

## To Our Shareholders

The 77th Business Year Business Report

April 1, 2022 ▶ March 31, 2023



## Business Summary



Yoshihisa Kainuma  
Representative Director, CEO  
June 2023

**As the Fiscal Year 2022 (April 1, 2022 - March 31, 2023) has ended, we would like to present our business summary.**

### Overview of the year

During the consolidated fiscal year, the Japanese economy showed signs of a moderate recovery with a resumption of consumer spending owing to the easing of COVID-19 related restrictions on movement. The U.S. economy continued to raise interest rates to curb inflation while employment and individual income were increasing, and as a result the economic upswing was limited. In Europe, resource prices remain high due to a reduced supply of natural resources from Russia in conjunction with its aggression against Ukraine, so the future remains uncertain. The future of the Chinese economy remains uncertain since the economy was sluggish mainly in the real estate market while the normalization of economic activity progressed with the easing of restrictions on movement based on the government's zero-COVID policy. In Southeast Asia, the return of economic activity following the easing of COVID-19 related restrictions on movement ensured economic recovery was on track.

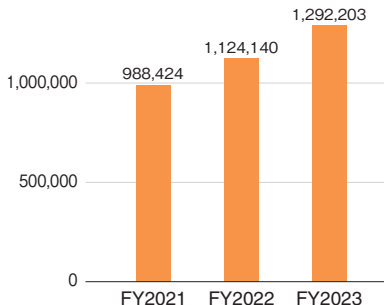
Working against this backdrop, the MinebeaMitsumi Group (our “Group”) concentrated on cutting costs, creating high-value-added products, developing new technologies, and enhancing its marketing approach to boost profitability further.

As a result, net sales were up 168,063 million yen (15.0%) year on year to

### Financial Highlights (Consolidated)

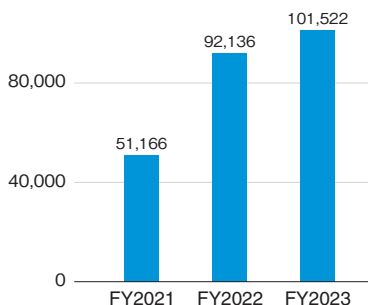
#### Net Sales

(Unit: millions of yen)  
1,500,000



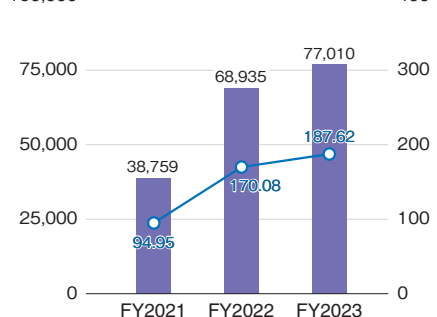
#### Operating Income

(Unit: millions of yen)  
120,000



#### 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



1,292,203 million yen. Operating income was up 9,386 million yen (10.2%) year on year to 101,522 million yen, profit before income taxes was up 5,332 million yen (5.9%) year on year to 96,120 million yen, and profit for the year attributable to owners of the parent was up 8,075 million yen (11.7%) year on year to 77,010 million yen. In each of these three areas we achieved record highs.

HONDA TSUSHIN KOGYO CO., LTD. was made a subsidiary on September 16, 2022 and Minebea AccessSolutions Inc. was made a subsidiary on January 27, 2023 (at the same time, renamed Honda Lock Mfg. Co., Ltd.). Those companies have been included in the scope of consolidation. In addition to the companies' profits and losses from the date of the business integration on, the above includes 25,728 million yen of negative goodwill arising from the business combination with Minebea AccessSolutions Inc.

## ■ Outlook for the next fiscal year

Our Group has put together the full-year consolidated business forecast below based on currently available information.

(Amount: millions of yen)

Net sales	1,450,000	Operating income	95,000	Profit for the year attributable to owners of the parent	70,000
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## ■ Basic policy for profit sharing

Sharing profits with our Group's shareholders is first priority for MinebeaMitsumi (the "Company"). That is why its 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.

