

Business Results

Third Quarter of Fiscal Year
Ending March 31, 2021

MinebeaMitsumi Inc.

February 5, 2021

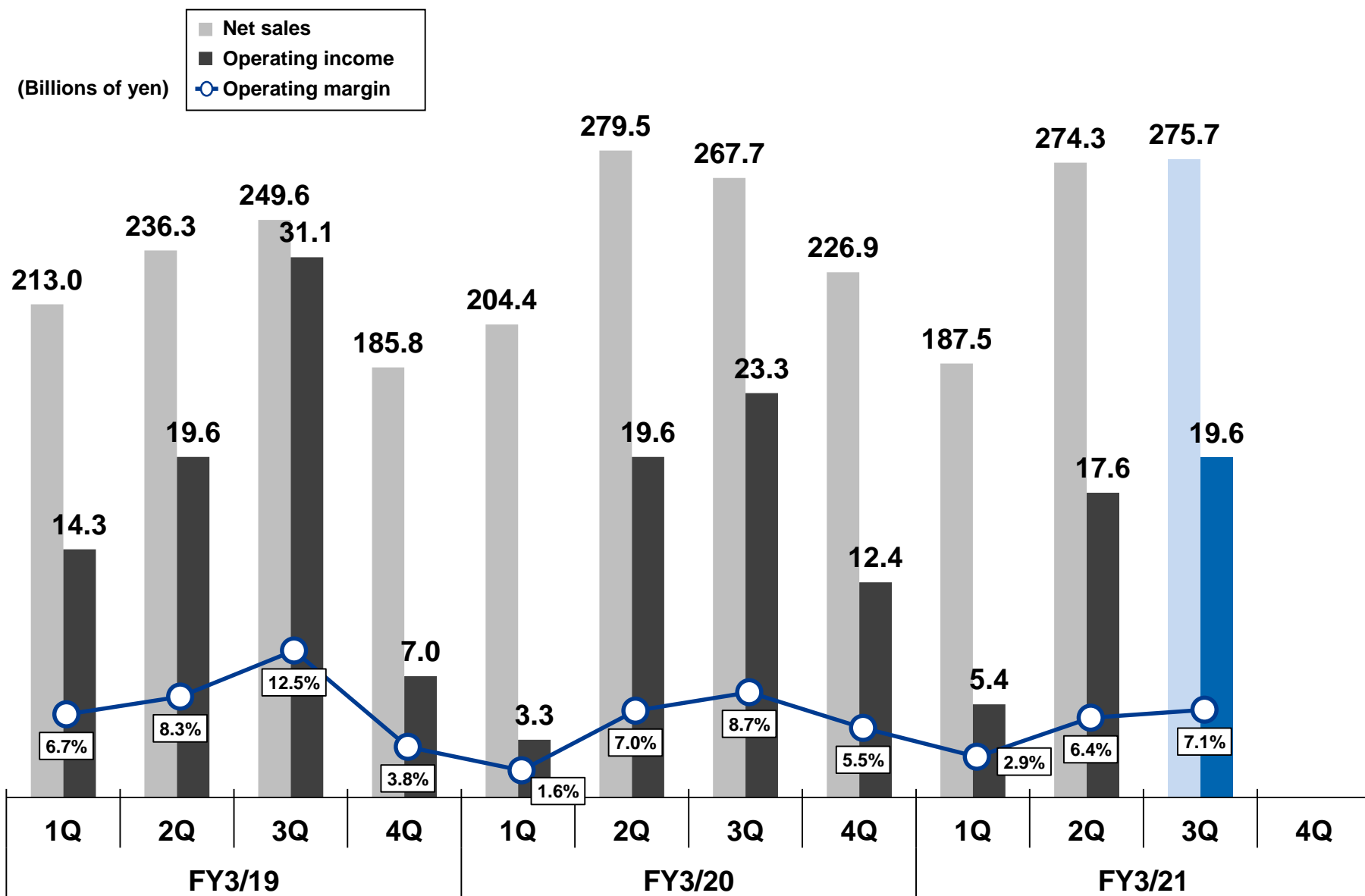
Summary of Consolidated Business Results for 3Q

Net sales hit 3Q record highs

(Millions of yen)	FY3/20 3Q	FY3/21		Change	
		2Q	3Q	YoY	QoQ
Net sales	267,650	274,267	275,709	+3.0%	+0.5%
Operating income	23,299	17,557	19,595	-15.9%	+11.6%
Profit before taxes	23,246	16,975	19,392	-16.6%	+14.2%
Profit for the period attributable to owners of the parent	19,232	13,239	16,172	-15.9%	+22.2%
Earnings per share, basic (yen)	46.35	32.42	39.60	-14.6%	+22.1%

Foreign Exchange Rates	FY3/20 3Q	FY3/21 2Q	FY3/21 3Q
US\$	¥108.79	¥105.90	¥104.76
Euro	¥120.02	¥123.56	¥123.56
Thai Baht	¥3.59	¥3.41	¥3.38
Chinese RMB	¥15.37	¥15.16	¥15.62

