

Business Results

Third Quarter of Fiscal Year
Ending March 31, 2024

MinebeaMitsumi Inc.

February 2, 2024

Summary of Consolidated Business Results for 3Q

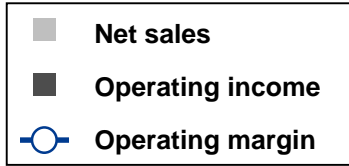
Net sales hit a quarterly record high

(Millions of yen)	FY3/23	FY3/24		Change	
	3Q	2Q	3Q	YoY	QoQ
Net sales	371,424	379,747	381,207	+2.6%	+0.4%
Operating income	25,495	21,141	24,027	-5.8%	+13.7%
Profit before taxes	19,526	22,421	20,737	+6.2%	-7.5%
Profit for the period attributable to owners of the parent	12,271	15,981	14,754	+20.2%	-7.7%
Earnings per share, basic (yen)	29.74	39.23	36.49	+22.7%	-7.0%

Foreign Exchange Rates	FY3/23 3Q	FY3/24 2Q	FY3/24 3Q
US\$	¥144.25	¥142.47	¥149.09
Euro	¥143.93	¥155.71	¥159.31
Thai Baht	¥3.89	¥4.09	¥4.15
Chinese RMB	¥20.22	¥19.76	¥20.47

Net Sales, Operating Income / Margin

(Billions of yen)

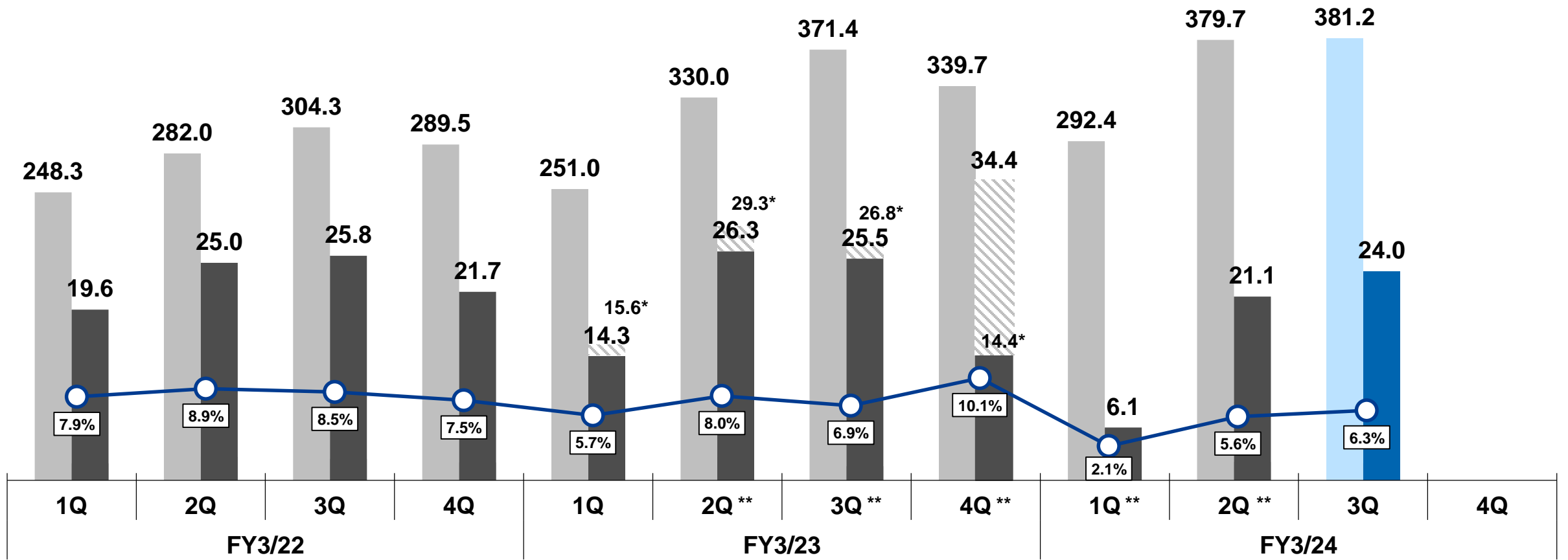


FY3/23 Special factors

	1Q	2Q	3Q	4Q	Full Year
FX forward contract	-1.3	-3.0	-2.9	-1.5	-8.7
Others	-	-	1.7	21.5	23.2
Total	-1.3	-3.0	-1.3	20.0	14.5

*Excl. special factors

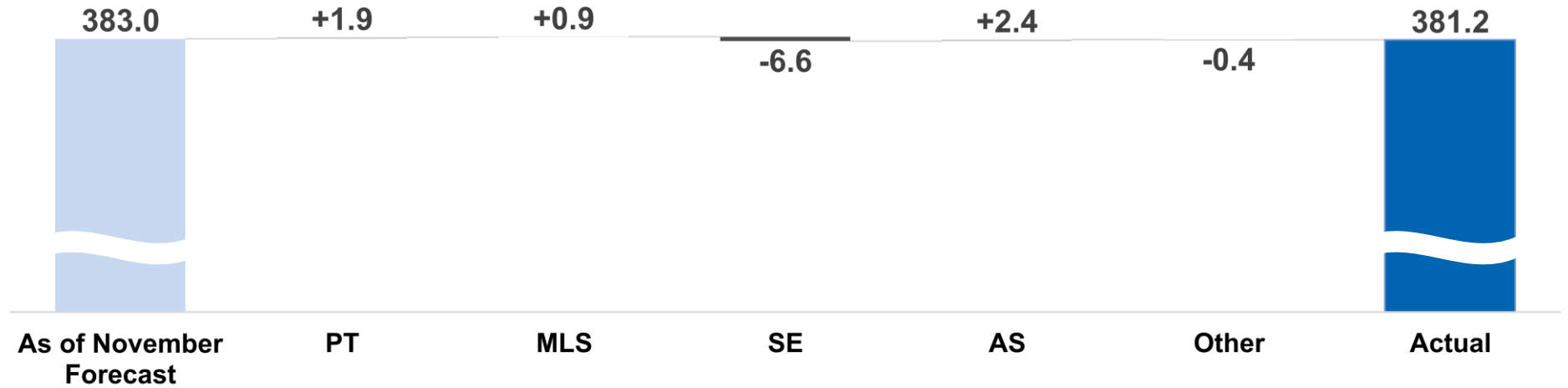
**OP figures have been revised in accordance with finalization of PPA for ①HONDA TSUSHIN KOGYO CO., LTD. ②Minebea Connect Inc.
 FY3/23 2Q -63 million yen (①), 3Q -937 million yen (①,②), 4Q -51 million yen (①,②), FY3/24 1Q +6 million yen (①,②), 2Q +31 million yen (②)



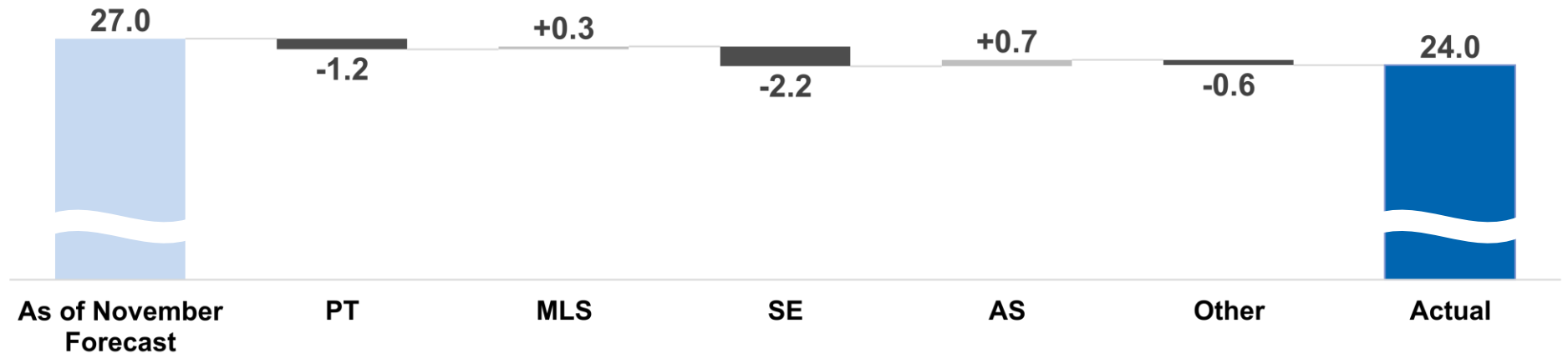
3Q Actual: Differences from the Forecast as of November

(Billions of yen)

Net Sales

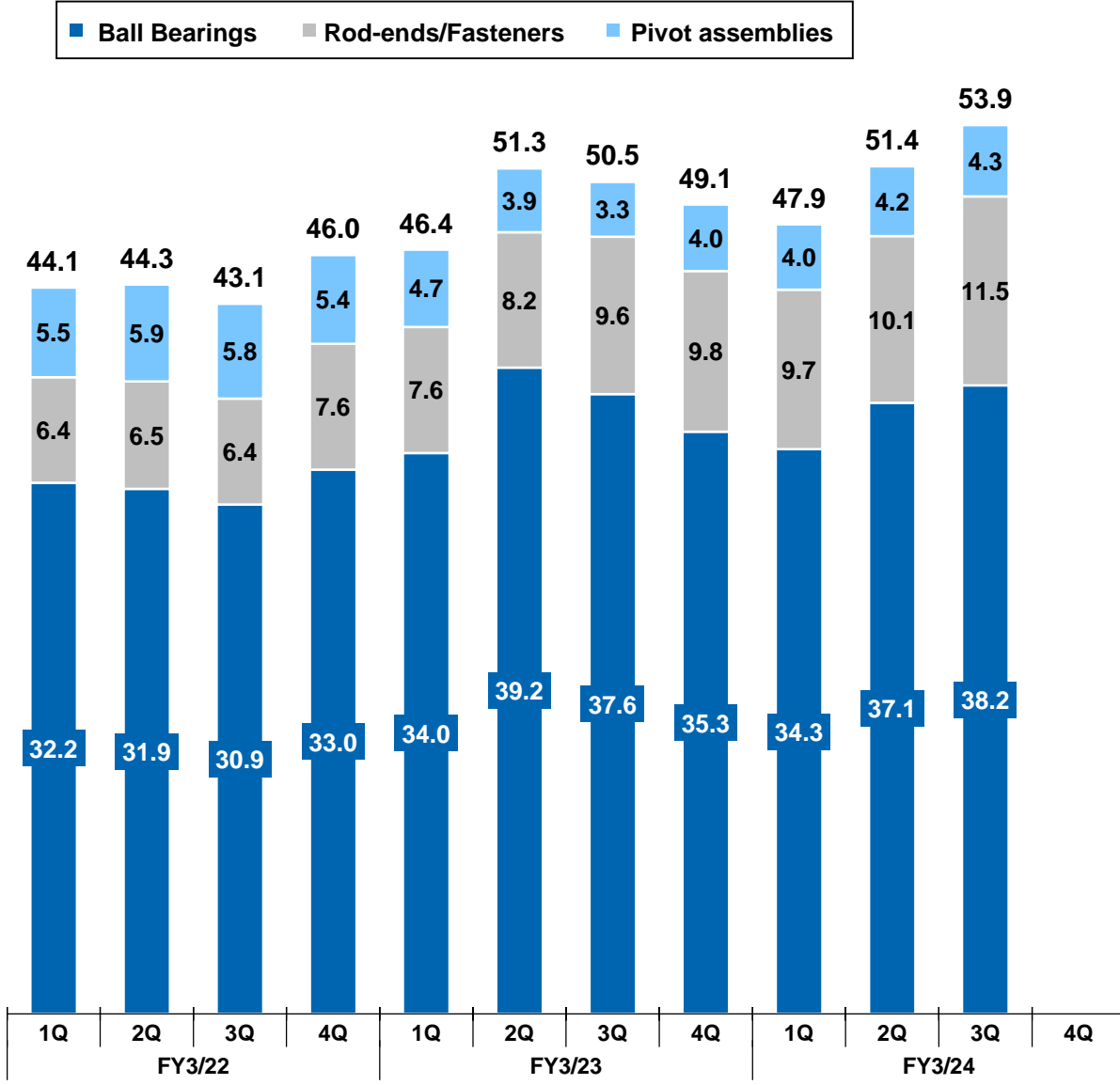


Operating Income

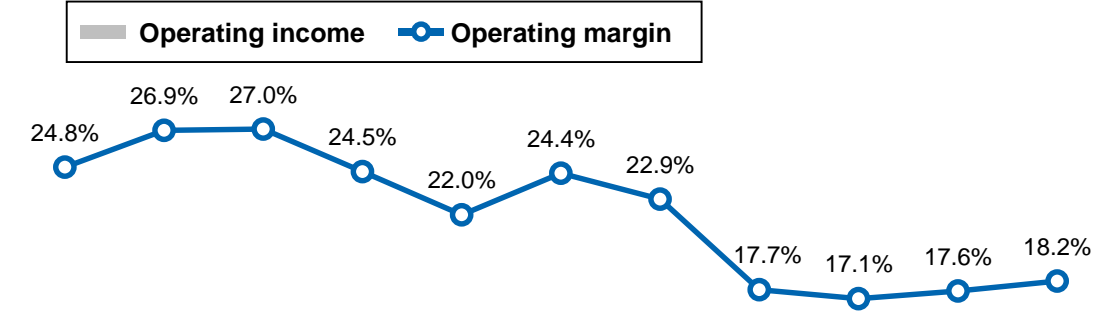


Precision Technologies (PT)

Net sales (Billions of Yen)

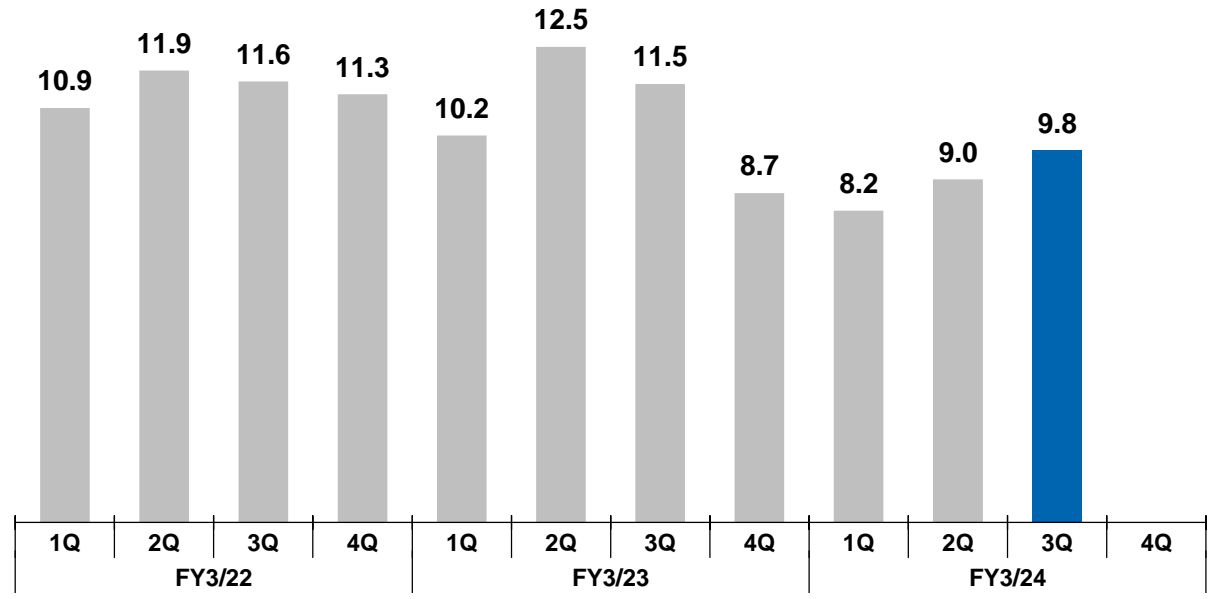


Operating income (Billions of yen)