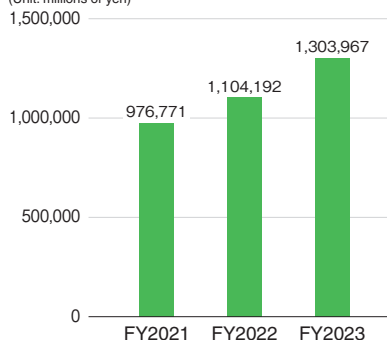
Based on the above basic policy, we decided to pay a year-end dividend of 20 yen per share for the current consolidated fiscal year, an increase of 2 yen from the previous fiscal year's record of 18 yen. As the Company has already paid an interim dividend of 20 yen per share, the annual dividends will be 40 yen per share.

Regarding the annual dividends for the following fiscal year, the Company will determine the dividend payout of around 20% on a consolidated basis.

We look forward to your continuous support and guidance.

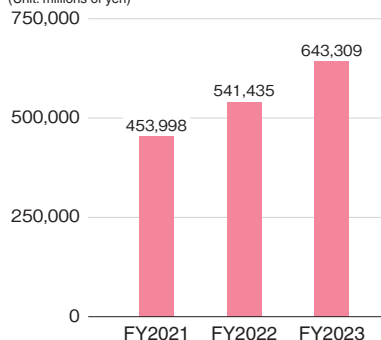
### Total Assets

(Unit: millions of yen)



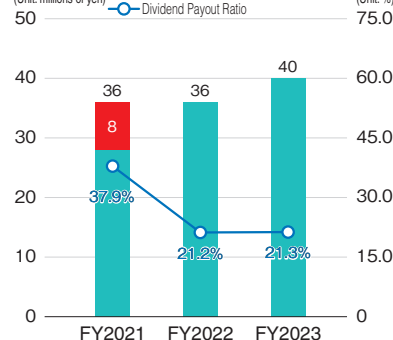
### Total Equity

(Unit: millions of yen)



### Dividends/Dividend Payout Ratio

(Unit: millions of yen) Dividends (Unit: %) Commemorative Dividend (Unit: %)

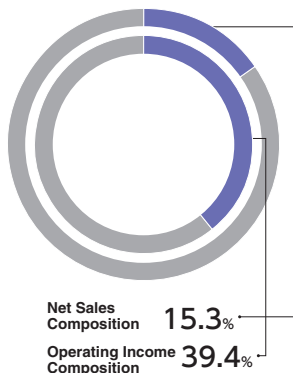


## Overview by Business Segment

The Company changed the names of its business segments as a result of changing the name of its Business Headquarters as of April 2, 2023. (presented below)

### Machined Components Business Precision Technologies Business (PT)

Net Sales 197,300 million yen  Up 11.2%

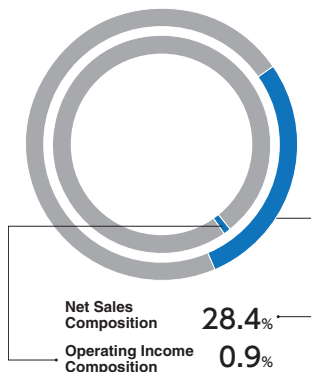


The main products in our Group's Machined components segment include our Group's anchor product line, ball bearings, in addition to mechanical components such as rod-end bearings used primarily in aircraft and hard disk drive (HDD) pivot assemblies, etc. as well as fasteners for aircraft. Sales of ball bearings, our Group's mainstay product, increased due to an increase in demand for automotive parts in line with a recovery in automobile production. Sales of rod-end bearings increased due to a recovery in demand for aircraft-related products. Meanwhile, net sales of pivot assemblies decreased due to a decrease in demand.

As a result, net sales were up 19,830 million yen (11.2%) year on year to 197,300 million yen, while operating income was down 2,766 million yen (-6.1%) year on year to 42,951 million yen.

### Electronic Devices and Components Business Motor, Lighting & Sensing Business (MLS)

Net Sales 366,275 million yen  Down 1.3%



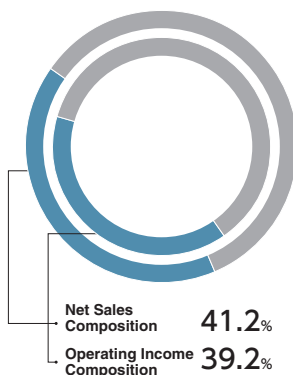
The core products of our Group's Electronic devices and components segment include electronic devices (devices such as LED backlights for LCDs, sensing devices (measuring components), etc.), HDD spindle motors, stepping motors, DC motors, air movers, and special devices. Net sales were down, primarily due to a decline in models using LED backlights and a decline in demand for HDD spindle motors.