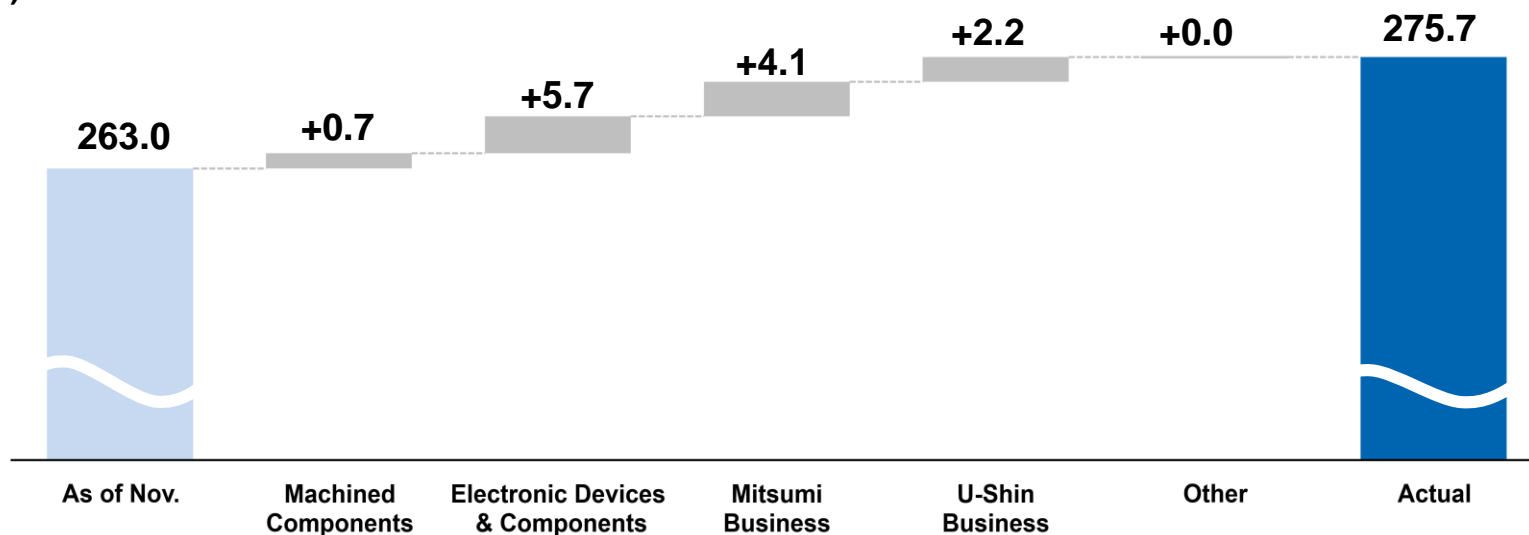
Net Sales, Operating Income/margin



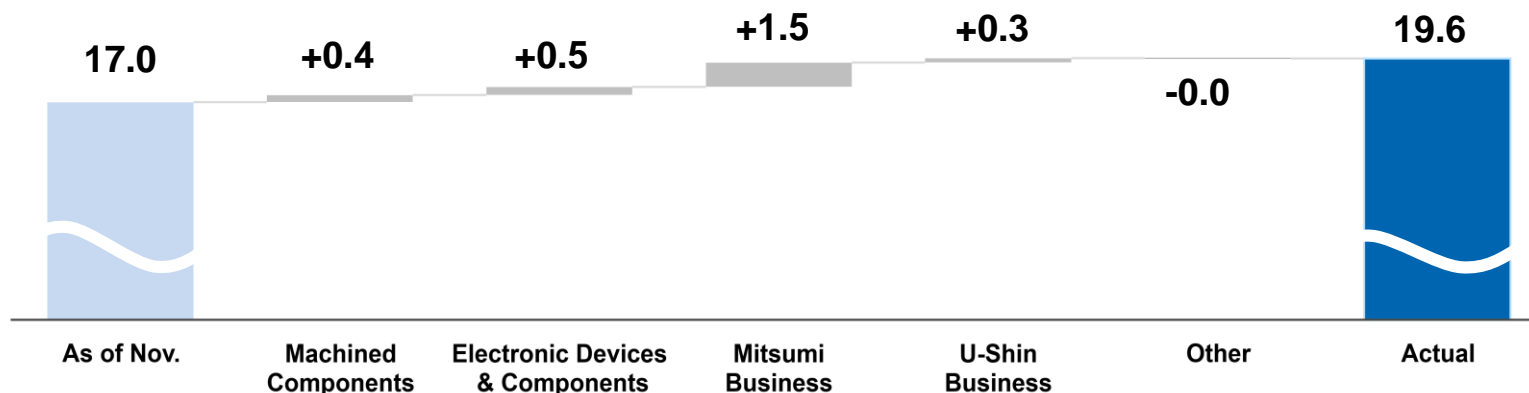
3Q Actual: Differences from the Forecast as of November

(Billions of yen)