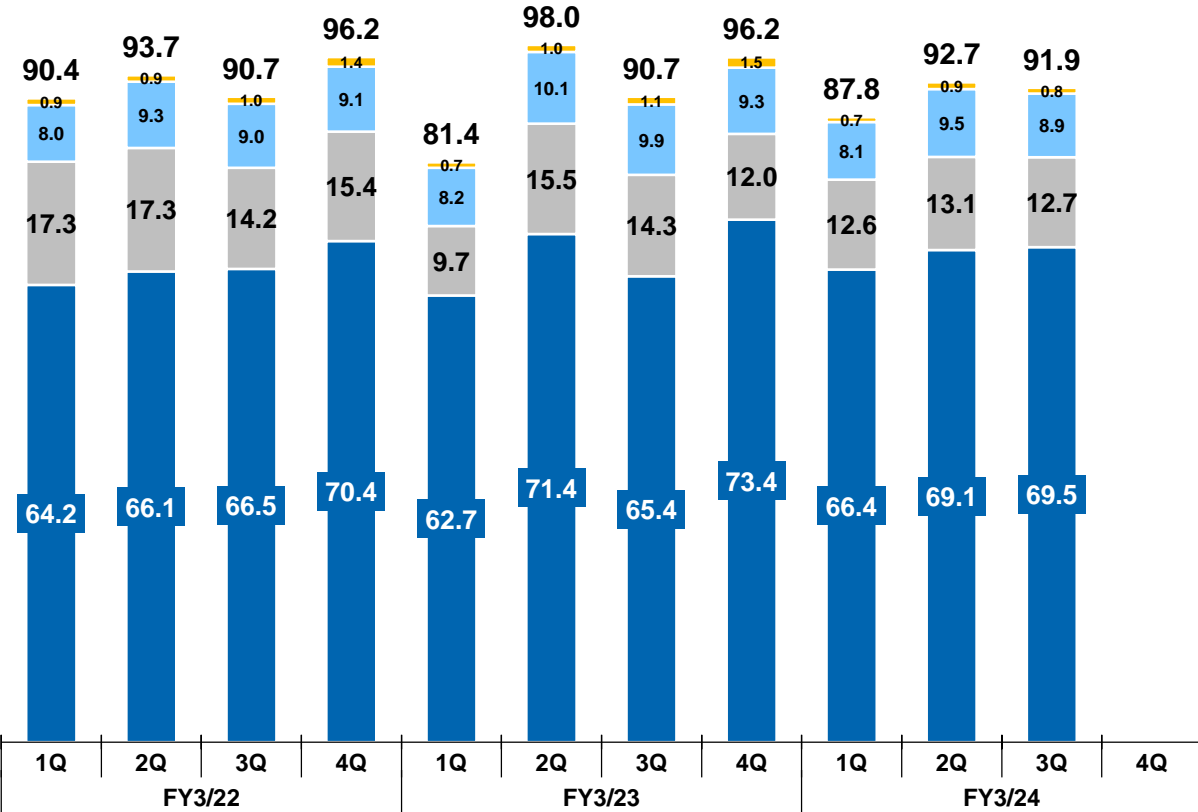
FY3/23 Special factors

	1Q	2Q	3Q	4Q	Full Year
FX forward contract	-0.2	-0.3	-0.4	-0.2	-1.1
Others	-	-	-	-1.4	-1.4
Total	-0.2	-0.3	-0.4	-1.5	-2.4

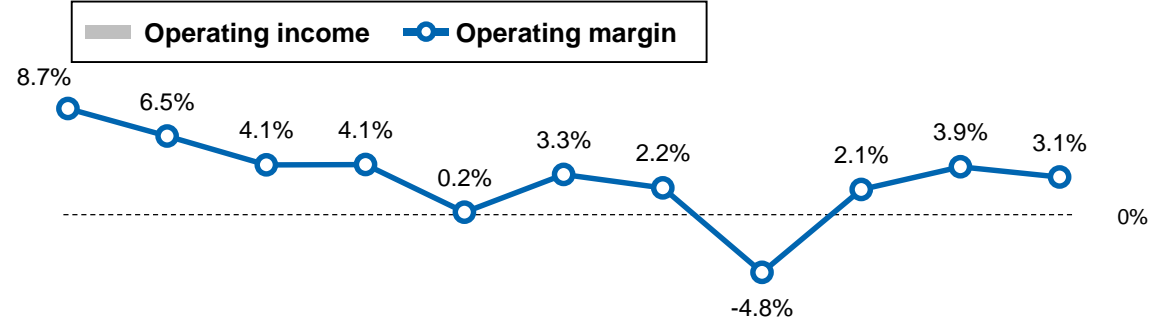


Motor, Lighting & Sensing (MLS)

Net sales (Billions of Yen)

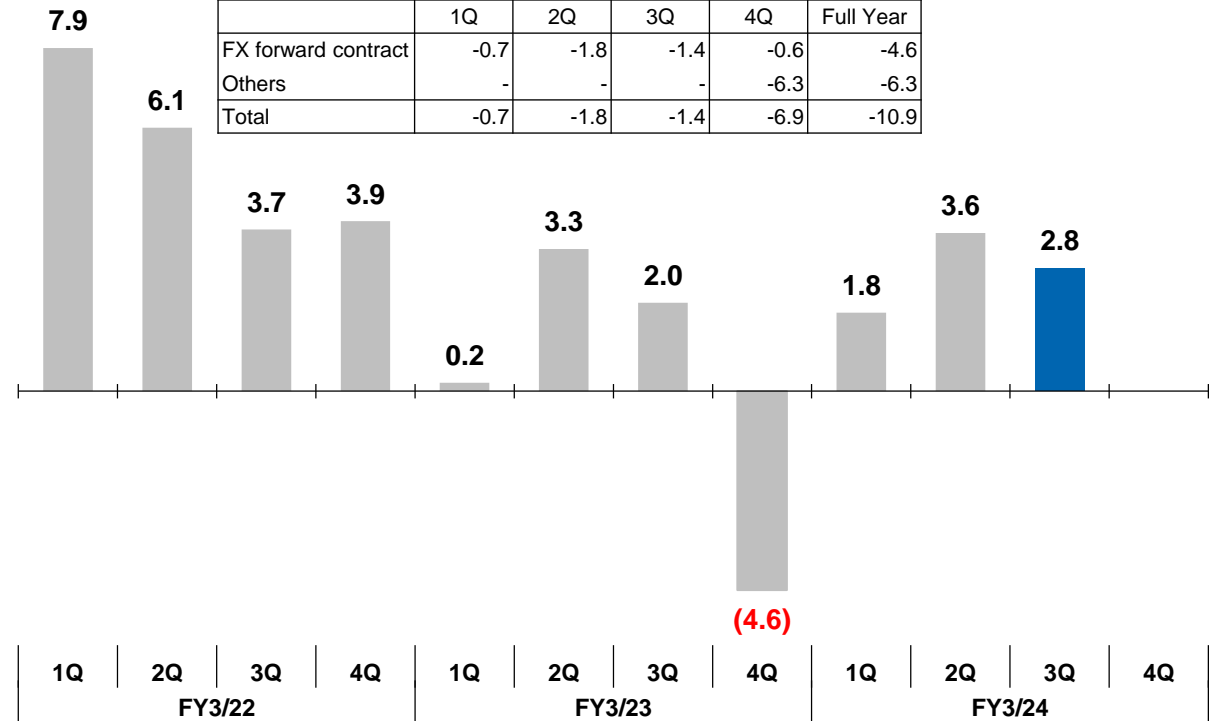


Operating income (Billions of yen)



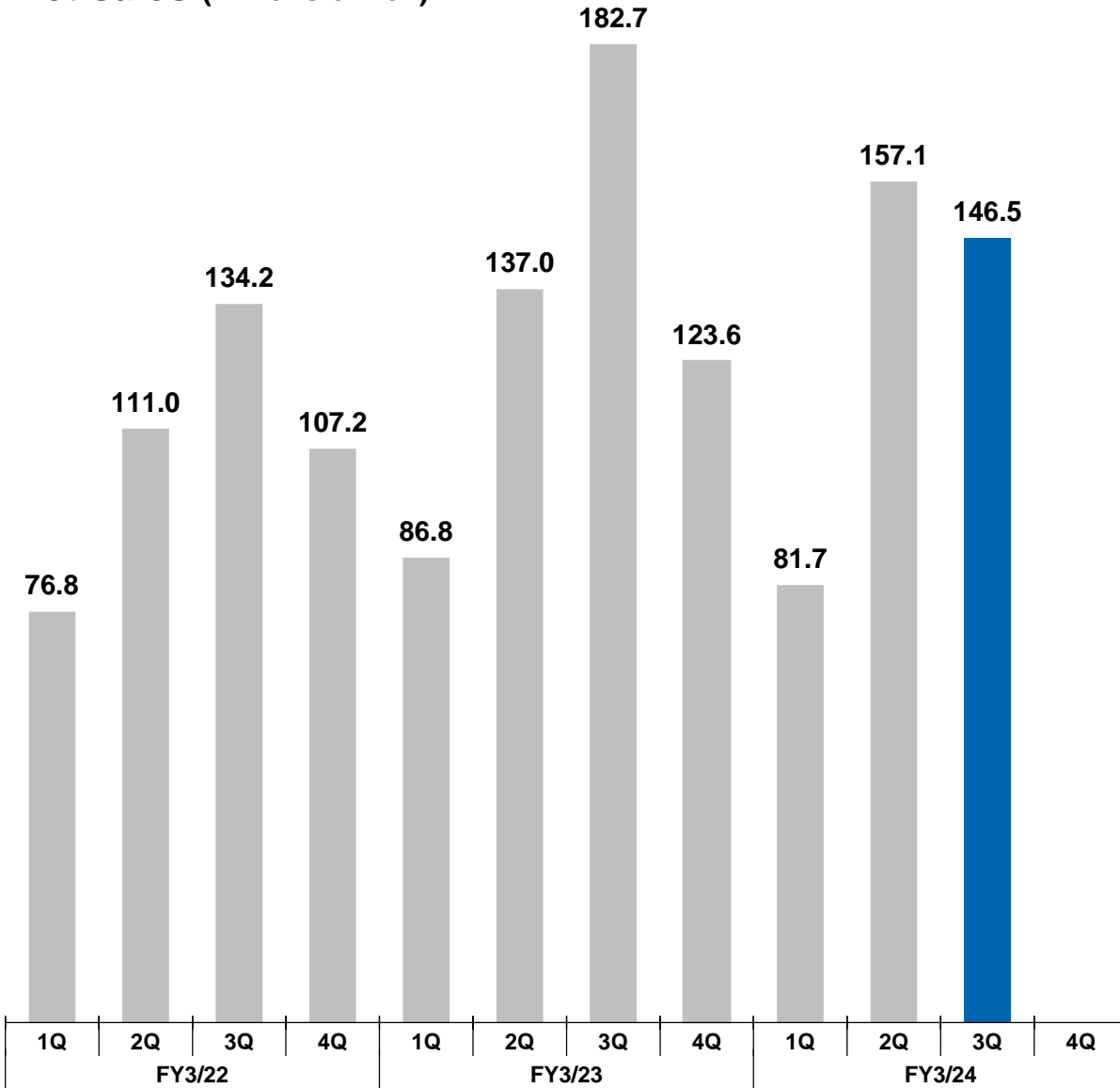
FY3/23 Special factors

	1Q	2Q	3Q	4Q	Full Year
FX forward contract	-0.7	-1.8	-1.4	-0.6	-4.6
Others	-	-	-	-6.3	-6.3
Total	-0.7	-1.8	-1.4	-6.9	-10.9

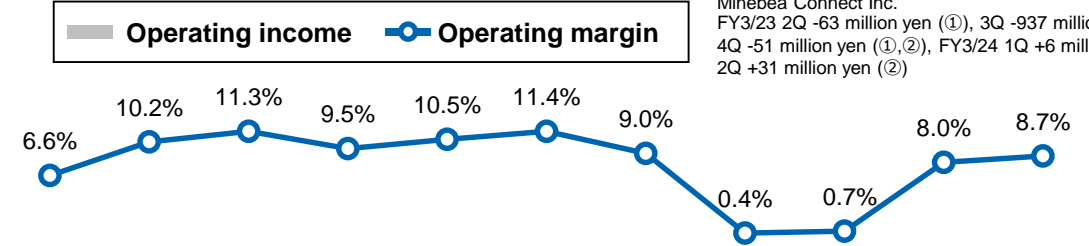


Semiconductors & Electronics (SE)

Net sales (Billions of Yen)



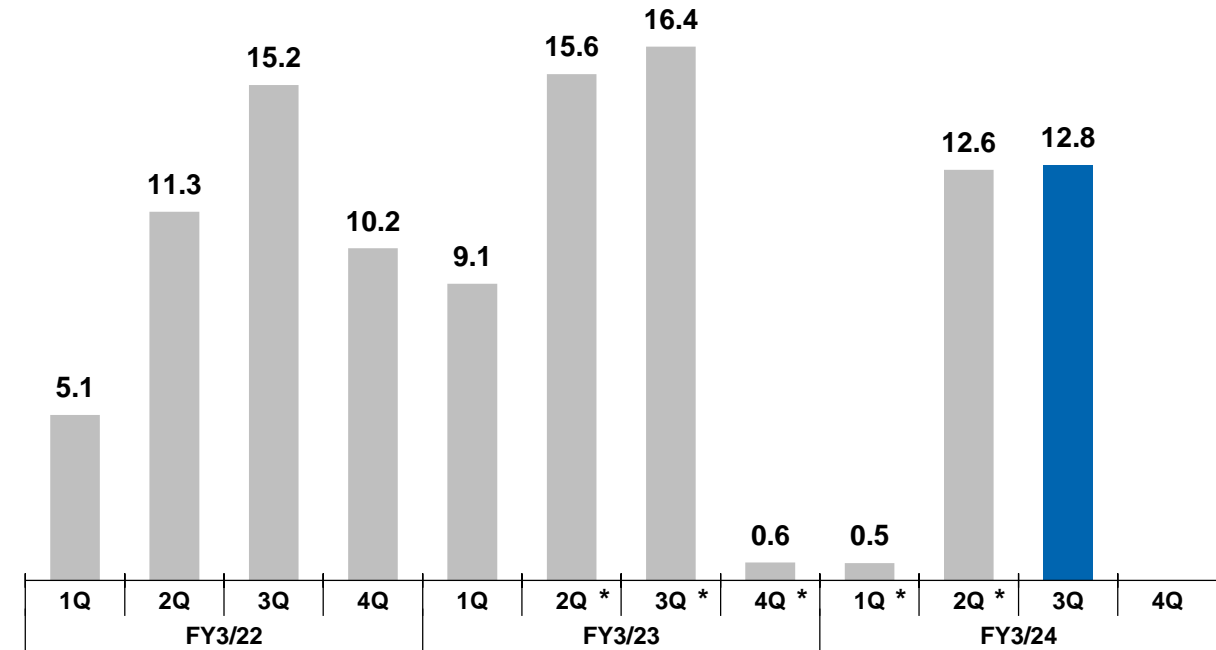
Operating income (Billions of yen)