As a result, net sales were down 4,748 million yen (-1.3%) year on year to 366,275 million yen, and operating income was down 20,639 million yen (-95.7%) year on year to 922 million yen.

## MITSUMI Business

### Semiconductors & Electronics Business (SE)

Net Sales 530,464 million yen  Up 23.6%



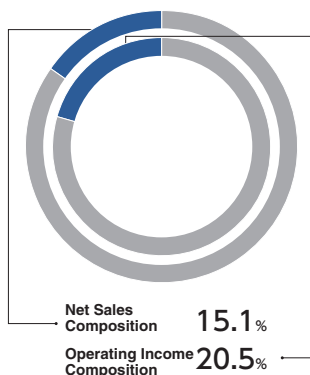
The main products in the MITSUMI business segment are semiconductor devices, optical devices, mechanical components, power supply components, and smart products. Optical devices for camera actuators performed well, resulting in an increase in net sales. Profit and loss of HONDA TSUSHIN KOGYO CO., LTD. are included in the MITSUMI business segment in conjunction with its acquisition.

As a result, net sales were up 101,348 million yen (23.6%) year on year to 530,464 million yen, and operating income also increased by 894 million yen (2.1%) year on year to 42,740 million yen.

## U-Shin Business

### Access Solutions Business (AS)

Net Sales 194,699 million yen  Up 33.7%



The main products of the U-Shin business segment are key sets, door latches, door handles, and other automotive components as well as industrial equipment components. Net sales of automotive components were up owing to increased demand resulting from an increase in automobile production. In conjunction with the acquisition of Minebea AccessSolutions Inc., the earnings and gain on bargain purchase of the company are included in the U-Shin business.

As a result, net sales were up 49,122 million yen (33.7%) year on year to 194,699 million yen, and operating income was 22,302 million yen, an improvement of 21,570 million yen.

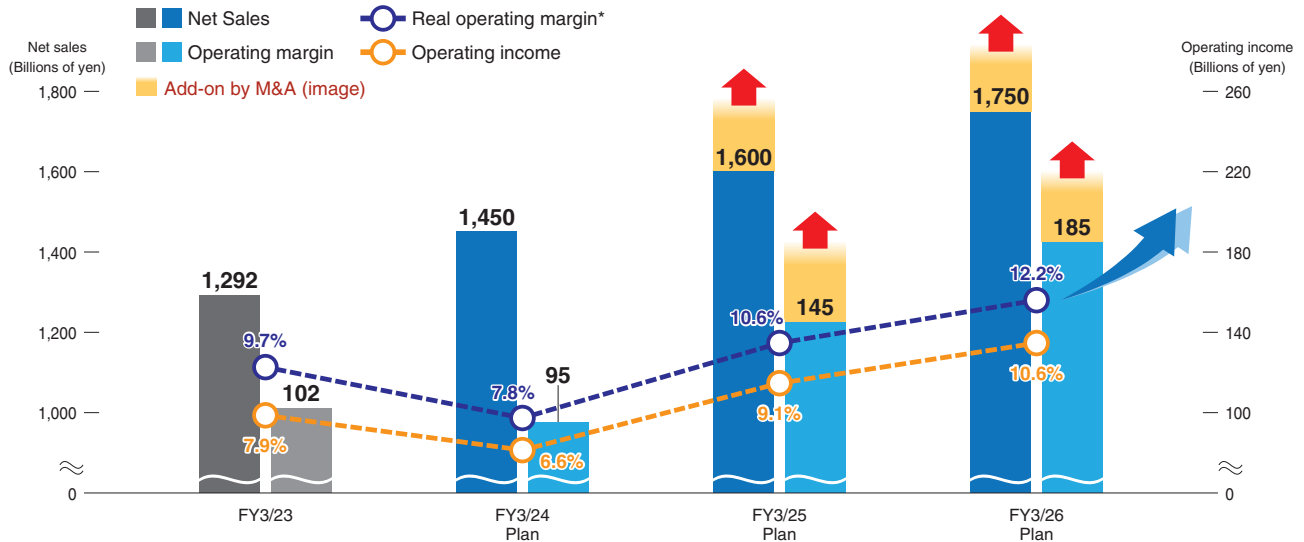
Notes: 1. Machines produced in-house are the main products in our Group's Other business segment. Net sales were up 2,511 million yen (263.0%) year on year to 3,465 million yen, and operating loss was 1,290 million yen, an improvement of 49 million yen year on year.