Net Sales

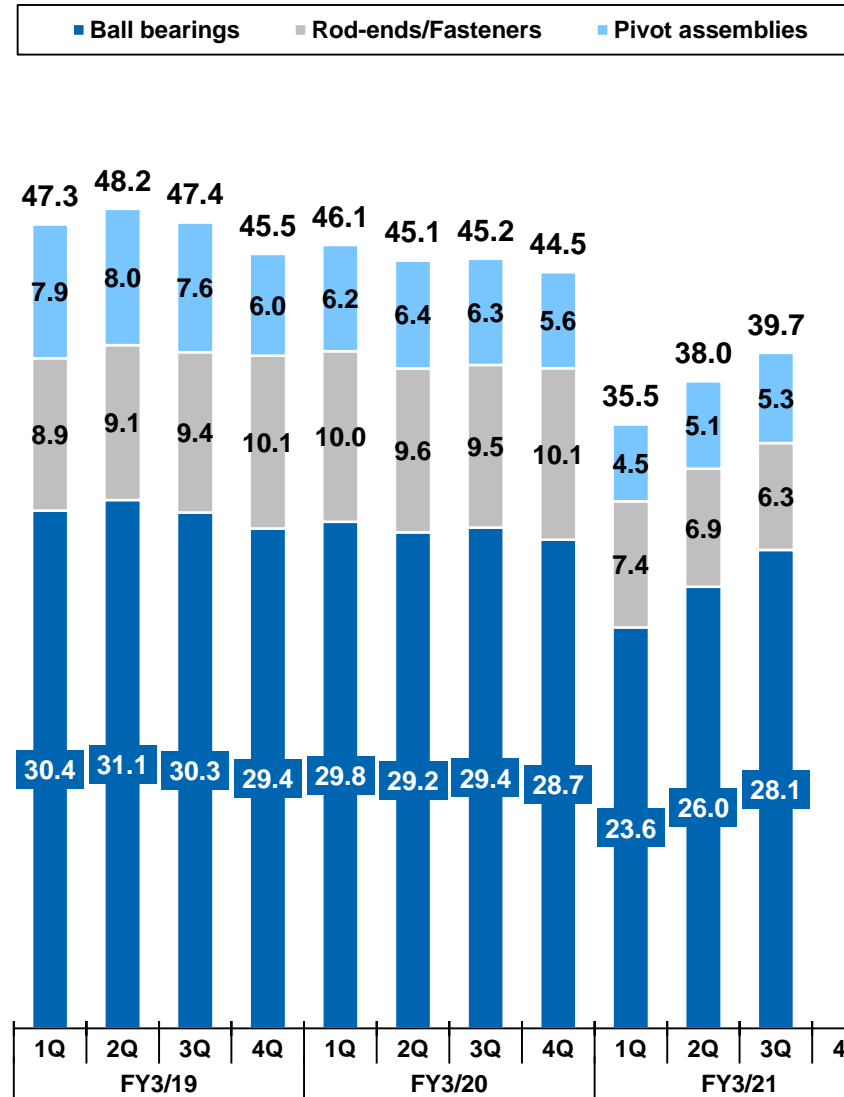


Operating Income

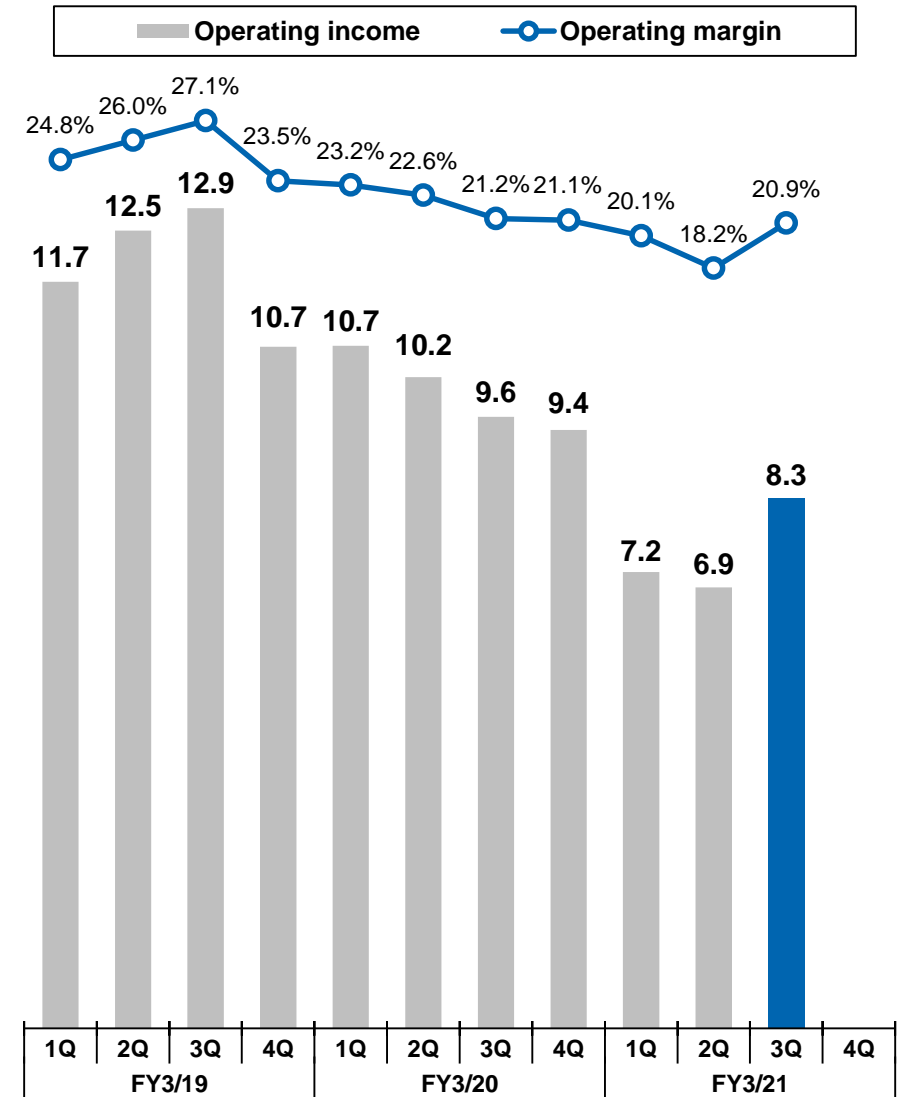


Machined Components

Net sales (Billions of yen)

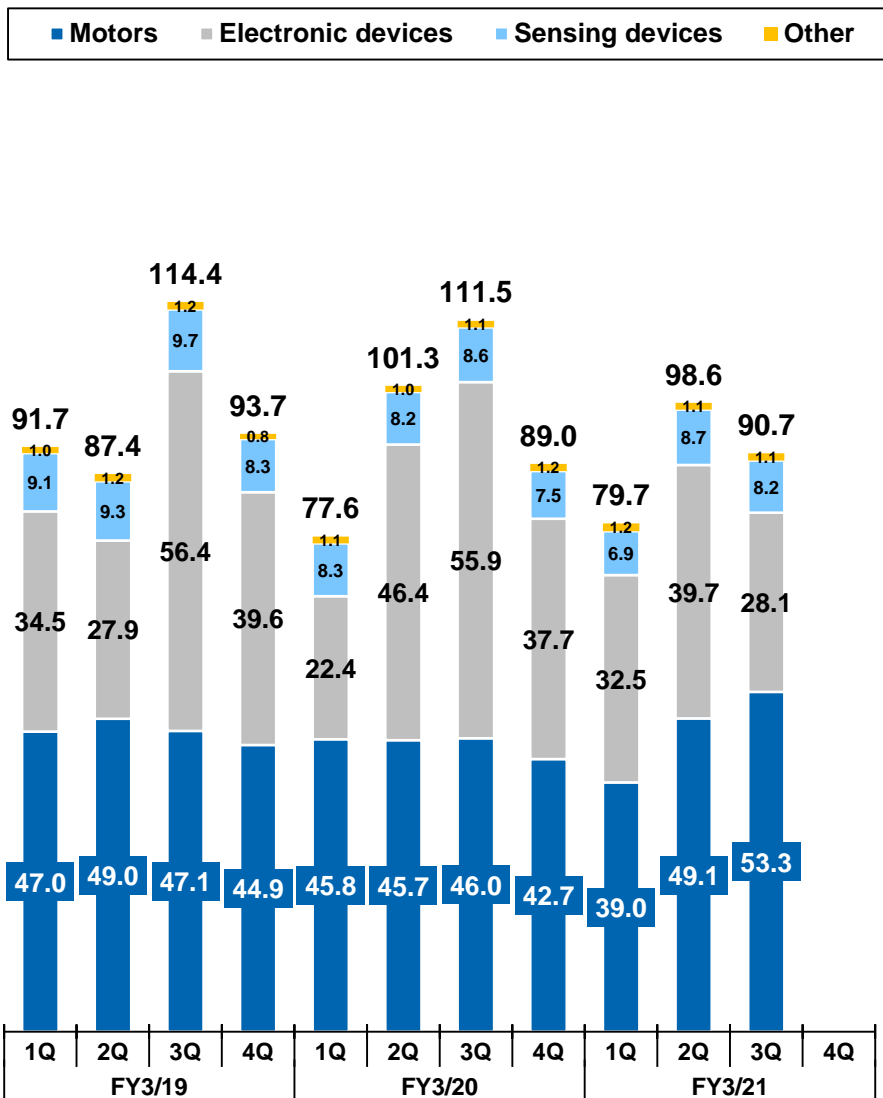


Operating income (Billions of yen)