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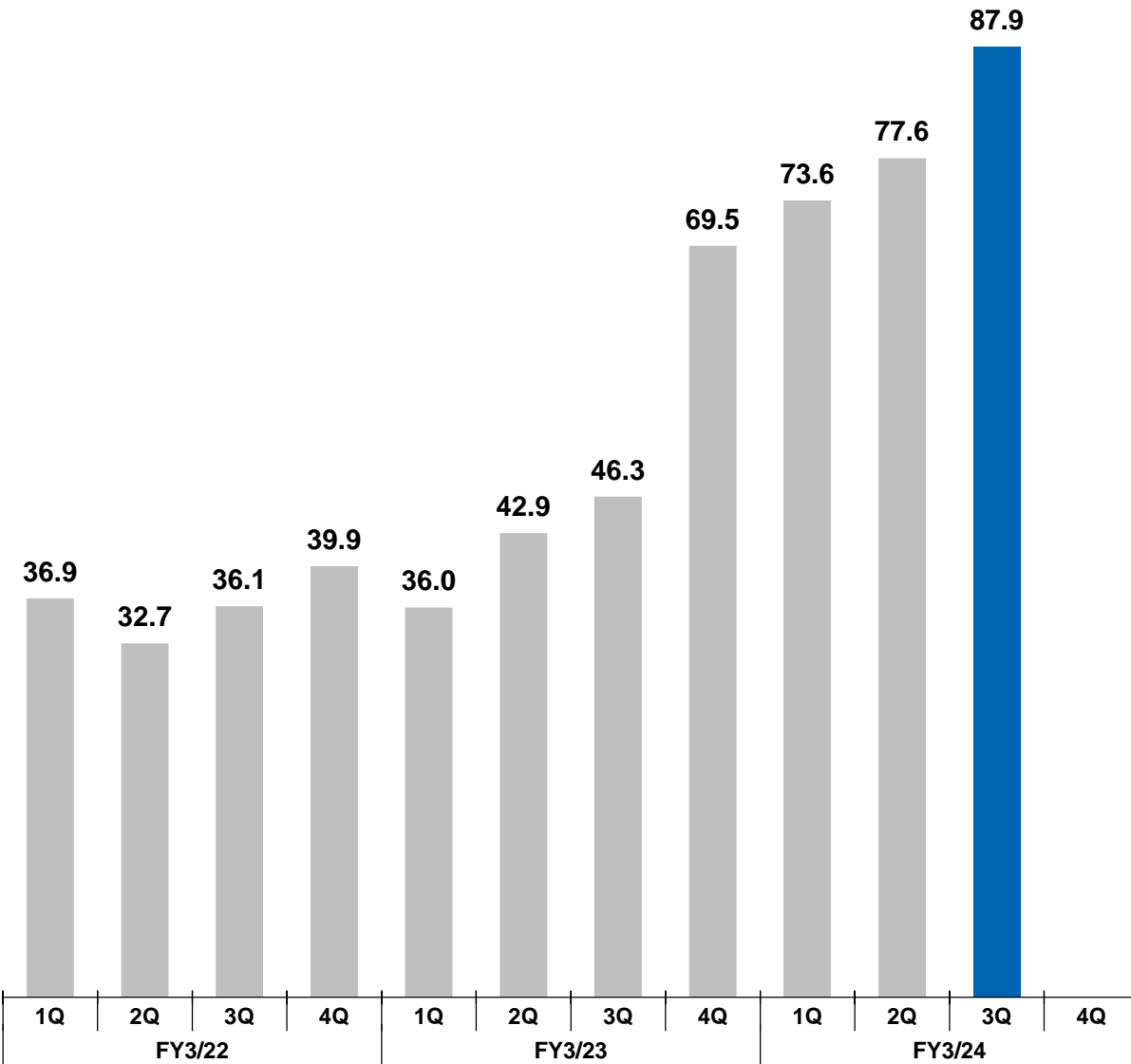
FY3/23 Special factors

	1Q	2Q	3Q	4Q	Full Year
FX forward contract	-0.4	-0.8	-1.2	-0.7	-3.1
Others	-	-	1.7	-3.7	-2.0
Total	-0.4	-0.8	0.5	-4.4	-5.1

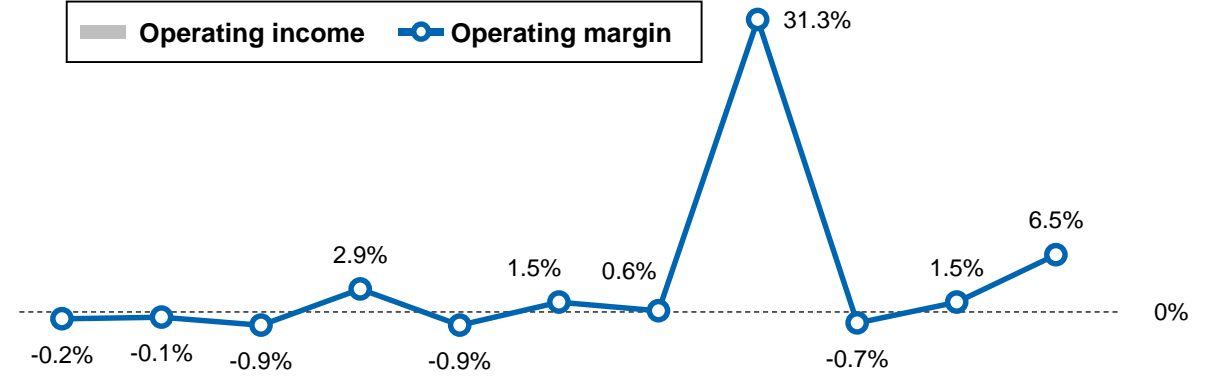


Access Solutions (AS)

Net sales (Billions of Yen)

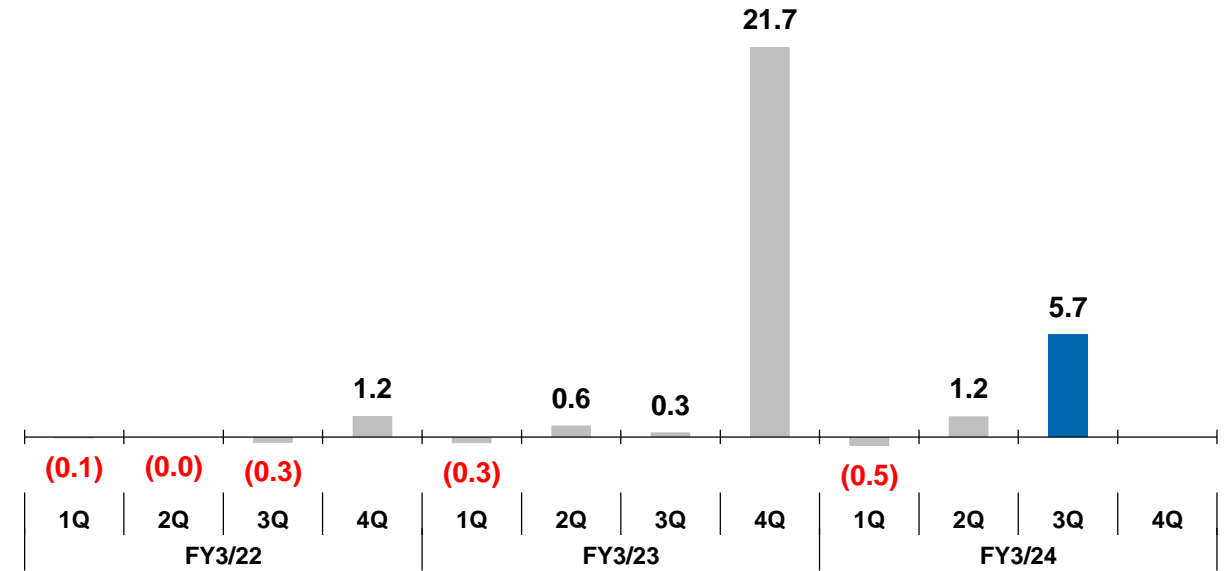


Operating income (Billions of yen)



FY3/23 Special factors

	1Q	2Q	3Q	4Q	Full Year
FX forward contract	-	-	-	-	-
Others	-	-	-	20.2	20.2
Total	-	-	-	20.2	20.2



Profit Attributable to Owners of the Parent / EPS

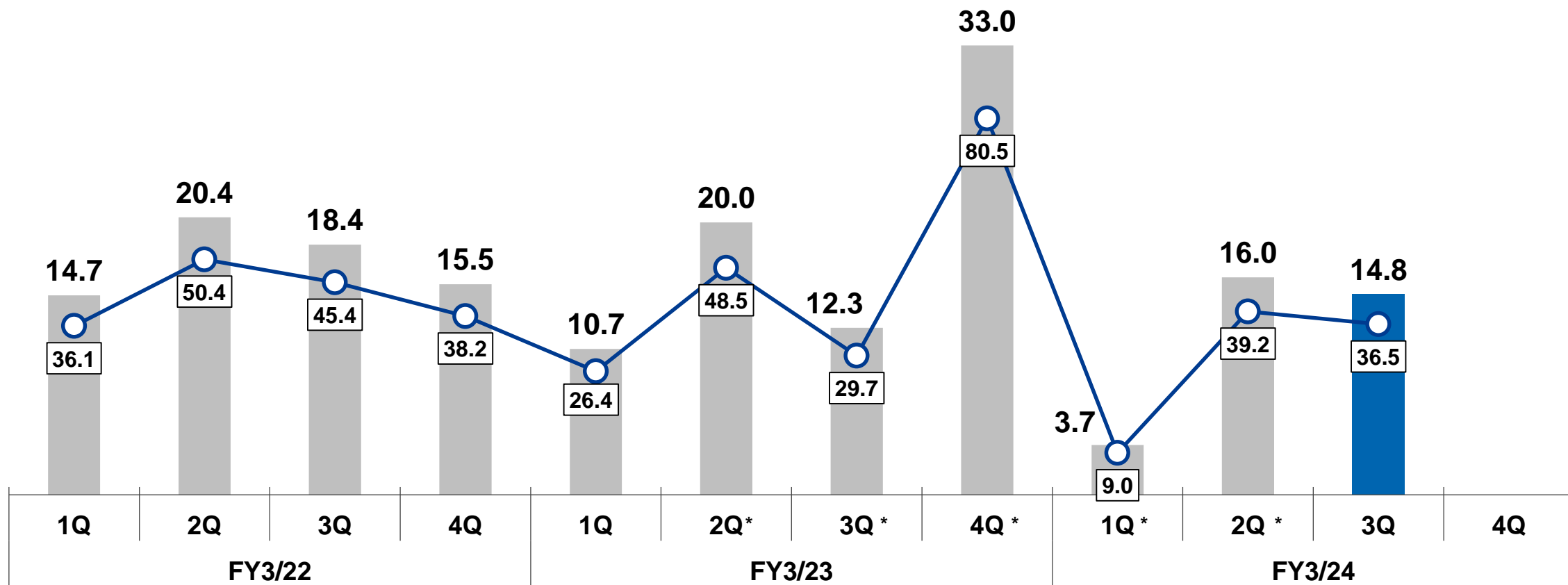
(Billions of yen)

■ Profit for the period attributable to owners of the parent ○ Earnings per share, basic (yen)

*Figures have been revised in accordance with finalization of PPA for ①HONDA TSUSHIN KOGYO CO., LTD. ②Minebea Connect Inc.

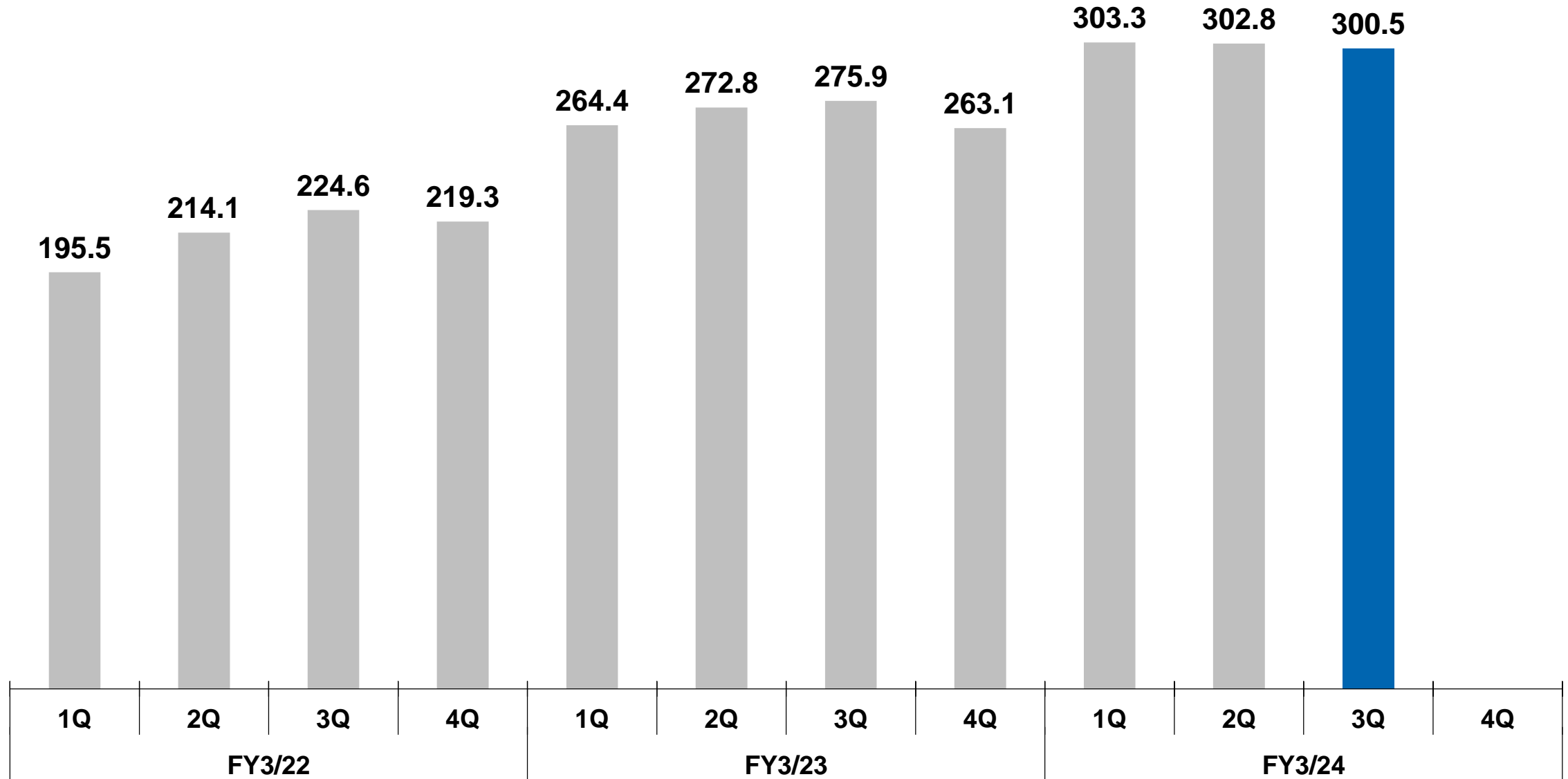
Profit for the period attributable to owners of the parent: FY3/23 2Q -38 million yen (①), 3Q -877 million yen (①,②), 4Q -40 million yen (①,②), FY3/24 1Q +4 million yen (①,②), 2Q +23 million yen (②)