2. In addition to the figures noted above, 6,103 million yen in corporate expenses, etc. not belonging to any particular segment is indicated as adjustments. This adjustment includes 13,016 million yen of gain on sale of fixed assets associated with the sale of the former Tokyo head office building. Adjustments in the previous fiscal year came to 16,381 million yen.

# MinebeaMitsumi Group New Medium-term Business Plan Targets

## Real operating margin\* to reach 15% level thanks to mix improvement

Increase in sales of bearing, rod-ends and analog semiconductors  
as well as improvement in profit margin of other products



\*Real operating margin: Operating margin excluding sales of supplied parts etc.

## Main points of the New Midterm Business Plan

- Growth and integration of the “Eight Spear products”
- Catch trends and changes to expand business opportunities
- Generate new biz. opportunity for CASE generation

### Ball bearings

- ➡ Growth in automobile and data center applications due to expansion of market share and increase of demand
- Build a framework capable of producing 370 million units per month

### Motors

- ➡ Increase inquiries regarding motors for automobiles
- Growth to accelerate with motors as profit driver

### Analog semiconductors

- ➡ Accelerate in-depth growth investment for continued stable growth

### Optical Device

- ➡ Increase in the adoption rate of our products keeps sales steady

### Access products

- ➡ Significant improvement in profit through market recovery and M&A effects

## Acquisition of all shares of Minebea AccessSolutions Inc. (formerly Honda Lock Mfg. Co., Ltd.)

**Through M&As, we seek to strengthen the access products business, which is one of the “Eight Spears” of our core businesses, and establish a Tier 1 position while expanding our customer base**

The Company acquired all shares of Honda Lock Mfg. Co., Ltd., subsidiary of Honda Motor Co., Ltd., and turned it into a subsidiary on January 27, 2023 and the name was changed to Minebea AccessSolutions Inc. on the same day.

Minebea AccessSolutions Inc. mainly engages in development, production and sale of automobile parts, motorcycle parts, and residential keyless systems. It has a high degree of affinity with U-Shin Ltd., which was subject to business integration in April 2019, and has the potential to create a variety of synergies due to the complementary nature of their businesses. Specifically, the Company will be able to further strengthen its position as a Tier 1(\*) supplier by enabling development and manufacturing of products with higher performance and more advanced features enlisting the INTEGRATION of advanced technologies, expanding sales opportunities through the INTEGRATION of customer bases and mutually utilizing sales channels, and enhancing customer service on a global basis through mutually complementary regional coverage.

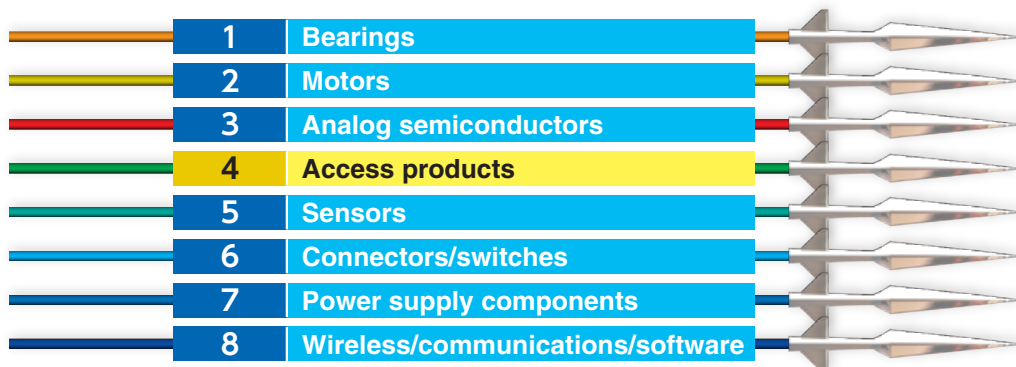
\*Tier 1: Suppliers who provide components directly to automobile (completed vehicle) manufacturers, etc.