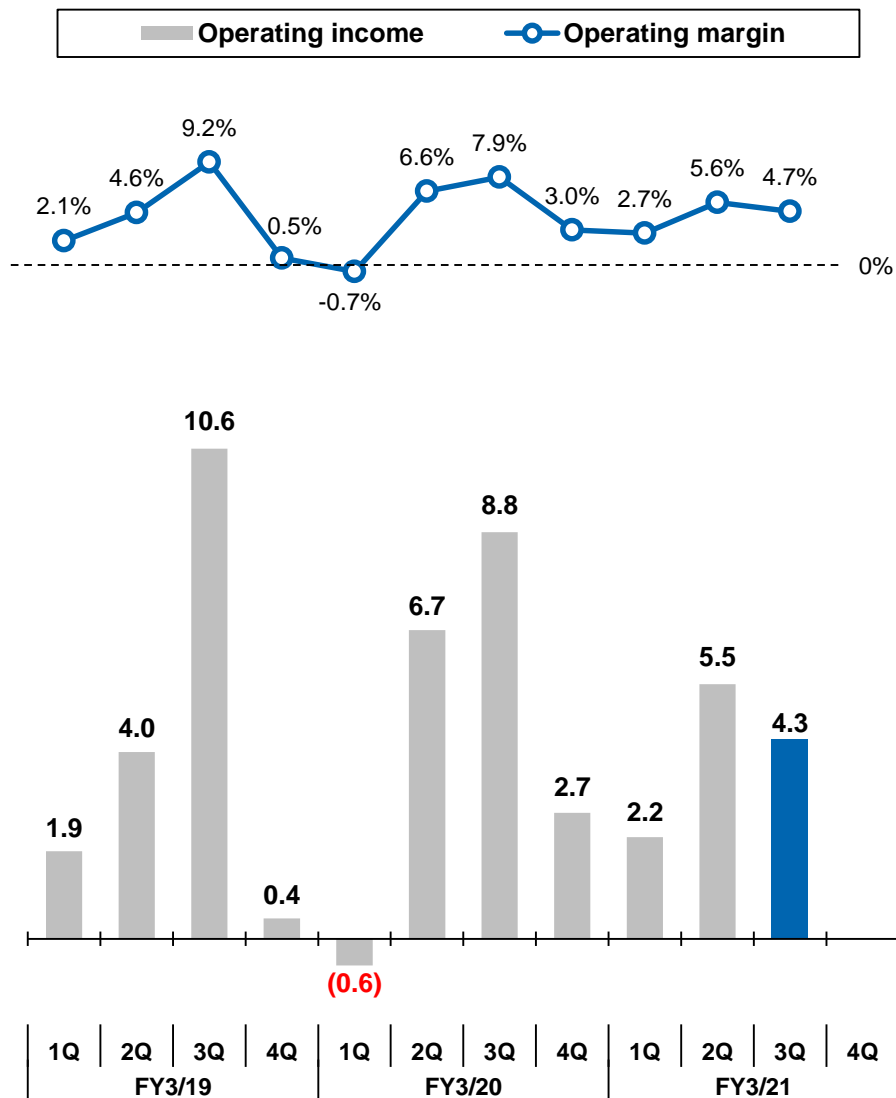


Electronic Devices & Components

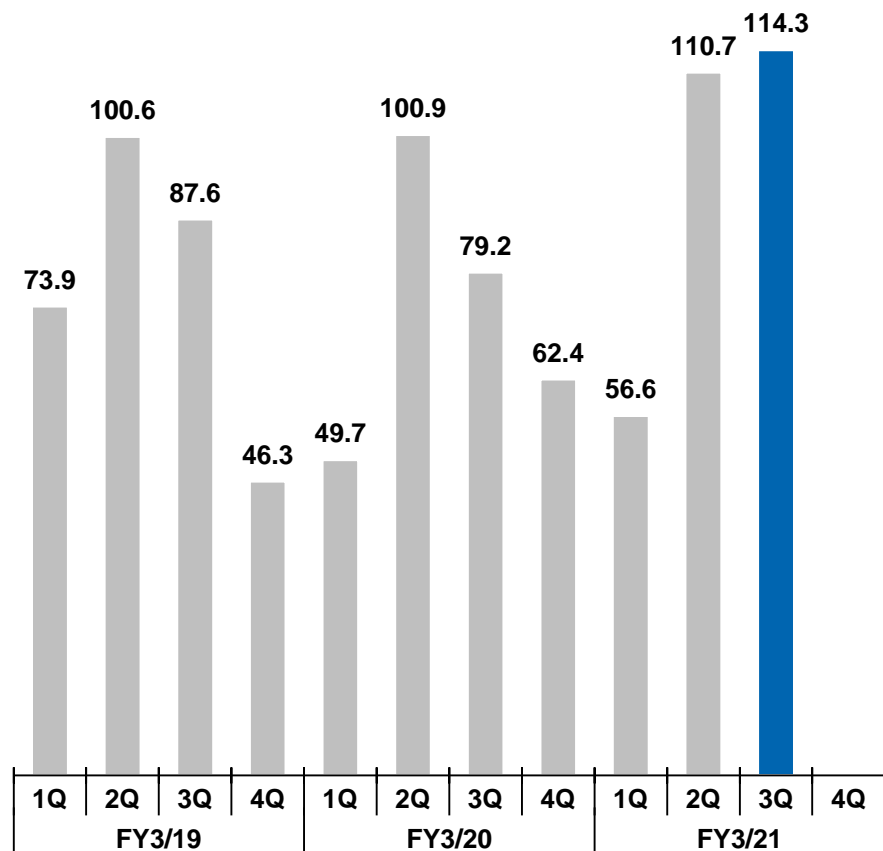
Net sales (Billions of yen)



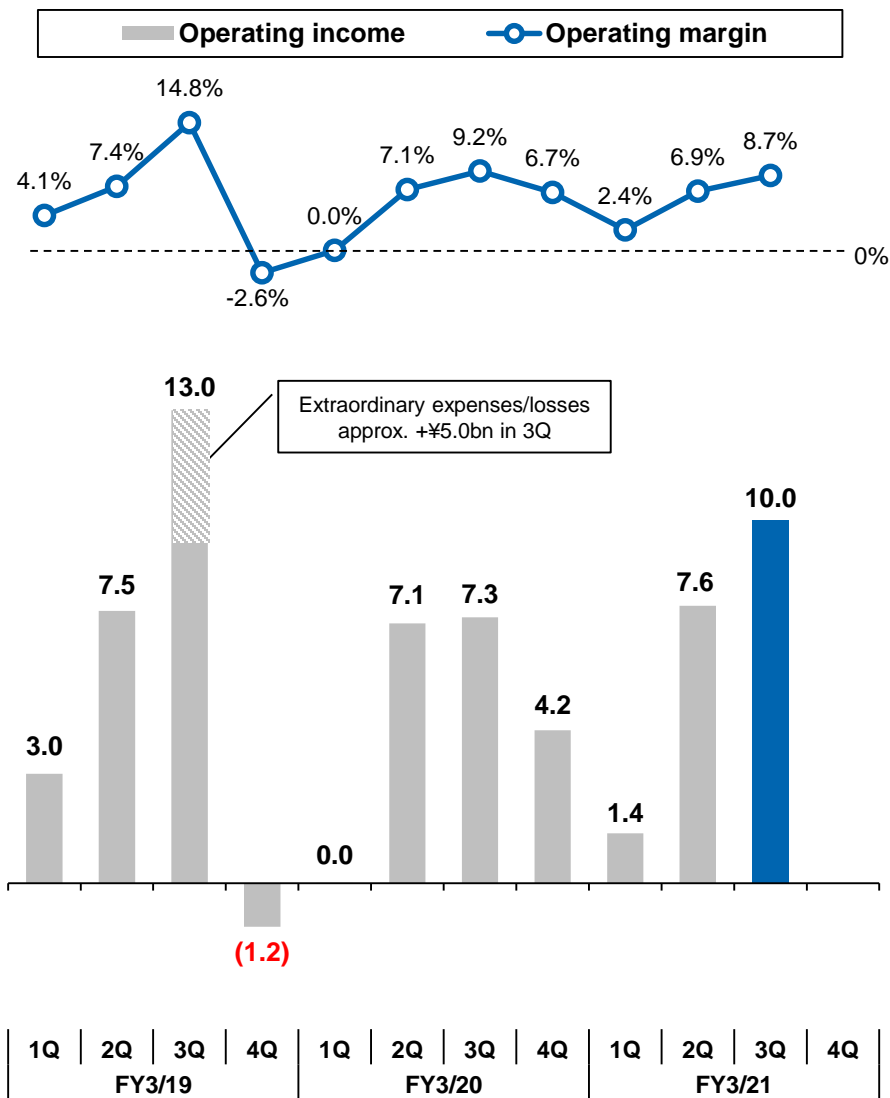
Operating income (Billions of yen)