Earnings per share, basic: FY3/23 2Q -0.09 yen (①), 3Q -2.13 yen (①,②), 4Q -0.10 yen (①,②), FY3/24 1Q +0.01 yen (①,②), 2Q -0.06 yen (②)



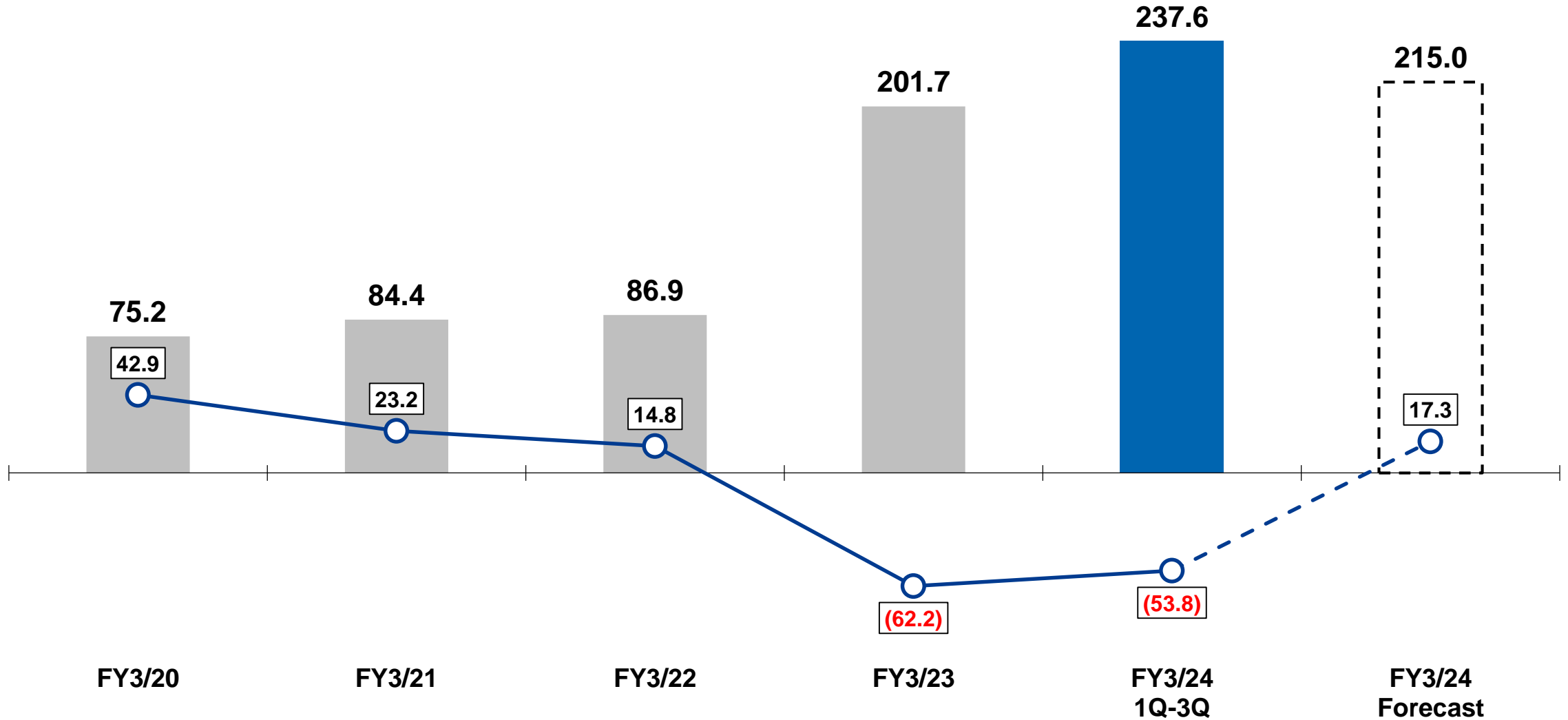
Inventory

(Billions of yen)



Net Interest-bearing Debt / Free Cash Flow

(Billions of yen)



*Net interest-bearing debts: "Bonds and borrowings" - ("Cash and cash equivalents" + Time deposit more than 3 months)

Full-year forecast revised

(Millions of yen)	FY3/23	FY3/24			
	Full Year	1st Half	2nd Half	Full Year	YoY
Net sales	1,292,203	672,117	727,883	1,400,000	+8.3%
Operating income	100,471	27,226	42,774	70,000	-30.3%
Profit before taxes	95,069	30,265	39,735	70,000	-26.4%
Profit for the period attributable to owners of the parent	76,055	19,646	29,354	49,000	-35.6%
Earnings per share, basic (yen)	185.30	48.17	72.48	120.65	-34.9%

Foreign Exchange Rates	FY3/23 Full Year	FY3/24 4Q Assumptions
US\$	¥134.19	¥145.00
Euro	¥139.90	¥155.00
Thai Baht	¥3.82	¥4.10
Chinese RMB	¥19.68	¥20.00

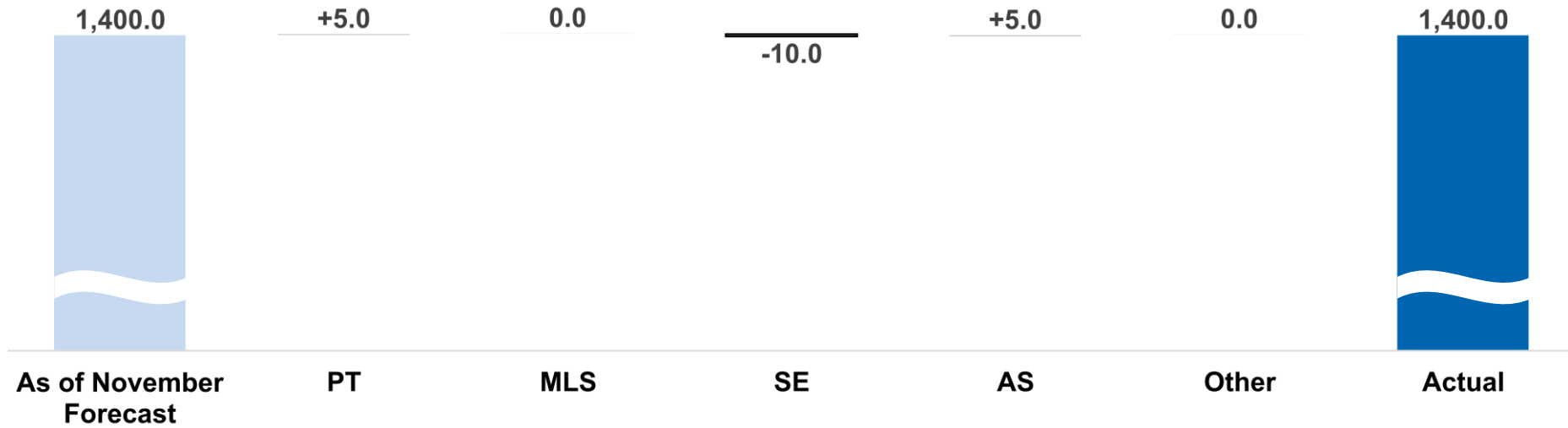
Forecast for Business Segment

(Millions of yen)	FY3/23	FY3/24			
	Full Year	1st Half	2nd Half	Full Year	YoY
Net sales	1,292,203	672,117	727,883	1,400,000	+8.3%
Precision Technologies (PT)	197,300	99,361	110,639	210,000	+6.4%
Motor, Lighting & Sensing (MLS)	366,275	180,469	189,531	370,000	+1.0%
Semiconductors & Electronics (SE)	530,079	238,803	251,197	490,000	-7.6%
Access Solutions (AS)	194,699	151,217	173,783	325,000	+66.9%
Other	3,850	2,267	2,733	5,000	+29.9%
Operating income	100,471	27,226	42,774	70,000	-30.3%
Precision Technologies (PT)	42,951	17,250	20,750	38,000	-11.5%
Motor, Lighting & Sensing (MLS)	922	5,445	4,555	10,000	x10.8
Semiconductors & Electronics (SE)	41,644	13,158	20,842	34,000	-18.4%
Access Solutions (AS)	22,302	660	9,340	10,000	-55.2%
Other	-48	-194	-806	-1,000	-
Adjustment	-7,300	-9,093	-11,907	-21,000	-

Full-year forecast: Differences from the Forecast as of November

(Billions of yen)

Net Sales



Operating Income



Overall

- In 3Q FY3/24, the actual results did not meet the forecast, mainly due to a decline in smartphone related demand.
- **Full-year forecast had to be revised downward due to unexpectedly weak performance and lower capacity utilization of consumer electronics, including smartphones, industrial equipment, and home appliances, in addition to data centers.**
- The data center market has bottomed out, but the recovery remains weak.
- Automotive applications are robust due to recovery in automobile production volume and content growth. Aircraft applications are in a solid growth phase.
- **Access Solutions posted an operating income of over 5 billion yen for the third quarter, and is on track to achieve its forecast of 10 billion yen for the current fiscal year.**
- **Although the current situation is weak, the medium- to long-term business expansion plan remains unchanged. M&A will also steadily round up EPS.**

Precision Technologies (PT)

- Waiting for full recovery in data center market.
- **Solid growth in aircraft applications.** Expanding production capacity in Thailand and India.

Motor, Lighting & Sensing (MLS)

- In-vehicle motors business expansion accelerated due to market recovery and content growth.
- In the backlight business, earnings were secured in the in-vehicle and tablet businesses.

Semiconductors & Electronics (SE)

- Analog semiconductors have been recovering moderately.
- **Proceeding with business integration of Hitachi Power Semiconductor Device toward early realization of 200 billion yen in sales.**
- Optical device sales declined in 3Q due to lower demand for North American smartphones. It will be difficult to recover in 4Q.

Access Solutions (AS)

- **Although profitability improved to 5 billion yen in operating income for the quarter, it could not cover the drop in other products.**
- **Profitability improvement is progressing through PMI activities and structural reforms. Accelerate with SOGO (=INTEGRATION) products.**

Full-year operating profit forecast revised to 70 billion yen

Key Points

- Although current market conditions are weakening, there is no change in the competitive environment and other factors.
- The medium- to long-term growth strategy will be maintained.
- Through the automation promotion project, processes equivalent to approximately 6,000 workers will be automated in FY3/24.
- Prepare for a significant increase in profits when the economy recovers, by cutting back on inefficiency.

(Millions of yen)	FY3/23	FY3/24			
	Full Year	1 Q - 3 Q	4 Q	Full-Year	Y o Y
Net sales	1,292,203	1,053,324	346,676	1,400,000	+8.3%
Operating income	100,471	51,253	18,747	70,000	-30.3%
Profit for the period <small>attributable to owners of the parent</small>	76,055	34,400	14,600	49,000	-35.6%
Earnings per share, <small>basic (yen)</small>	185.30	84.58	36.07	120.65	-34.9%

Aircraft market to recover to pre-COVID19 level within FY3/25

In a solid growth market, improve profitability with unrivaled production capabilities and products that solve social issues

Key points

1 Number of aircraft production to recover to pre-COVID19 level

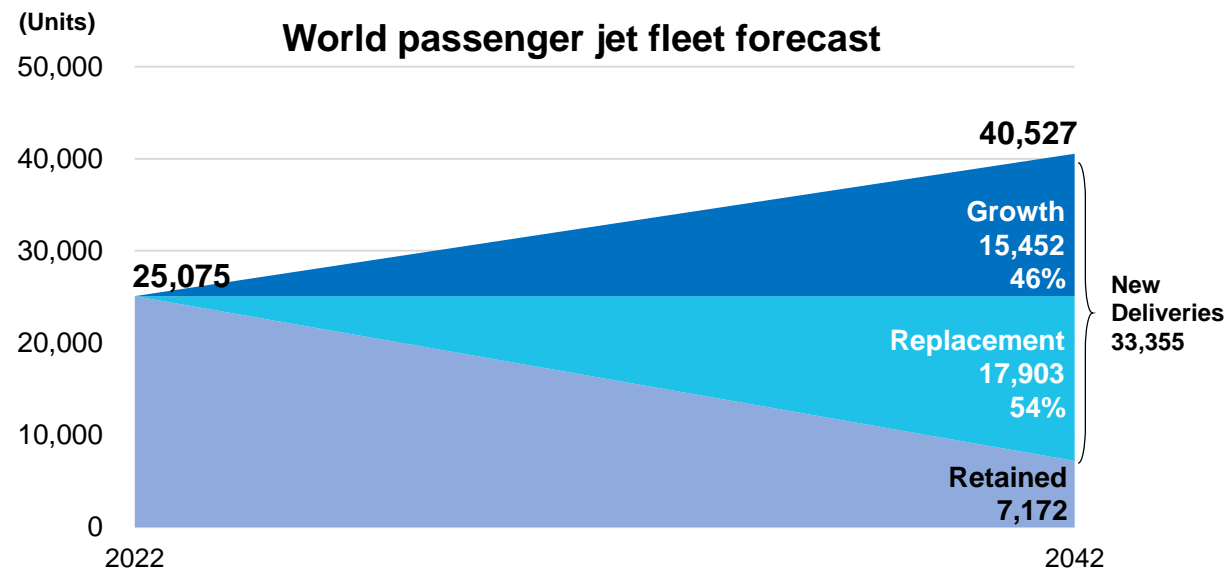
- The number of aircraft production is expected to exceed the pre-COVID19 level by the end of FY3/25.

2 Increased business opportunities in solid growth markets

- Global commercial aircraft demand is expanding, including replacement.
- With the increase in demand for travel, Revenue Passenger Kilometers (RPK) will more than double over the next 20 years compared to pre-COVID19 level.
- Contribution to environmentally friendly aircraft.

