.50
KEIAISHA Co., Ltd.	10,100,000	2.48
STATE STREET BANK CLIENT OMNIBUS OM04	9,608,476	2.36

Notes: 1. The Company holds 20,812,499 shares of treasury stock, and is excluded from the major shareholders list above.
2. Shareholding ratio is calculated exclusive of treasury stock.

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.)
(URL)	https://www.smtb.jp/personal/procedure/agency/
(FAQ)	https://faq-agency.smtb.jp/?site_domain=personal
Public Notice	Public notice by the Company shall be carried out by way of electronic public notice. (https://www.minebeamitsumi.com/) 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

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

Shareholders whose shares are recorded in the account at a securities company	Please contact the securities company.
Shareholders whose shares are recorded in the special account	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.)

Cover photo: [Karuizawa Technology Center](#)

MinebeaMitsumi Inc.

Tokyo Headquarters

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URL: <https://www.minebeamitsumi.com/english/>