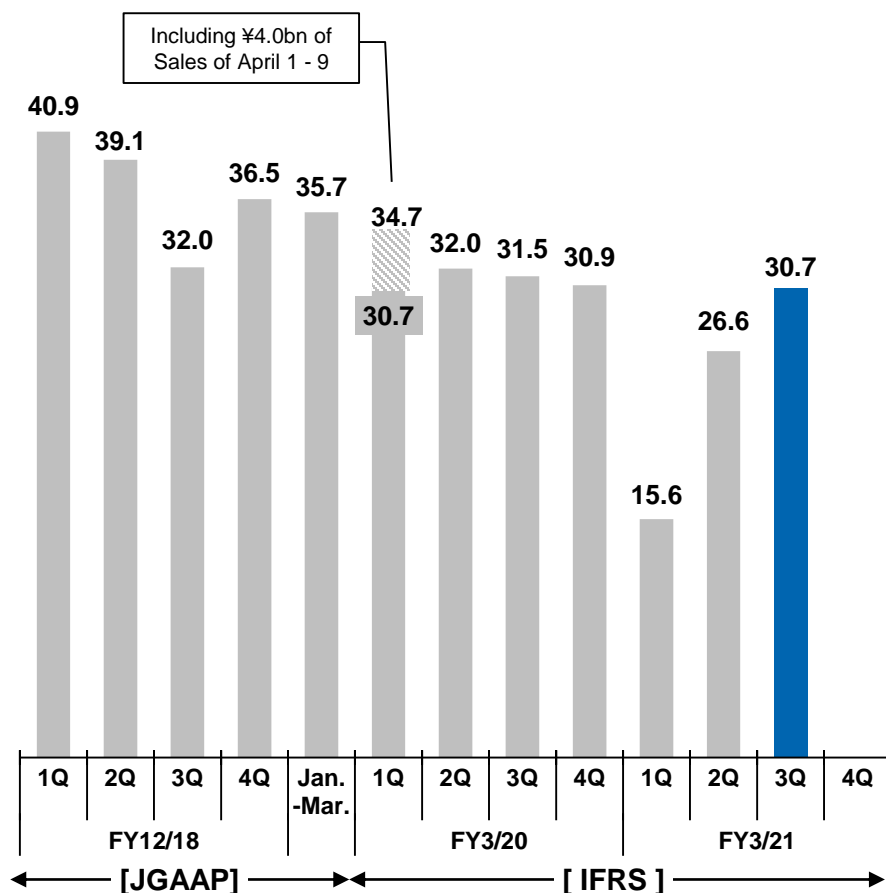
Net sales (Billions of yen)



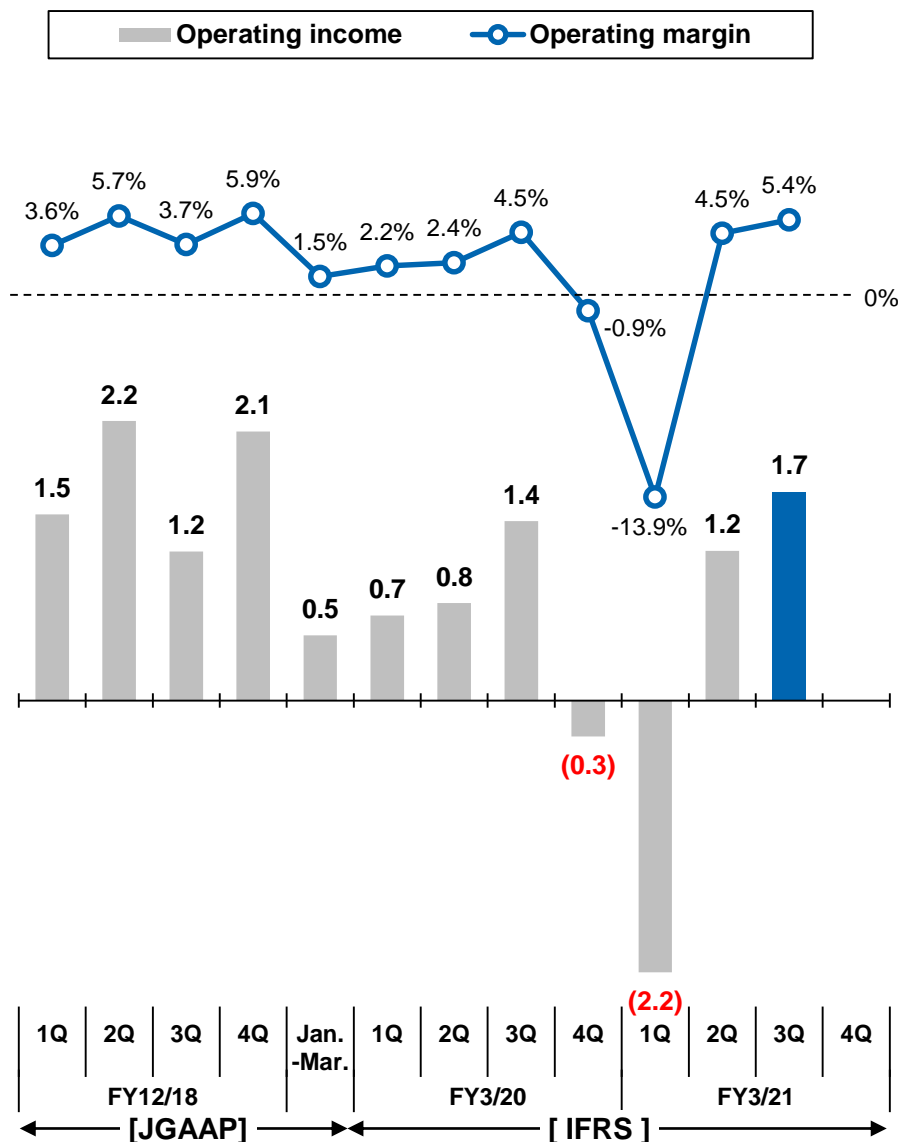
Operating income (Billions of yen)



Net sales (Billions of yen)



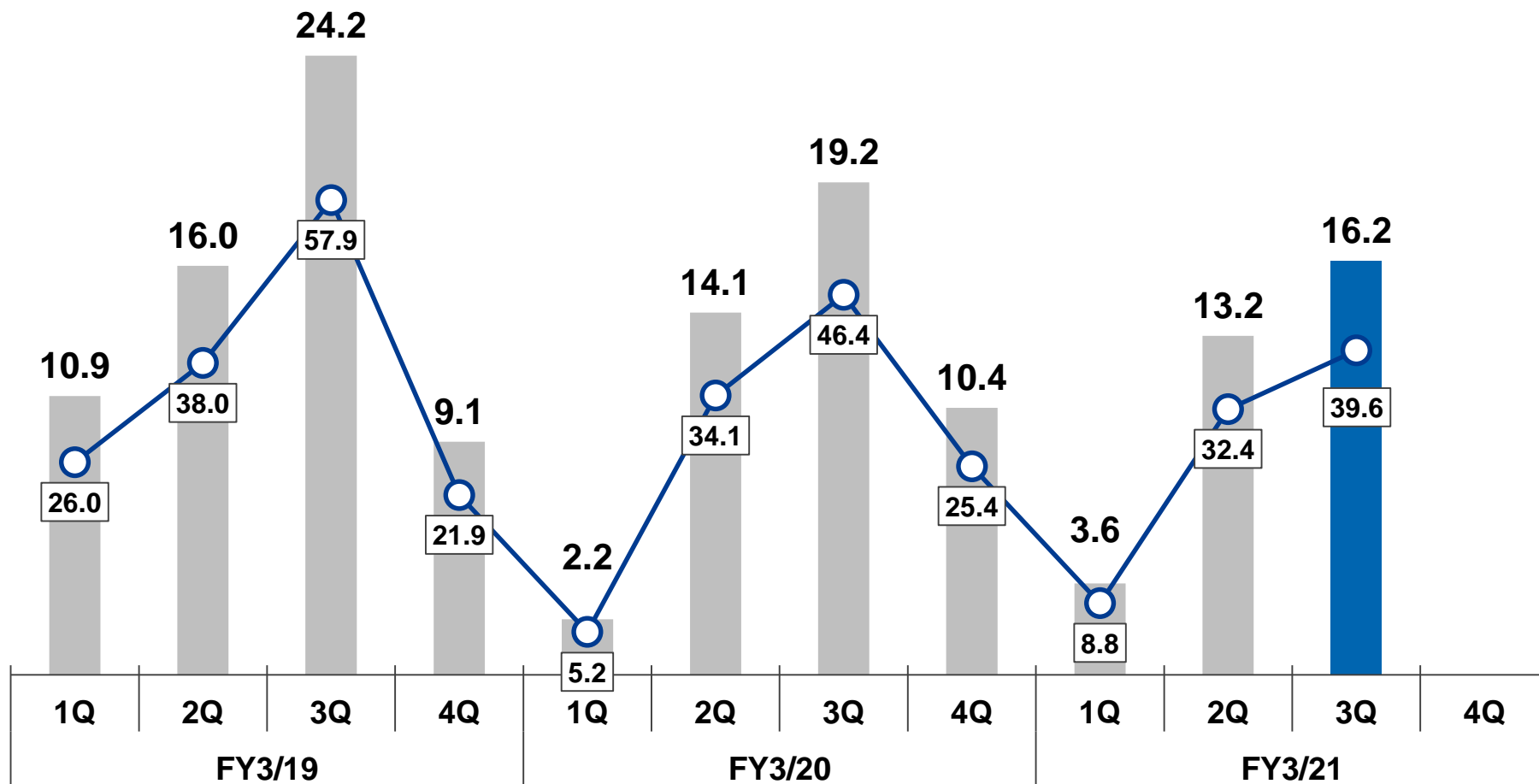
Operating income (Billions of yen)