3 Outstanding production capacity and products that solve social issues

- **Expansion of plant production capacity.**
RO-RA business integration (completed in Dec. 2023)
Mach Aero India 3rd Plant Building 3 (to be started in Sept. 2024)
Expansion of Lop Buri plant to 24,000 m² (sequentially starting in 2025)
- **Acquire new large-scale business by integrating strengths of the group companies.**
CEROBEAR, C&A Tool Engineering, Mach Aero
- **Products that solve social issues.**
Fuel-efficient engines, electric aircraft-related products



Source: JADC



Link rod by RO-RA



Outlook of RO-RA integrated business in Dec. 2023

Outline of RO-RA Aviation Systems GmbH

Name	RO-RA Aviation Systems GmbH										
Address	Gewerbepark 8, 4861 Schoerfling am Attersee, Austria										
Title and Name of Representative	Helmut Wiesenberger (Managing Director)										
Description of Business	Design, manufacture and sell link rod assembly products for aerospace market Design, manufacture and sell high precision machined parts for aerospace engines										
Capital	250 thousand Euros										
Date of Establishment	February 27, 2006										
Major Shareholder & Shareholding Ratio	Aero Products Invest GmbH 100%										
Operating Results for the Last 3 Years	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;"></th> <th style="width: 25%;">FY12/20</th> <th style="width: 25%;">FY12/21</th> <th style="width: 20%;">FY12/22</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td>21 million Euros</td> <td>18 million Euros</td> <td>28 million Euros</td> </tr> </tbody> </table>				FY12/20	FY12/21	FY12/22	Sales	21 million Euros	18 million Euros	28 million Euros
	FY12/20	FY12/21	FY12/22								
Sales	21 million Euros	18 million Euros	28 million Euros								

Aiming for sales of 200 billion yen and operating margin of 30% through global niche top and synergy effects

Key points

1 Hitachi Power Semiconductor Device (HPSD)

- Preparations for integration are progressing smoothly.
- Impact on profit and loss after integration (image)

Net sales: 40 billion yen

Operating income: 4 billion yen

2 Technology SOGO activities

- Making a difference with global niche top products.
- Semiconductor engineers building a 400-person team.
- SOGO activity projects (examples)

Expansion of in-house power semiconductors and high-voltage ICs

Expand business areas of motor and power supply products

Improve motor performance by deepening control algorithms

Power saving, quietness, etc.

Expansion of product lineup to other medical applications, etc.

Analogue Semiconductor Production Network



※Current capacity of Shiga Plant is 5,000 wafers, to be increased to 13,000 wafers by the end of FY3/25

To realize turnaround toward achieving 10 billion yen in OP for FY3/24

Key Points

- 1 3Q operating income achieved 5.7 billion yen. Along with recovery in automobile production volume, PMI and structural reforms bore fruit.
- 2 Continued to expand business inquiries and orders by leveraging its Tier 1 position.
- 3 Accelerate development of SOGO and high value-added products that will be the next pillar of growth.

➤ Flush Handle

Improve design and aerodynamic performance



➤ eLatch

Device to lock and unlock the door.



➤ Power Closure System

● CSD (Compact spindle drive)

Electric opening and closing of the back door mounted on both ends.



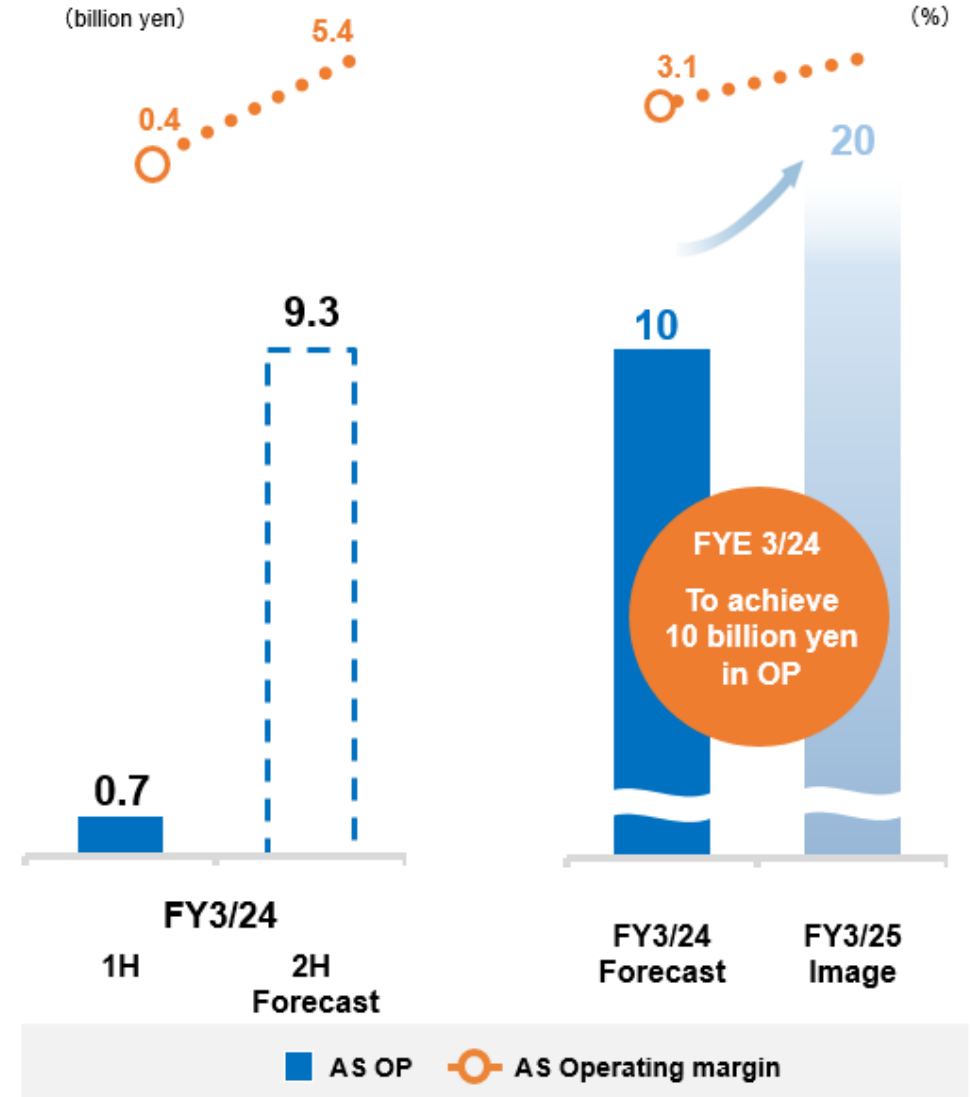
● CPD (Charge port door)

Opens and closes the power feed ports of EVs.



➤ Door mirror

Increasing demand for composite products.



Top-down manufacturing reform in progress Processes equivalent to approx. 6,000 workers to be automated in FY3/24

Key Points

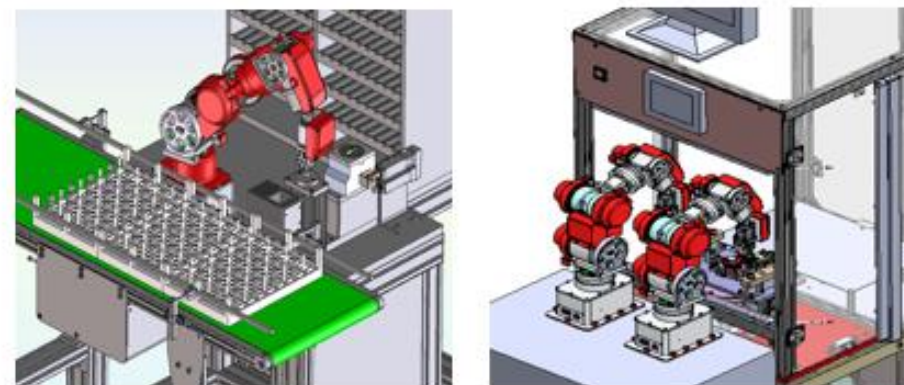
1 Solving the problems that we face as a manufacturing company

- **Challenges in Manufacturing**
 - Securing a workforce to work on the manufacturing floor
 - Rising wages worldwide
 - Passing on manufacturing technology to the next generation
 - Stabilization and improvement of quality, etc.
- **Classify, categorize, and automate processes for all group companies**
 - Automate equivalent to approx. 6,000 processes in FY3/24, and a total of approx. 13,000 processes by FY3/26.

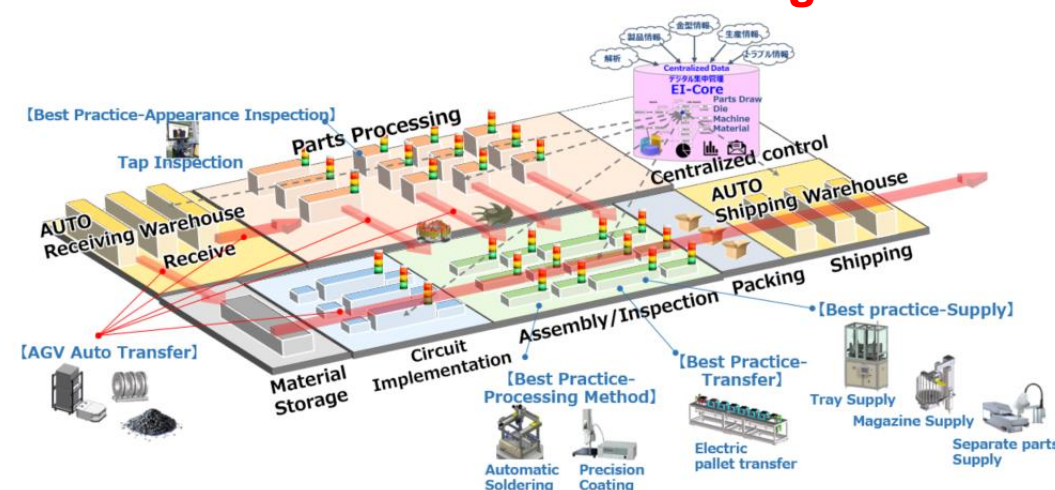
2 Building AI/DX manufacturing systems

- **Our particular challenge.**
 - Each of the integrated companies has a different manufacturing philosophy.
- **Build a global standard by unifying improvement methods and IT tools.**
- **Eliminate inefficiency at manufacturing sites through top-down approach.**

Pick & Place and image processing (example)



All-in-one floor Manufacturing



Accelerating carbon neutral initiatives in Japan and abroad

1 Chitose business division: Self-Consignment

- **First semiconductor plant in Japan* to utilize solar power generation for production activities. Large-scale systems installed at five sites in Hokkaido.**
Power generation : total approx. 16.7GWh/ CO₂ emissions reduction : 9,020t-CO₂/year

*First semiconductor preprocessing factory production activities using solar power to take place in Japan (according to World Kinect Corporation)



2 Cambodia: Solar power generation system business

- **Signed a memorandum of understanding with the Ministry of Mines and Energy of Cambodia. Plans to start operation of a solar power generation project in FY3/26, in cooperation with SchneiTec, a Cambodian government-approved power company (in Krakor, Pursat Province, Cambodia) .**
Plans to change the articles of incorporation of our subsidiary in Cambodia
- **Aim to operate existing and future plants in Cambodia using 100% renewable energy.**
Power generation : total approx. 70 GWh (at completion) /
CO₂ emissions reduction : 32,000t-CO₂/year (at completion)



Solar power system already installed by SchneiTec

3 Philippines: Power purchase agreement (PPA)

- **In addition to on-site power generation, renewable energy PPA signed. Achieve 100% carbon neutrality at the two plants in Cebu from February 2024.**



EPS Growth Rate and ROE

EPS: FY3/09-FY3/23 actual **CAGR 15.8%**, aim for **CAGR 15% or more** toward FY3/29

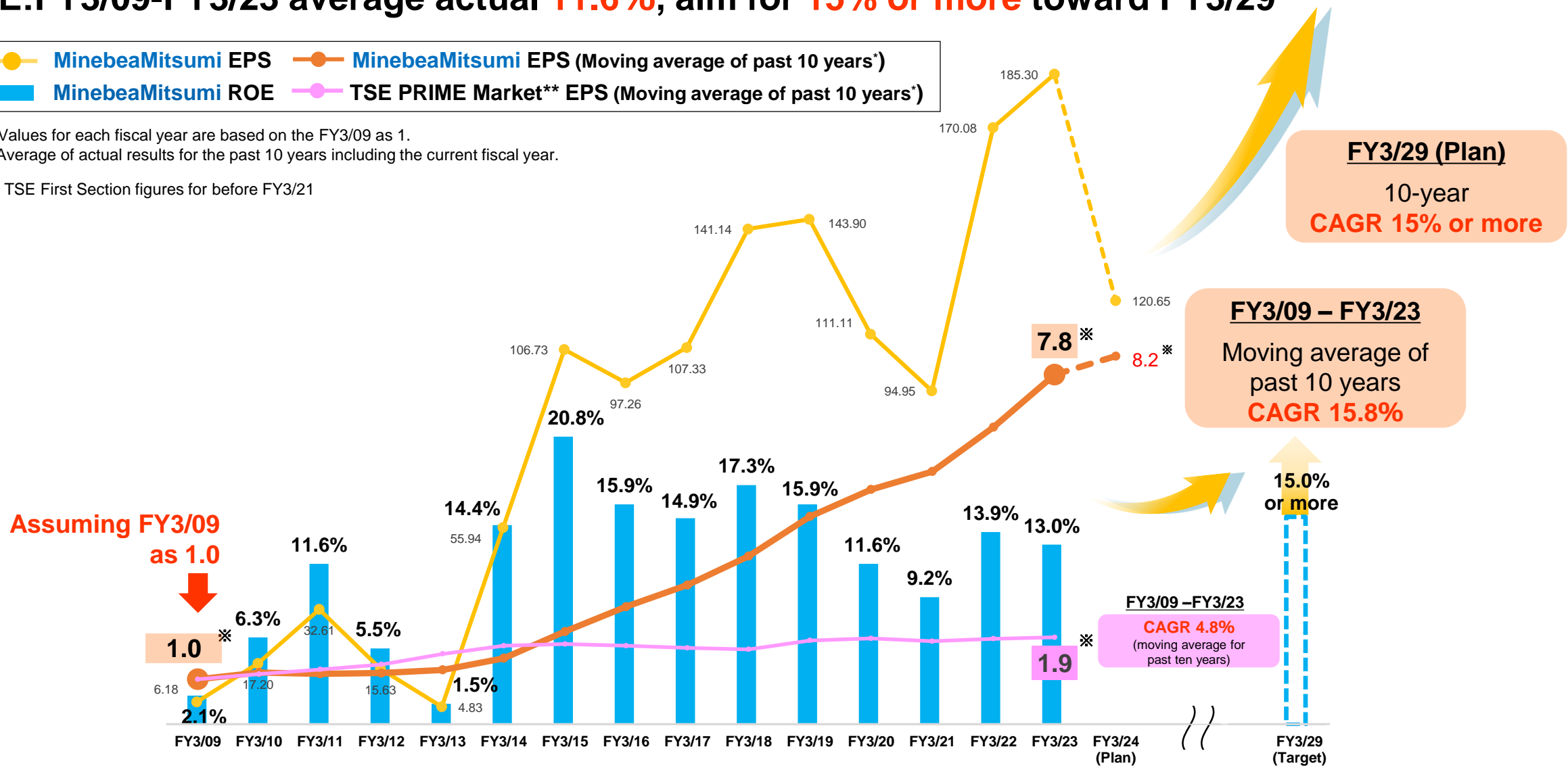
ROE: FY3/09-FY3/23 average actual **11.6%**, aim for **15% or more** toward FY3/29

(yen)



*Values for each fiscal year are based on the FY3/09 as 1.
Average of actual results for the past 10 years including the current fiscal year.