### Product synergies (Major products) \*MAS: Acronym for Minebea Access Solutions.

○ Products offered by U-Shin but not by MAS ○ Products offered by MAS but not by U-Shin ○ Overlapping products



## Strengthening the access products business serving as one of the “Eight Spears” of our core businesses



**Core products  
in the  
business**



## Acquisition of green building certification (CASBEE for Real Estate certification) for Tokyo X Tech Garden



Having been relocated and reopened on March 27, 2023, MinebeaMitsumi Tokyo X Tech Garden (Tokyo Headquarters) has been granted S-rank certification, which is the highest among four rankings of the CASBEE for Real Estate certification scheme entailing comprehensive assessment of environmental performance.

Comprehensive Assessment System for Building Environmental Efficiency (CASBEE) has been established under the leadership of the Ministry of Land, Infrastructure Transport and Tourism to adequately assess real estate with substantial environmental value that demonstrates high environmental performance and sound management. The certification, which mainly applies to office buildings, is conducted by a third-party organization. CASBEE give assessment results for the five assessed categories of "energy/greenhouse gas," "water," "resource use/safety," "biodiversity/sustainable site," and "indoor environment." The Group will work to enhance environmental value, which will arise from taking the environment into consideration and reducing the burden on the environment.



MinebeaMitsumi  
Tokyo X Tech Garden

## MinebeaMitsumi LADIES Hokkaido Shimbun CUP golf tournament to be held

The Company will carry out a special sponsorship for the "MinebeaMitsumi LADIES Hokkaido Shimbun CUP," which will be held at the Makomanai Country Club's Soranuma course (Minami-ku, Sapporo, Hokkaido) for the four days from July 6 (Thursday) to July 9, 2023 (Sunday).

The tournament will play a part in securing talented human resources looking toward the Company's 100th anniversary, contributing to communities to which it is indebted with respect to its semiconductor business, and furthermore putting MinebeaMitsumi's company credo "The Five Principles"\* into practice through promotion of sports.

Hokkaido native professional female golfers Erika Kikuchi and Miyu Abe, who have signed contracts of affiliation from August 2022, will be participating in this tournament. The Company will fully support both athletes so that they can continue to take on challenges toward their high goals.



"MinebeaMitsumi LADIES Hokkaido Shimbun CUP"

### \* MinebeaMitsumi's company credo "The Five Principles"

- |   |  |
|---|--|
| (1) Be a company where our employees are proud to work  | (4) Work in harmony with the local community |
| (2) Earn and preserve the trust of our valued customers | (5) Promote and contribute to global society |
| (3) Respond to our shareholders' expectations           |  |

## Awarded the "excellence award" for the second year in a row at the 2nd NIKKEI Integrated Report Award

The "MinebeaMitsumi Group Integrated Report 2022" was awarded the excellence award at the 2nd NIKKEI Integrated Report Award (hosted by Nikkei Inc.). Continuing from 2021, this is the second year in a row receiving this award.

This report is designed to create new opportunities for dialogue with our shareholders, investors, and other stakeholders by communicating the Company's efforts to expand its corporate value.

Please take the time to read this report, which is provided on the Company's website. We hope that you will come to a deeper understanding of the Company.

[https://www.minebeamitsumi.com/corp/investors/disclosure/integrated\\_report/](https://www.minebeamitsumi.com/corp/investors/disclosure/integrated_report/)





# Consolidated Financial Statements (IFRS)

## Consolidated Statements of Financial Position

(unit: millions of yen)

	Fiscal year 2023 (as of March 31, 2023)	Fiscal year 2022 (as of March 31, 2022)
<b>Assets</b>		
Current assets	732,692	666,122
Non-current assets	571,275	438,070
<b>Total assets</b>	<b>1,303,967</b>	<b>1,104,192</b>
<b>Liabilities</b>		
Current liabilities	439,362	415,157
Non-current liabilities	221,296	147,600
<b>Total liabilities</b>	<b>660,658</b>	<b>562,757</b>
<b>Equity</b>		
Common stock	68,259	68,259
Capital surplus	141,004	140,102
Treasury stock	(42,226)	(43,964)
Retained earnings	382,663	320,755
Other components of equity	83,156	53,458
Total equity attributable to owners of the parent	632,856	538,610
Non-controlling interests	10,453	2,825
<b>Total equity</b>	<b>643,309</b>	<b>541,435</b>
<b>Total liabilities and equity</b>	<b>1,303,967</b>	<b>1,104,192</b>

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

## Consolidated Statements of Income

(unit: millions of yen)