Profit attributable to owners of the parent / EPS

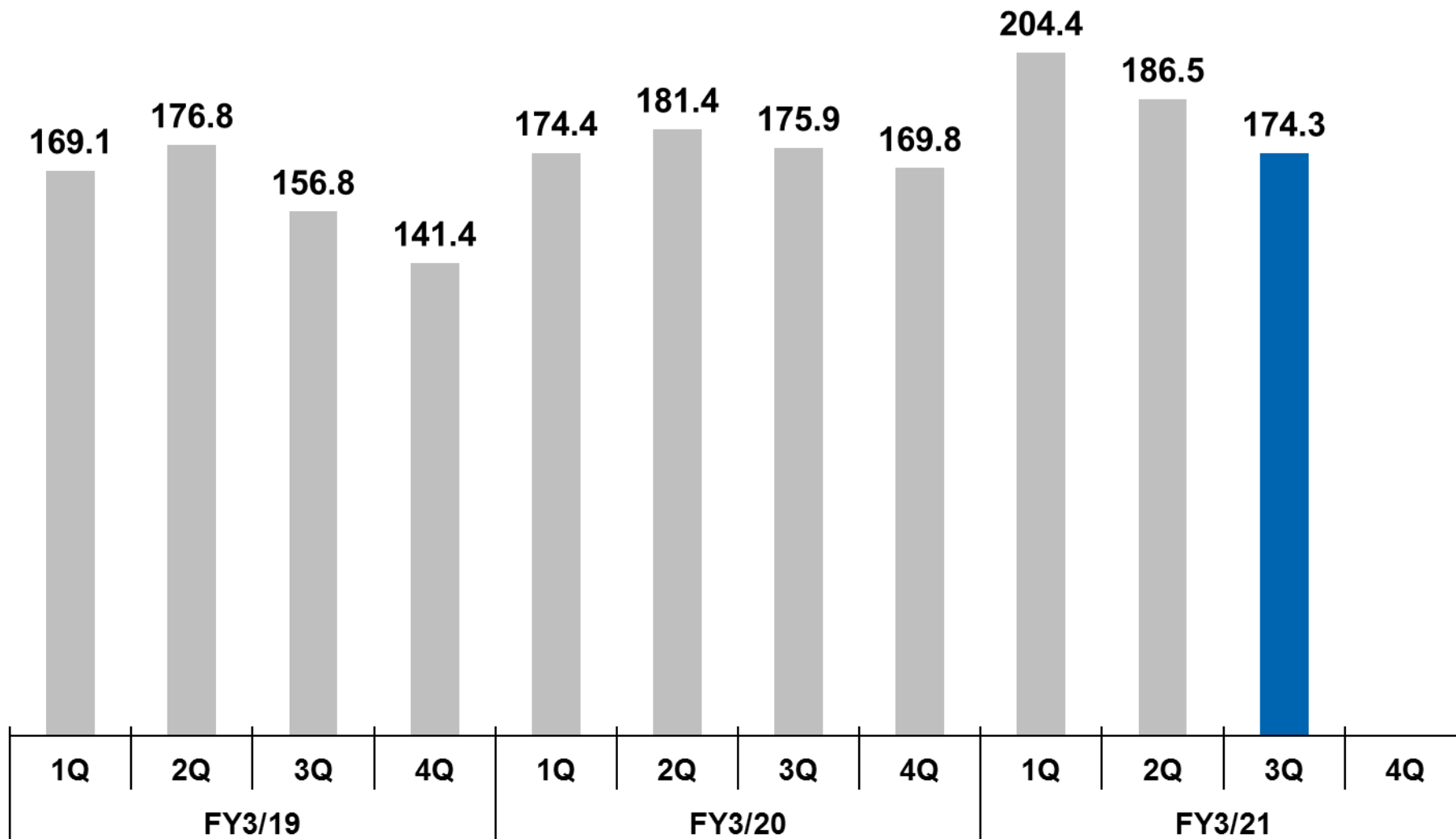
(Billions of yen)