** TSE First Section figures for before FY3/21



Dividends

Dividends will be maintained at the previous year's level

Dividends for FY3/24

(Reference) Dividends for FY3/23
Annual 40 yen/share (20 yen for interim, 20 yen for year-end)

Interim dividend **20** yen/share

Year-end dividend
(Plan)

TBD → **20** yen/share

Share buyback

We will continue to execute it in an agile manner

Accumulated results (since FY3/09)

1. Number of shares: **51,363** thousand shares
2. Total acquired amount : **76,665,317** thousand yen
3. Average acquisition price (2÷1) : **1,493** yen

(Reference)

FY3/24 result

4,000,000 shares acquired for 9,643,584 thousand yen from August 7 to October 27, 2023 (execution date basis).

Utilization of own shares

Purpose	Shares (thousand shares)
Share exchange at the time of business integration with MITSUMI ELECTRIC	-20,000
Conversion of Euro yen convertible bonds inherited from MITSUMI ELECTRIC	-9,661
Execution of stock options at retirement of directors	-88
Executive officers shareholding trusts	-10
Total	-29,759

Number of shares as of December 31, 2023 **22,693** thousand shares



Any statements in this presentation which are not historical are future projections based on certain assumptions and executive judgments drawn from currently available information.

Please note that actual performance may vary significantly from any particular projection due to various factors.

Factors affecting our actual performance include but are not limited to: (i) changes in economic conditions or demand trends related to MinebeaMitsumi's business operations; (ii) fluctuation of foreign exchange rates or interest rates; and (iii) our ability to continue R&D, manufacturing and marketing in a timely manner in the electronics business sector, where technological innovations are rapid and new products are launched continuously.

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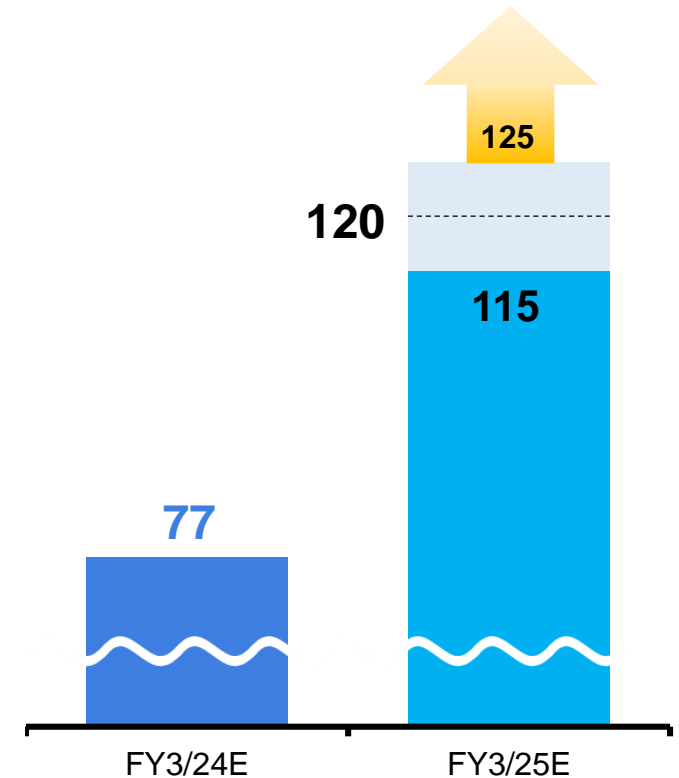
Reference

Comparing FYE3/24 Operating Income Image at the time of market recovery

Bearings (Including aircraft products)	Recovery of the data center market and others	+ 13~17 billion yen
Motors	Recovery of spindles and non-vehicle motors and others	+ 9~11 billion yen
Access Solutions	Full recovery of the car market & PMI effect	+ 9~11 billion yen
Semiconductors	Market recovery, Shiga plant returned to profitability, Hitachi Power Semiconductor Device, and others.	+ 7~9 billion yen
Total		+ 38~48 billion yen

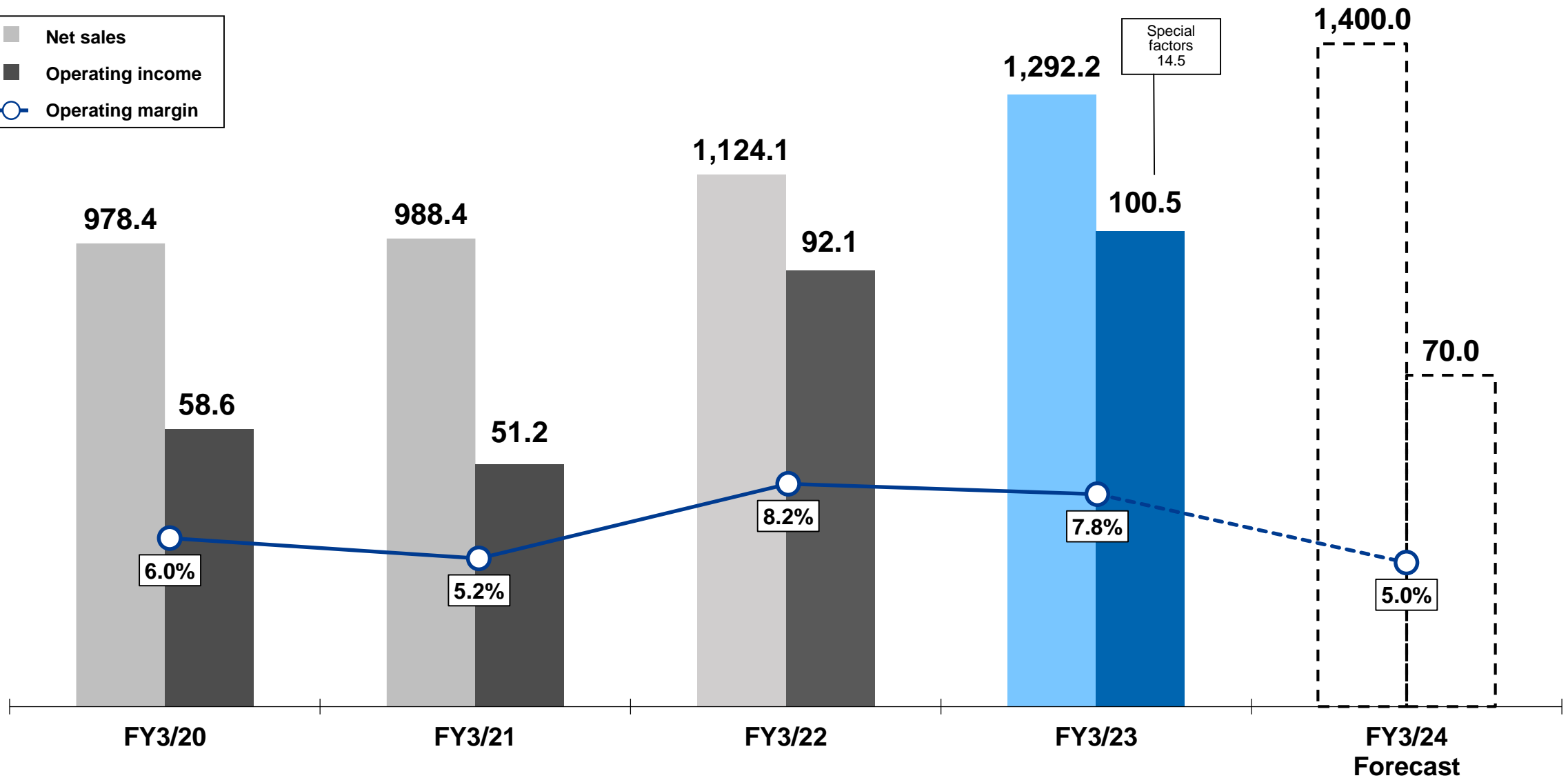
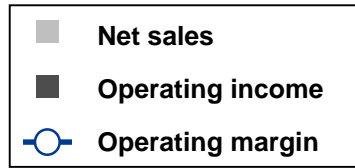
**Further upside factors in addition to above
Automotive motors, automotive backlighting**

Image of Operating Income (billion yen)



Net Sales, Operating Income / Margin

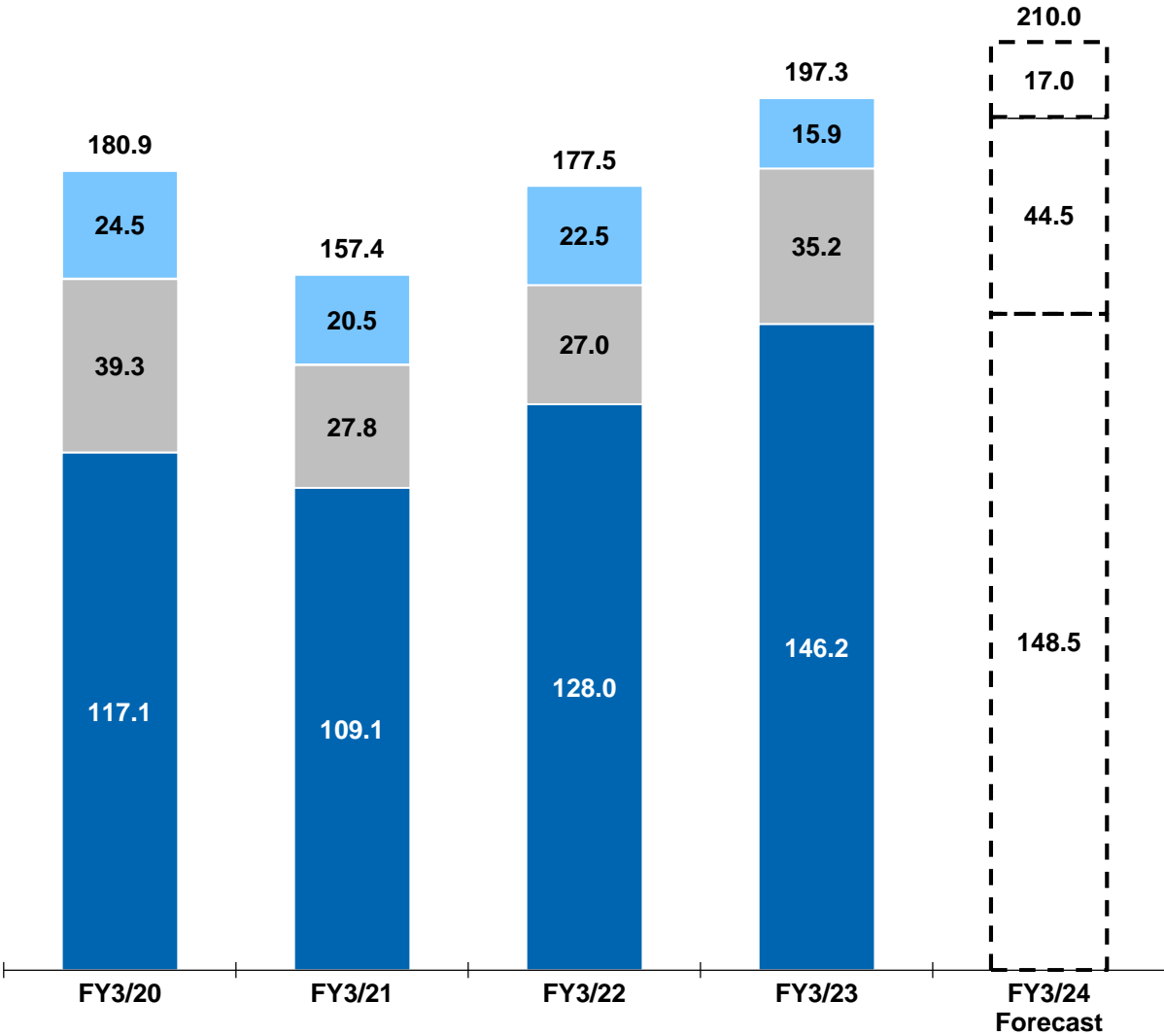
(Billions of yen)



Precision Technologies (PT)

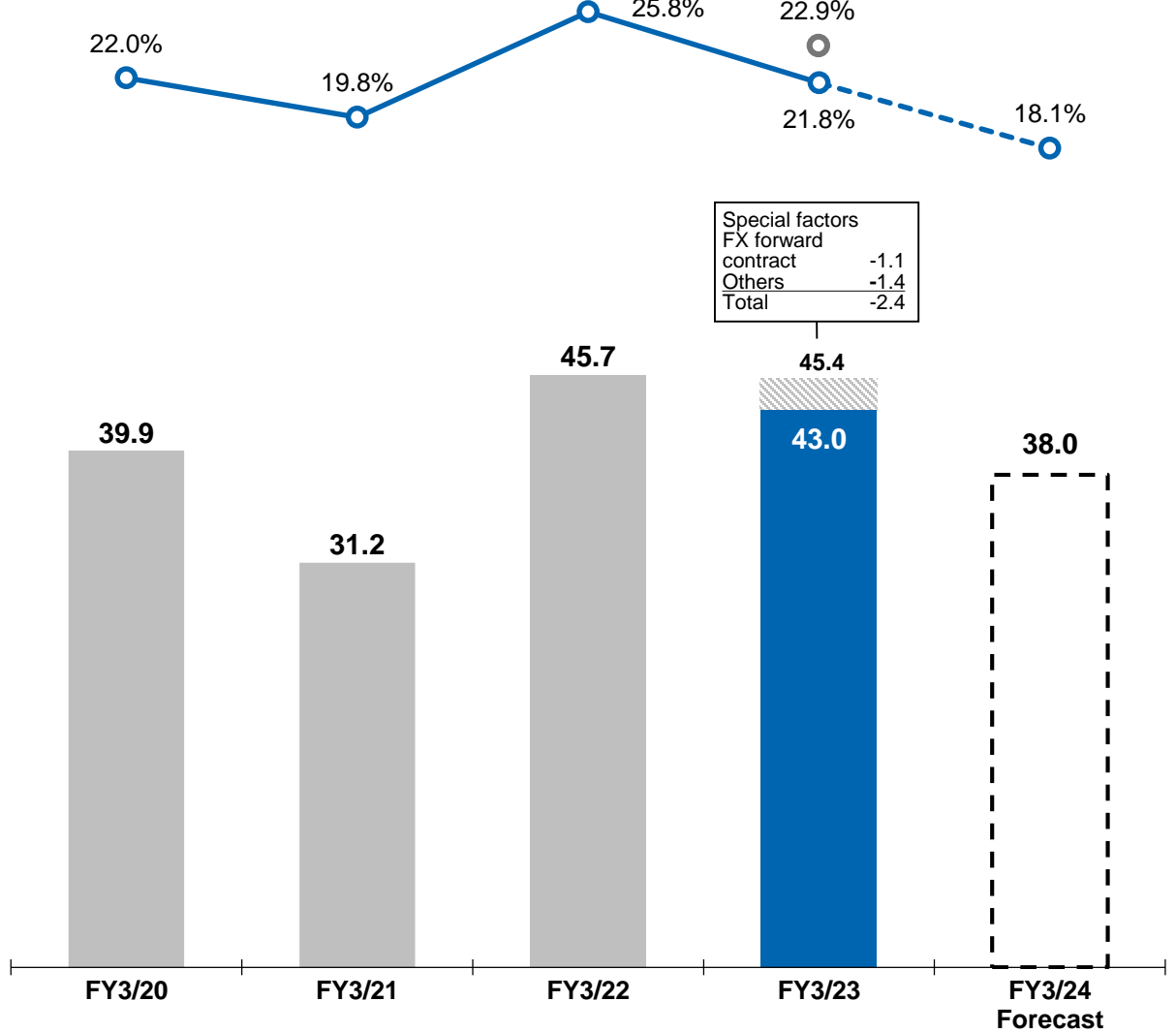
Net sales (Billions of Yen)