	Fiscal year 2023 (Apr. 2022 thru Mar. 2023)	Fiscal year 2022 (Apr. 2021 thru Mar. 2022)
Net sales	1,292,203	1,124,140
Cost of sales	1,071,359	908,556
Gross profit	220,844	215,584
Selling, general and administrative expenses	144,347	125,276
Other income	44,371	4,497
Other expenses	19,346	2,669
Operating income	101,522	92,136
Finance income	2,058	1,497
Finance expenses	7,460	2,845
Profit before income taxes	96,120	90,788
Income taxes	18,938	21,862
Profit for the year	77,182	68,926
Profit (loss) for the year attributable to:		
Owners of the parent	77,010	68,935
Non-controlling interests	172	(9)
Profit for the year	77,182	68,926

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

## Consolidated Statements of Cash Flows

(unit: millions of yen)

	Fiscal year 2023 (Apr. 2022 thru Mar. 2023)	Fiscal year 2022 (Apr. 2021 thru Mar. 2022)
Cash flows from operating activities	44,093	78,417
Cash flows from investing activities	(106,275)	(63,605)
Cash flows from financing activities	37,875	(25,547)
Effect of exchange rate changes on cash and cash equivalents	5,390	8,844
Increase (decrease) in cash and cash equivalents	(18,917)	(1,891)
Cash and cash equivalents at beginning of year	163,588	165,479
Cash and cash equivalents at end of year	144,671	163,588

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

## Corporate Data (as of March 31, 2023)

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 MinebeaMitsumi Tokyo X Tech Garden (Tokyo Headquarters), MinebeaMitsumi Osaka
Number of Employees :	4,620		

## Share Information (as of March 31, 2023)

### Overview of Shares

Total Number of Shares Authorized	1,000,000,000	shares
Number of Shares Issued	427,080,606	shares
Number of Shareholders	29,091	

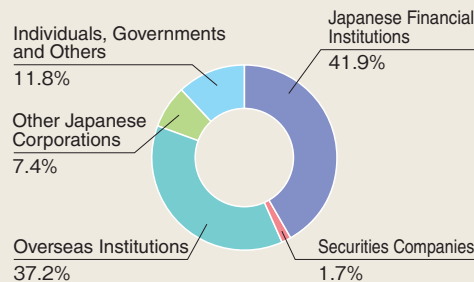
### Major Shareholders (Top 10)

	Number of Shares (shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	71,913,600	17.60
Custody Bank of Japan, Ltd. (Trust account)	31,303,000	7.66
Takahashi Industrial and Economic Research Foundation	15,447,330	3.78
Sumitomo Mitsui Trust Bank, Limited	15,413,900	3.77
SSBTC CLIENT OMNIBUS ACCOUNT	12,119,740	2.96
STATE STREET BANK CLIENT OMNIBUS OMO	10,979,676	2.68
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
BNYM AS AGT/CLTS NON TREATY JASDEC	7,020,117	1.71

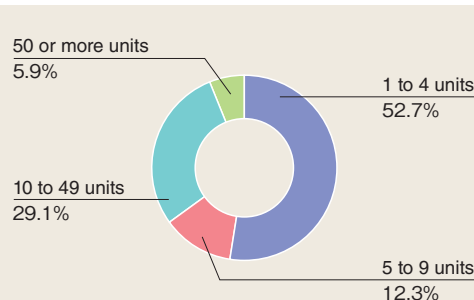
Notes: 1. The Company holds 18,581,277 shares of treasury stock, and is excluded from the major shareholders list above.

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)	<a href="https://www.smtb.jp/personal/procedure/agency/">https://www.smtb.jp/personal/procedure/agency/</a>
(FAQ)	<a href="https://faq-agency.smtb.jp/?site_domain=personal">https://faq-agency.smtb.jp/?site_domain=personal</a>
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

### [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>	<p>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.</p> <p>*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.</p> <p>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.)</p>

Cover photo: (Left) Minebea AccessSolutions Inc. Miyazaki Plant  
(Right) U-Shin Ltd. Hiroshima Plant

MinebeaMitsumi Inc.

**MinebeaMitsumi Tokyo X Tech Garden  
(Tokyo Headquarters)**

1-9-3, Higashi-shimbashi, Minato-ku, Tokyo, 105-0021

TEL: 81-3-6758-6711 / FAX: 81-3-4511-3943

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