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



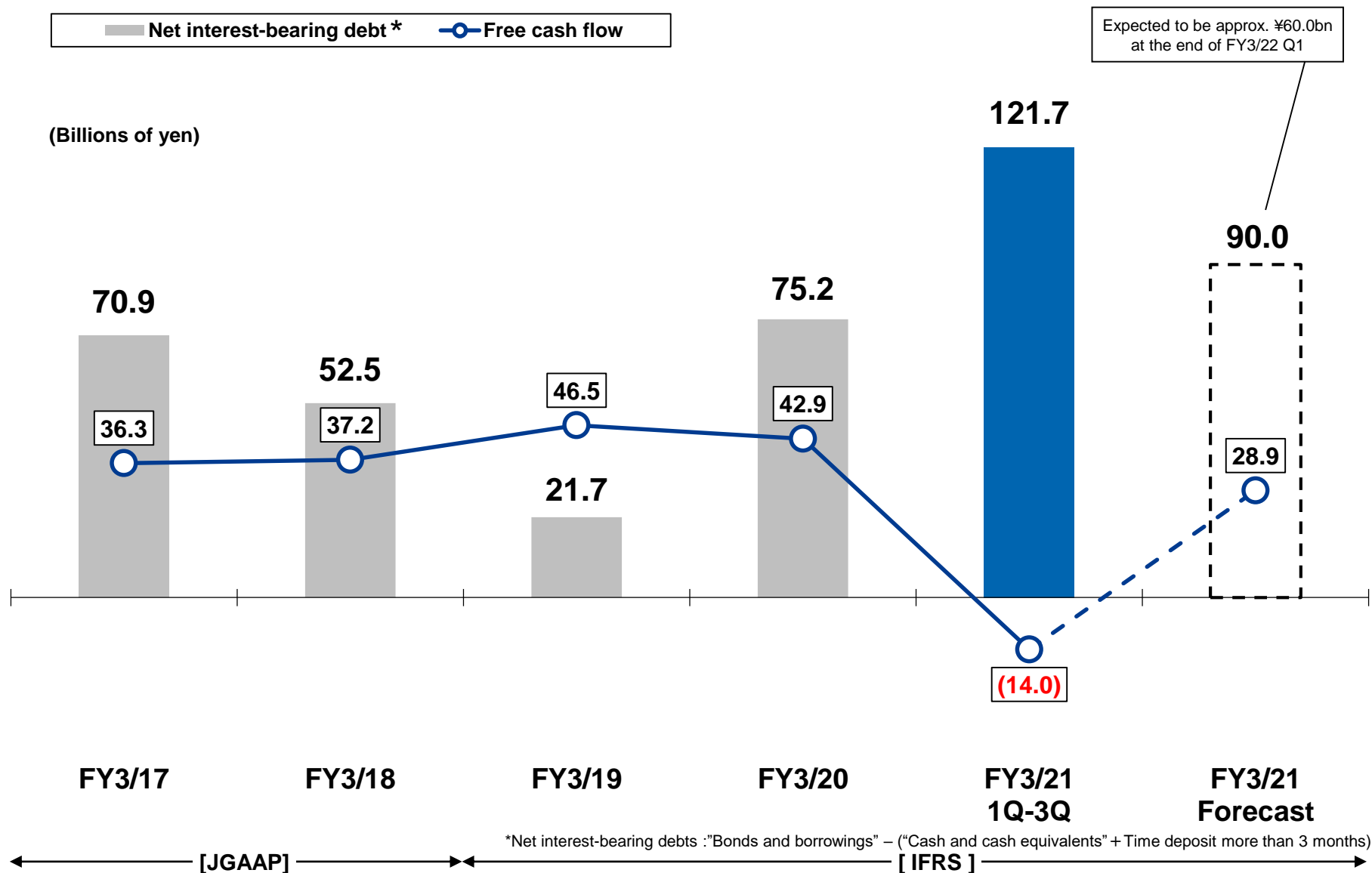
Inventory

(Billions of yen)



Net interest-bearing debt / Free cash flow

*JGAAP until FY3/18



Forecast for Fiscal Year Ending March 31, 2021

Revised operating income upward to hit ¥58bn.*

(Millions of yen)	FY3/20	FY3/21			
	Full Year	1st Half	2nd Half	Full Year	YoY
Net sales	978,445	461,730	518,270	980,000	+0.2%
Operating income	58,647	22,921	35,079	58,000	-1.1%
Profit before taxes	58,089	22,249	34,751	57,000	-1.9%
Profit for the period attributable to owners of the parent	45,975	16,812	28,188	45,000	-2.1%
Earnings per share, basic (yen)	111.11	41.16	69.03	110.19	-0.8%

Foreign Exchange Rates	FY3/20 Full Year	FY3/21 4Q Assumptions
US\$	¥109.12	¥103.50
Euro	¥121.27	¥125.00
Thai Baht	¥3.52	¥3.45
Chinese RMB	¥15.68	¥16.00

* While temporary expenses (restructuring cost and PPA for ABLIC) may be incurred, we are currently scrutinizing them and do not factor them into the above-mentioned forecasts.

Forecast for Business Segment

(Millions of yen)	FY3/20	FY3/21			
	Full Year	1st Half	2nd Half	Full Year	YoY
Net sales	978,445	461,730	518,270	980,000	+0.2%
Machined components	180,885	73,548	81,452	155,000	-14.3%
Electronic devices and components	379,422	178,274	181,726	360,000	-5.1%
Mitsumi business	292,243	167,346	192,654	360,000	+23.2%
U-Shin business	125,145	42,153	61,847	104,000	-16.9%
Other	750	409	591	1,000	+33.3%
Operating income	58,647	22,921	35,079	58,000	-1.1%
Machined components	39,874	14,064	16,936	31,000	-22.3%
Electronic devices and components	17,552	7,681	10,319	18,000	+2.6%
Mitsumi business	18,656	8,984	15,016	24,000	+28.6%
U-Shin business	2,598	-974	2,974	2,000	-23.0%
Other	-1,502	-831	-1,169	-2,000	+33.2%
Adjustment	-18,531	-6,003	-8,997	-15,000	-19.1%

Overall

- Full-year forecast revised upward to 58 billion* yen.
- Current demand picking up significantly. Reaffirmed that **our high quality products will grow naturally** in line with the global economic recovery.
- **Changes to “NEW LIFE STYLE”** represented by stay-at-home demand
→ boost the demand for our various products.

Machined Components

- Established the production capacity of max. **325 million units per month** for ball bearings thanks to productivity improvements, **laying the foundation for a substantial profit increase next fiscal year.**
→ **Aim for 345 million units per month by the end of next fiscal year** with additional investments.
- Further growth strategy would be announced in May.

Electronic Devices & Components, Mitsumi

- **Motors will steadily generate profits through changes in the profit structure and significant market growth.**
- Smartphone and Game are better than expected.
- **Analog semiconductors at full capacity** contribute to profit.

U-Shin

- Aim to significantly increase profits next fiscal year. However, the effect of restructuring is scheduled to be realized from the latter half of the next fiscal year.

* While temporary expenses (restructuring cost and PPA for ABLIC) may be incurred, we are currently scrutinizing them and do not factor them into the above-mentioned forecasts.

The possibility of realizing the estimated breakdown announced in 2017 has been raised toward FY3/23!

Estimated breakdown (FY3/23)

- Machined Components **¥50 bn**
- Electronic Devices & Components **¥30 bn**
- Mitsumi **¥30 bn**
- U-shin **¥10 bn**
- HQ Expenses **¥-20 bn**

Upside from M&A!

(Reference)
Estimated breakdown (FY3/21)
announced in May 2017

- Machined Components **¥50 bn**
- Electronic Devices & Components **¥30 bn**
- Mitsumi **¥20 bn**
- M&A **¥15 bn**
- HQ Expenses **¥-15 bn**

Resolution of share buyback (February 5, 2021)