■ Ball Bearings ■ Rod-ends/Fasteners ■ Pivot assemblies



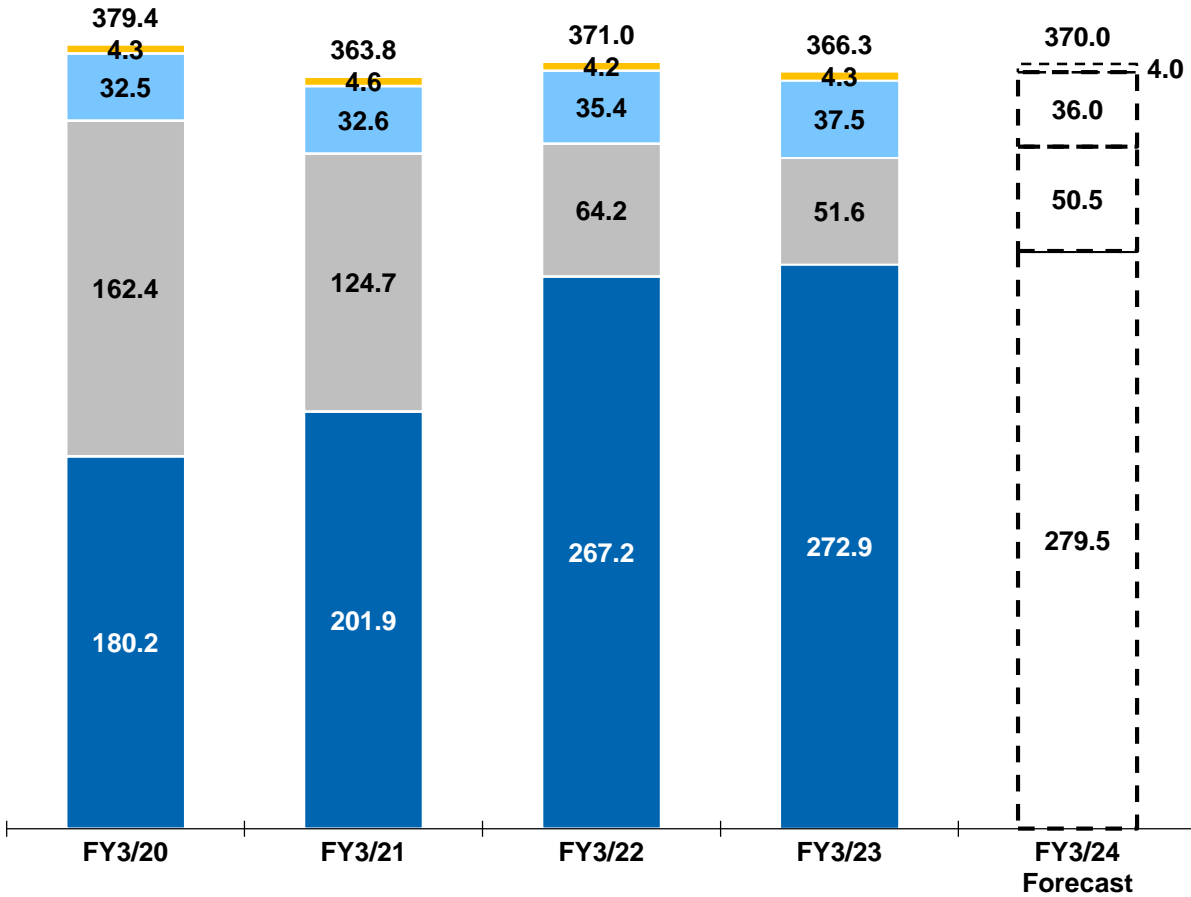
Operating income (Billions of yen)

■ Operating income ● Operating margin

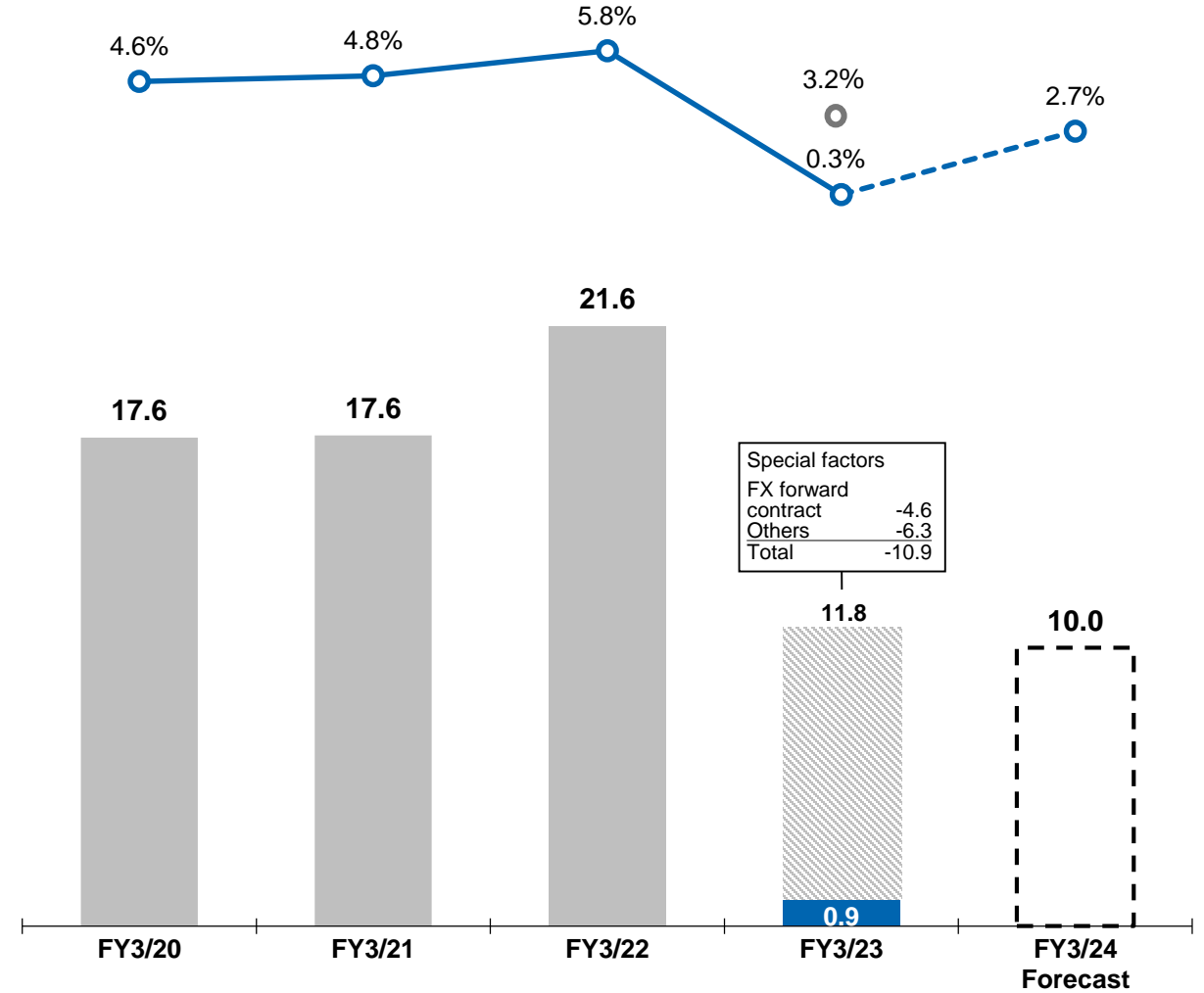


Motor, Lighting & Sensing (MLS)

Net sales (Billions of Yen)

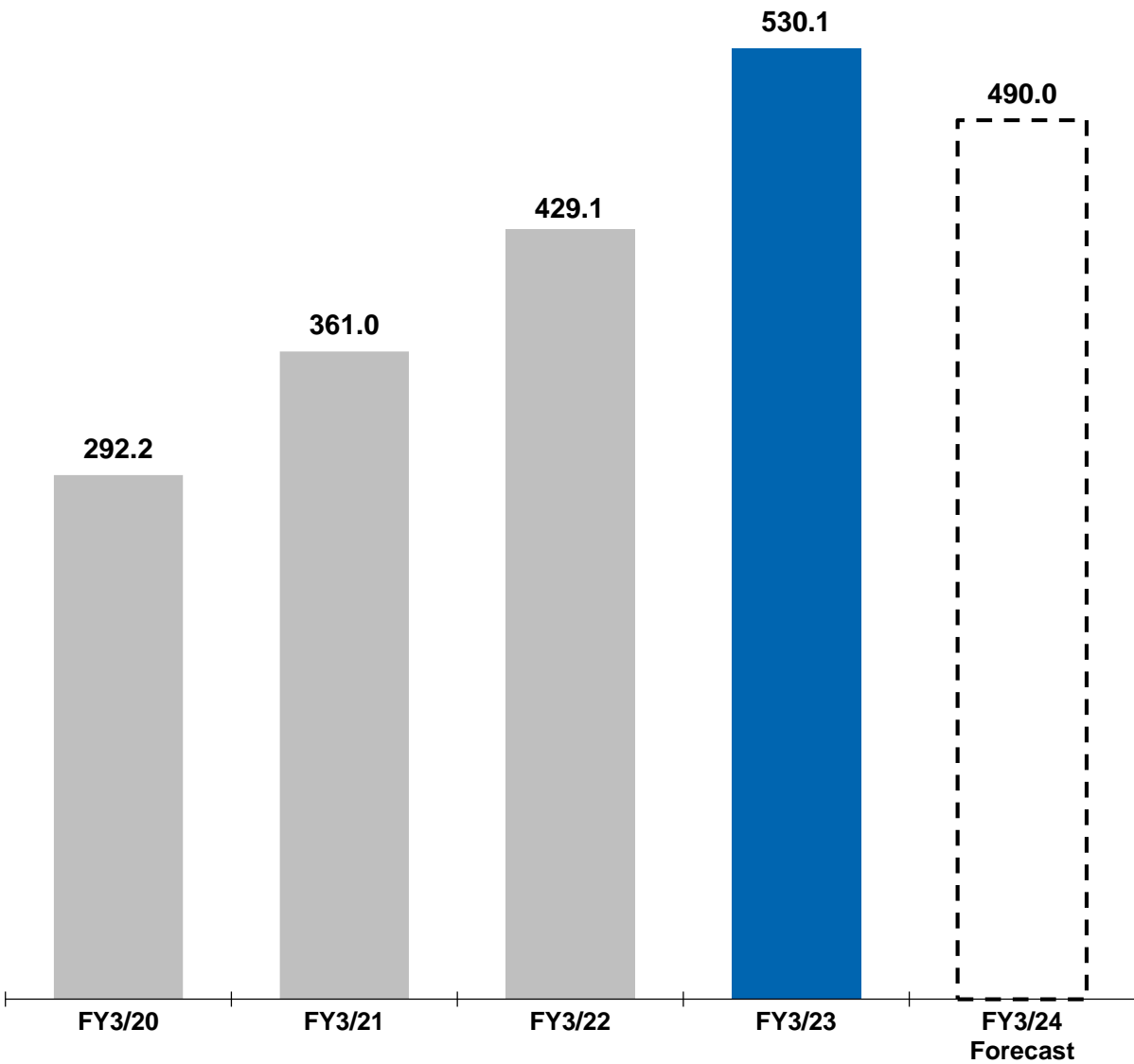


Operating income (Billions of yen)

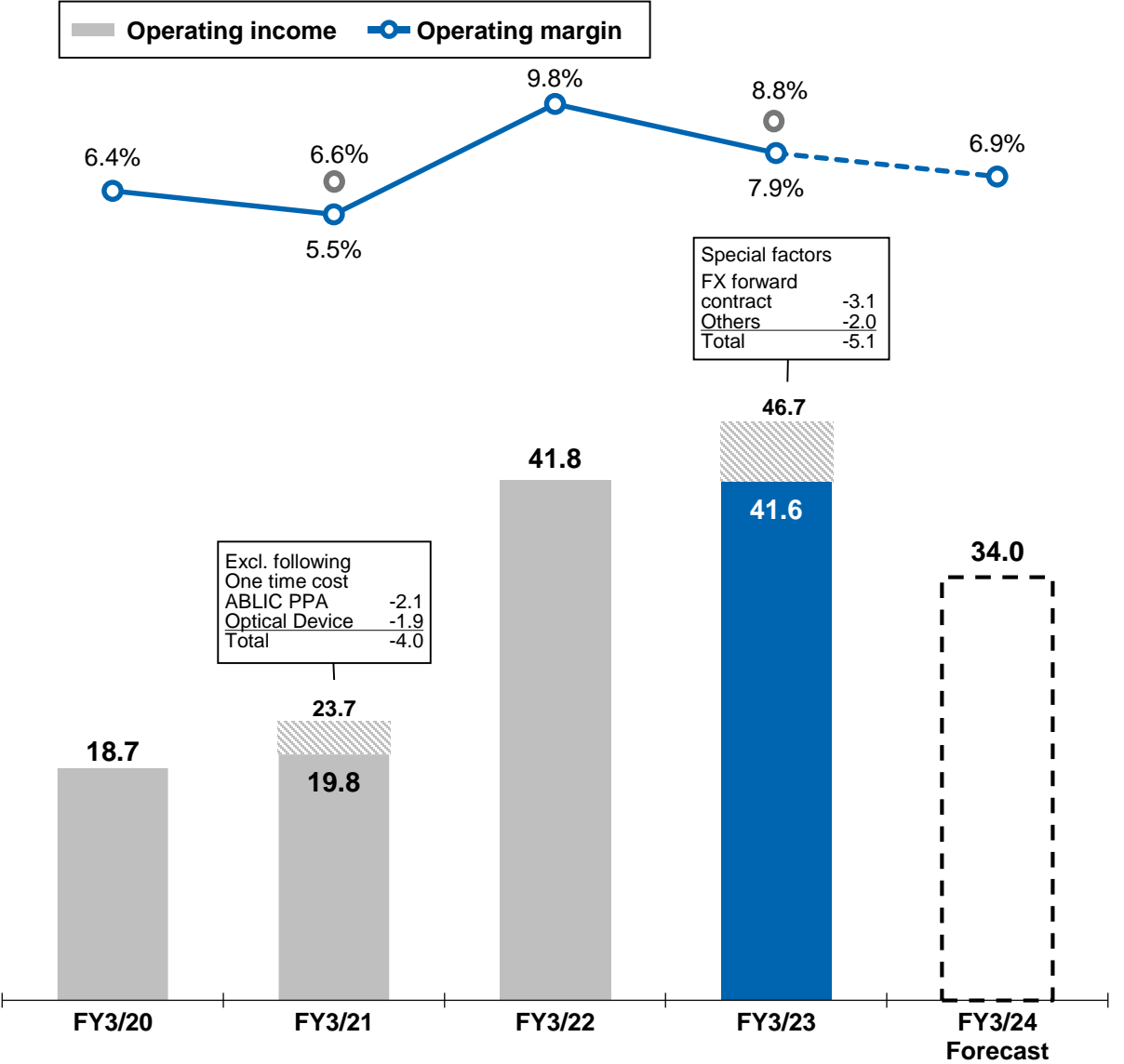


Semiconductors & Electronics (SE)

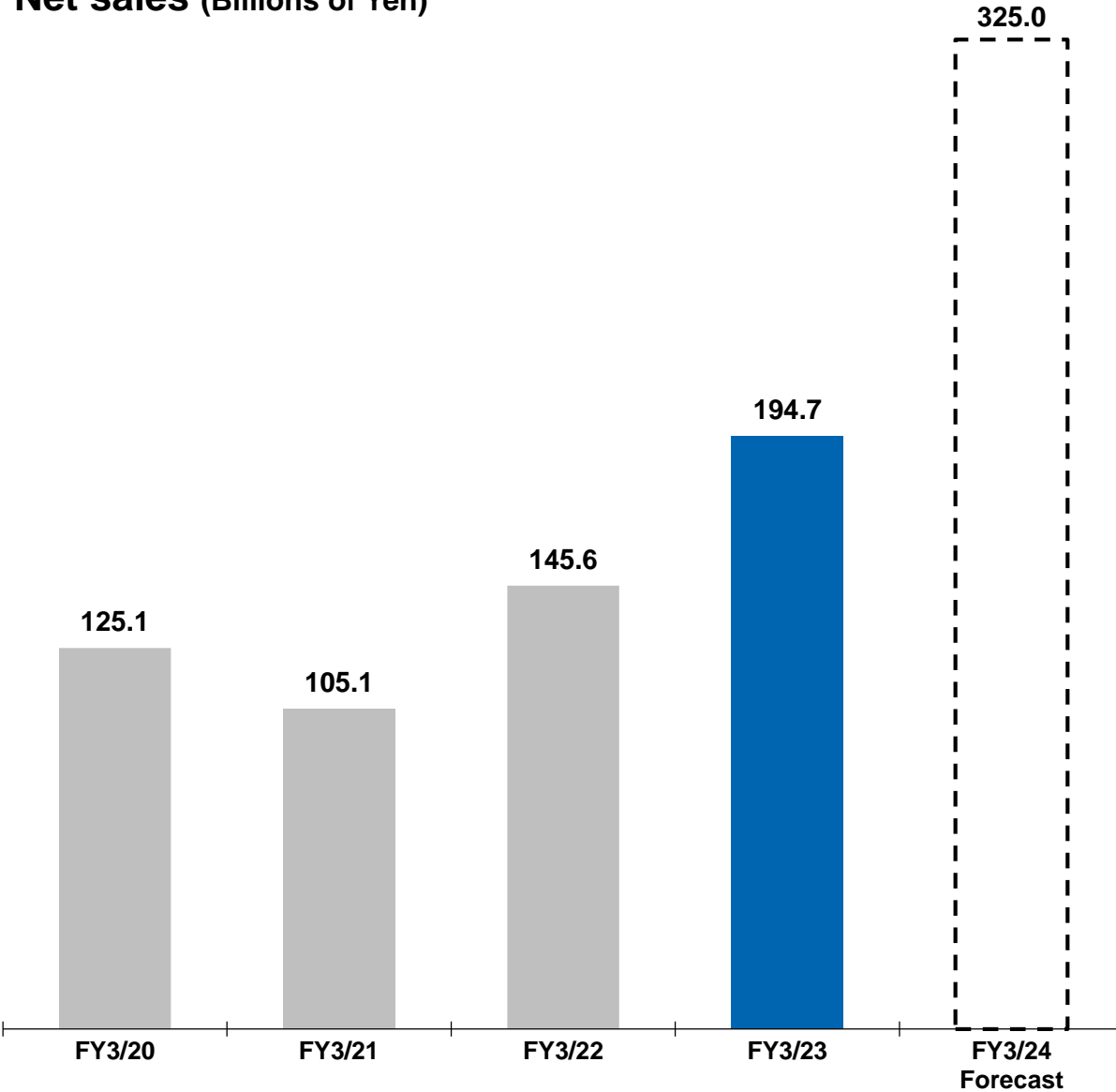
Net sales (Billions of Yen)



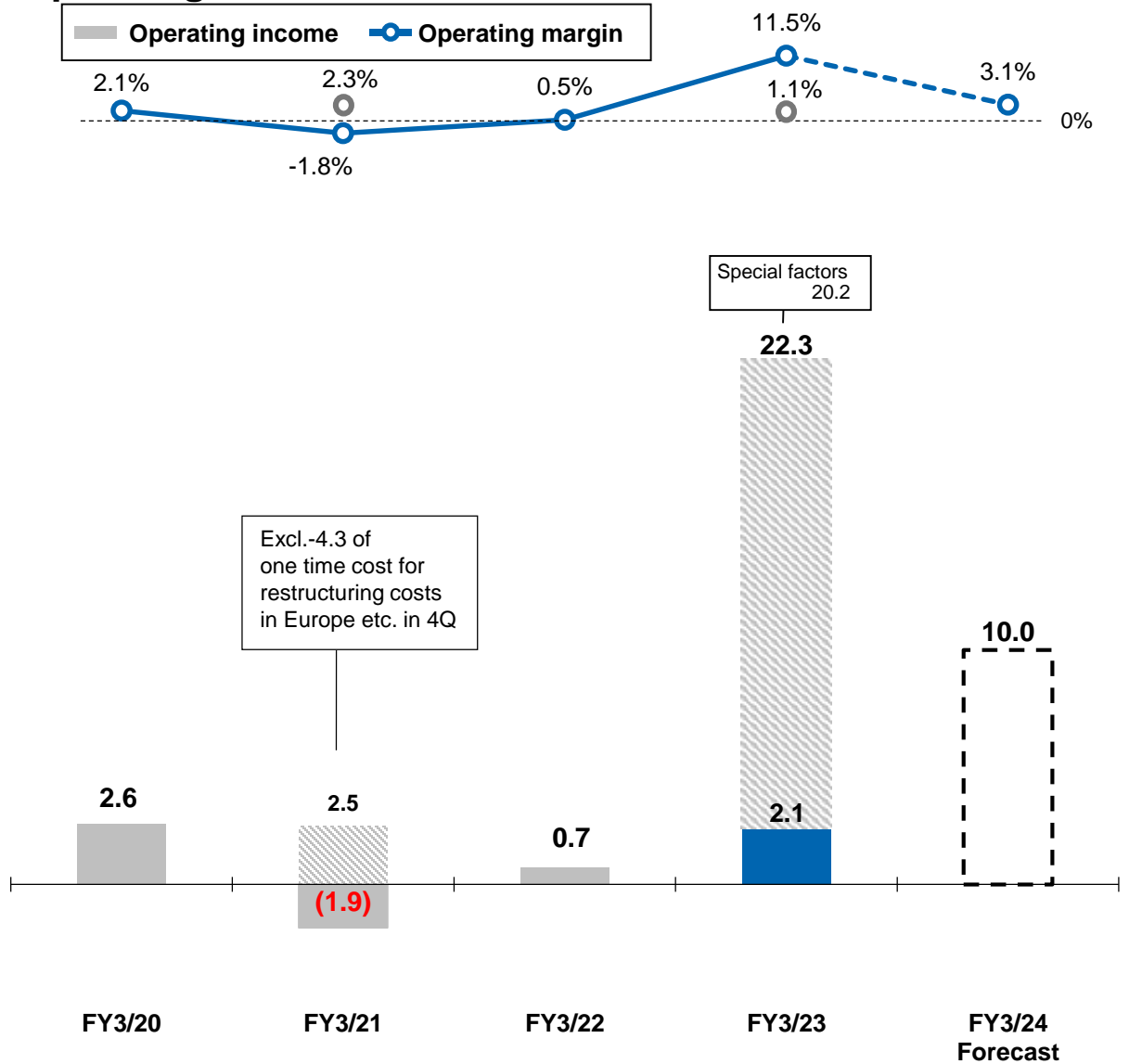
Operating income (Billions of yen)



Net sales (Billions of Yen)



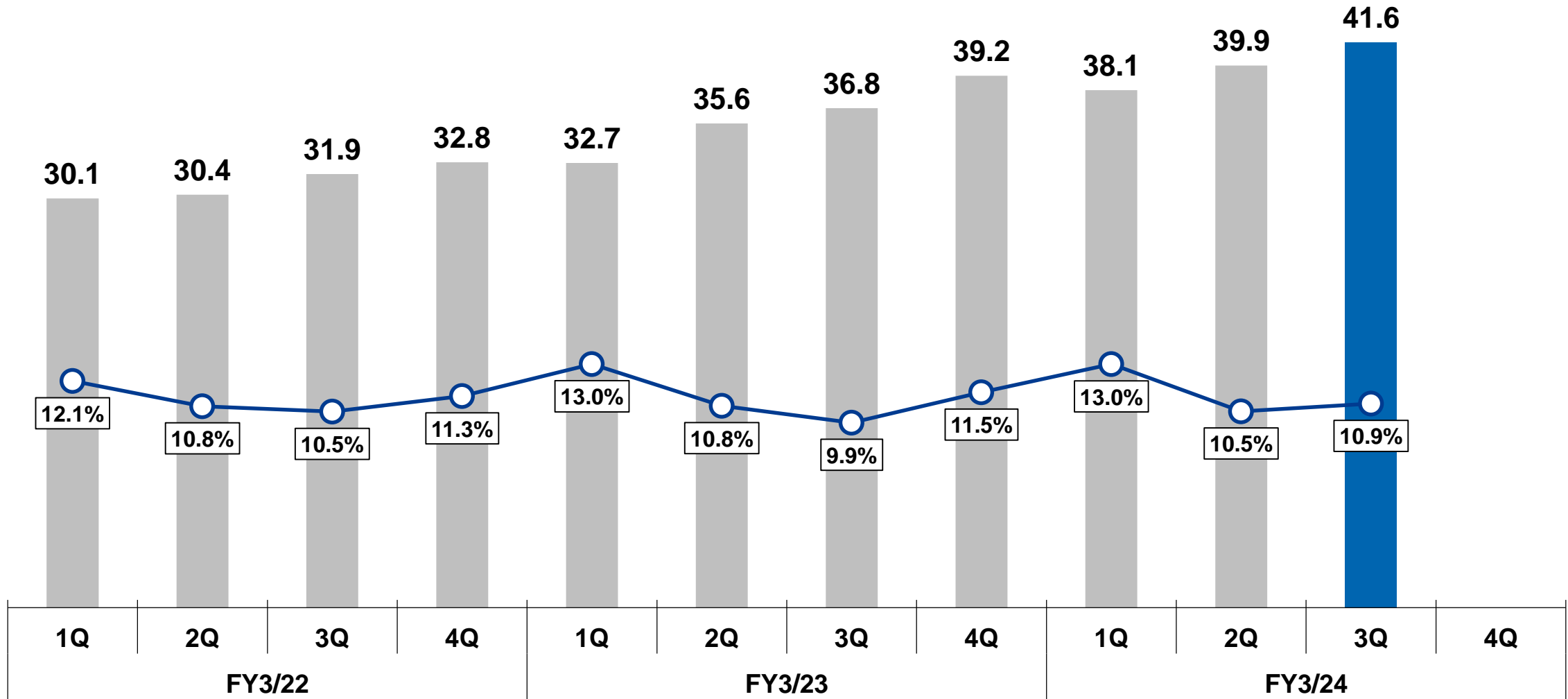
Operating income (Billions of yen)



S.G.&A. Expense / Ratio

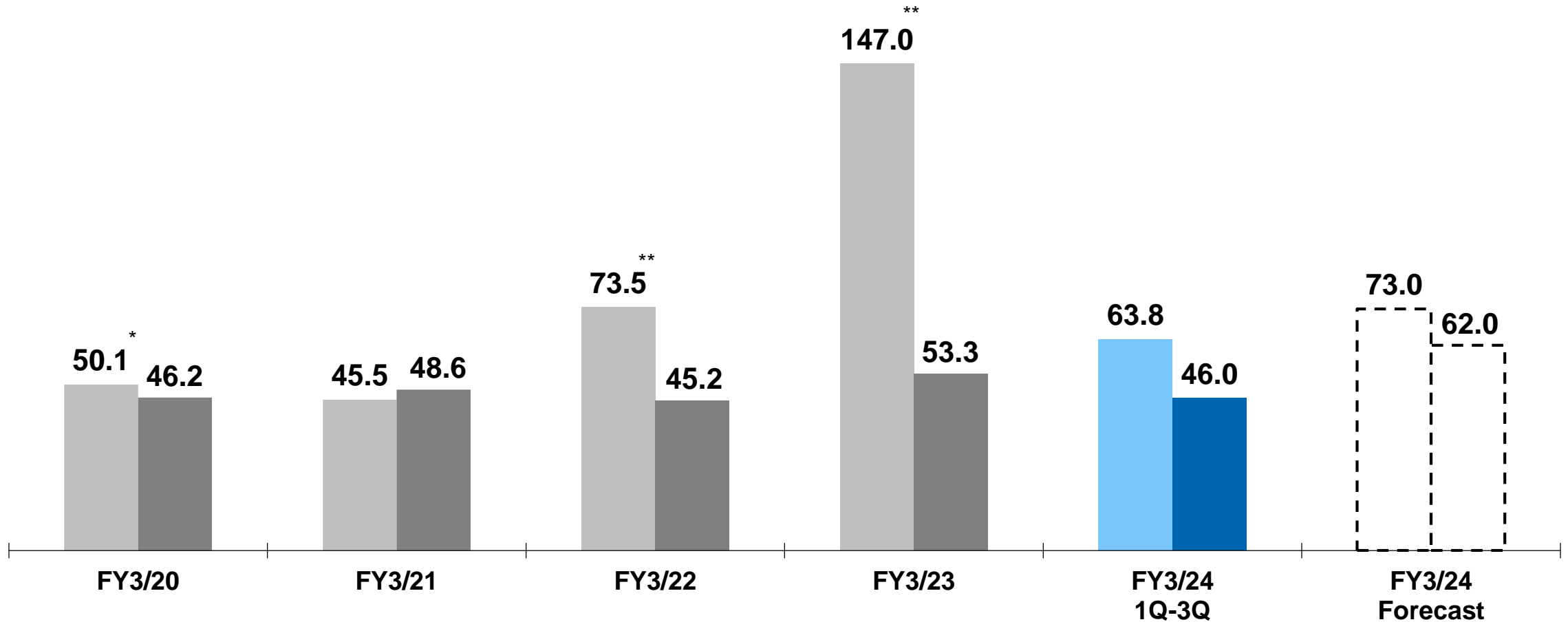
(Billions of yen)

■ S.G.&A. expenses ○ S.G.&A. to sales ratio



Capital Expenditure / D&A Expense

(Billions of yen)



* Capital expenditures of FY3/20 do not include the increase of asset from lease contracts at the IFRS16 application start date

** Capital expenditures of FY3/22 & FY3/23 include new HQ building acquisition expenses

ROIC (Return On Invested Capital)

ROIC for Access Solutions (AS) business are pre-merger result and based on JGAAP, and are not included in the Total until FY3/19.

$$\text{MinebeaMitsumi ROIC} = \frac{\text{NOPAT (Operating income + extraordinary profit/loss) x (1-tax rate)}}{\text{Invested capital (Notes receivable/accounts receivable + inventories + non-current assets - notes payable/accounts payable)}}$$

Calculated using business assets (trade receivable/payable, inventories, non-current assets) by segment