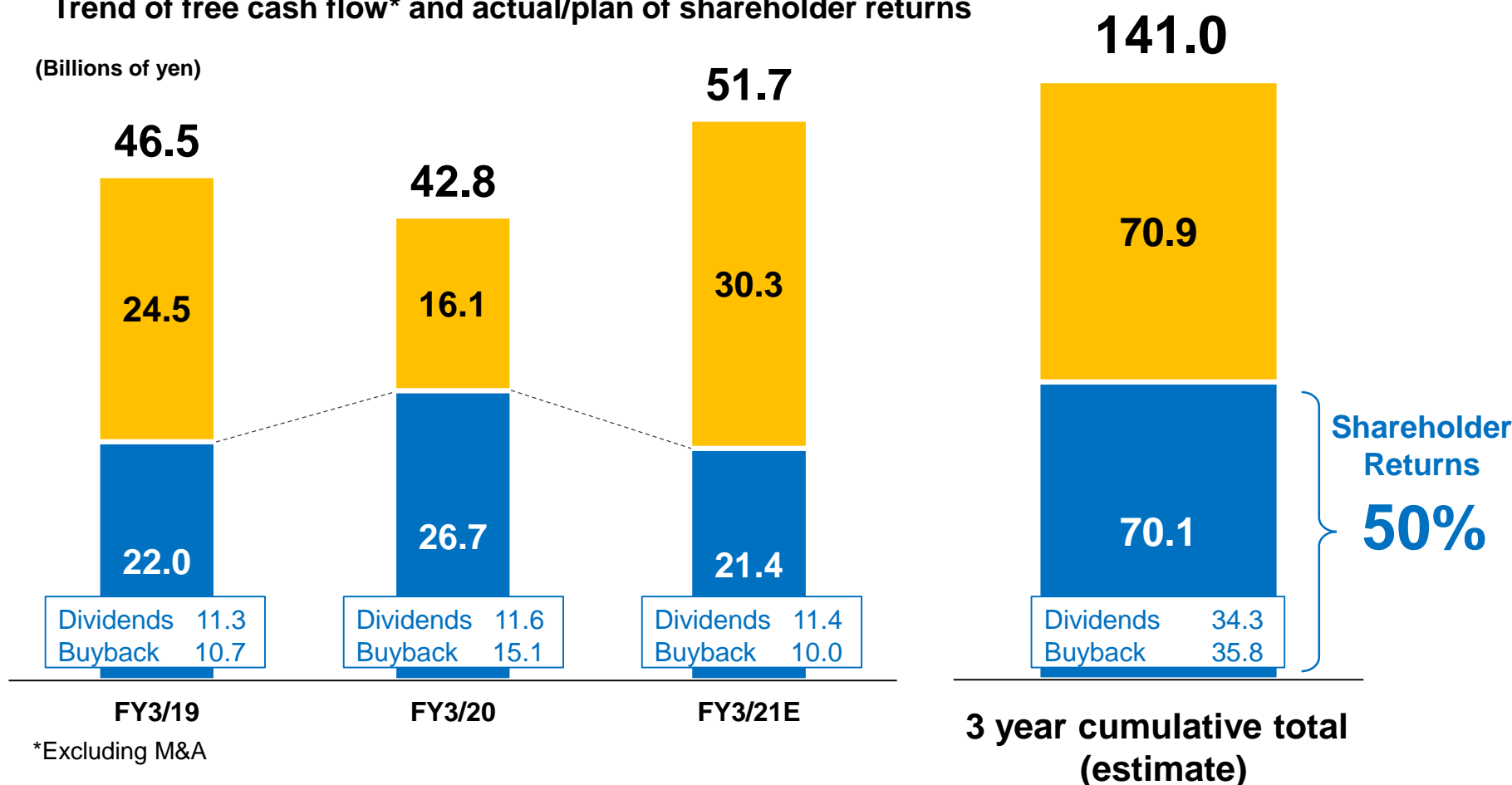
- Number of shares: Up to 4.0 million shares
(equal to 1.0% of total issued shares excluding treasury shares)
- Amount: Up to 10.0 billion yen
- Period: From February 8, 2021 to April 30, 2021
- Purpose: In order to improve return on shareholders and improve capital efficiency and to implement agile capital policy according to the business environment.

Summary of shareholder returns

**Shareholder returns would be made
according to the cash allocation policy announced in May 2019**
(50% of free cash flow* would be allocated to shareholder returns in multiple years)

Trend of free cash flow* and actual/plan of shareholder returns

(Billions of yen)



Dividends for FY3/21

Year-end dividend (Forecast) **14** yen/share

Annual dividend (Forecast) **28** yen/share

No change in medium-to-long-term cash allocation policy.
(50% of free cash flows will be allocated to shareholder returns)

(Reference) Dividends for FY3/20

Annual 28 yen/share (14 yen for interim, 14 yen for year-end)

SADIOT* LOCK

*Smart Activated Devices with Internet of Things



On sale! *

From February 3, 2021

*by U-Shin Showa Ltd.

SALIOT pico



On sale!

From March 16, 2021

In-house produced masks



Cumulative sales

Approx. 6 mil. masks



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.

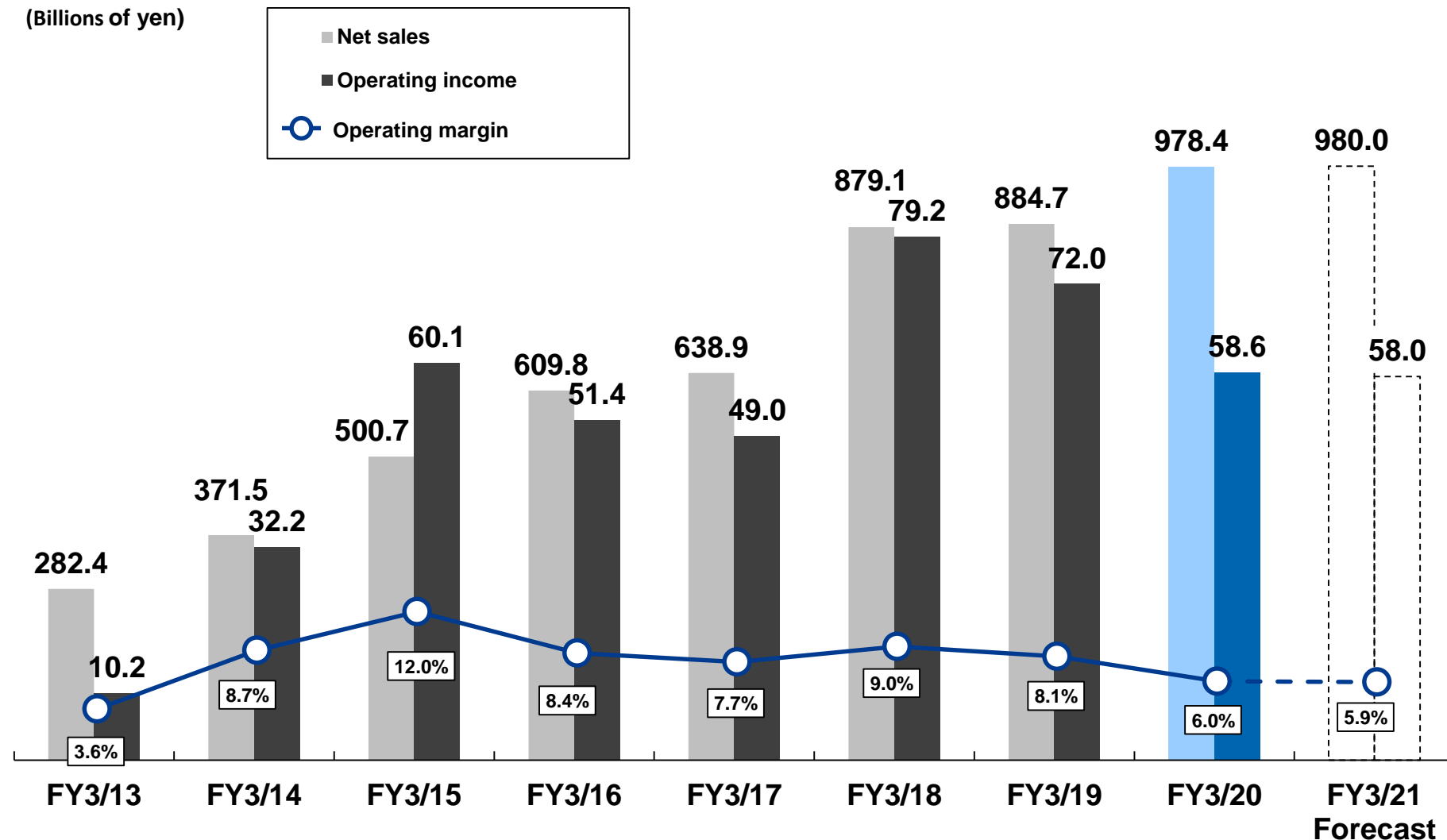
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Reference

Net Sales, Operating Income/margin

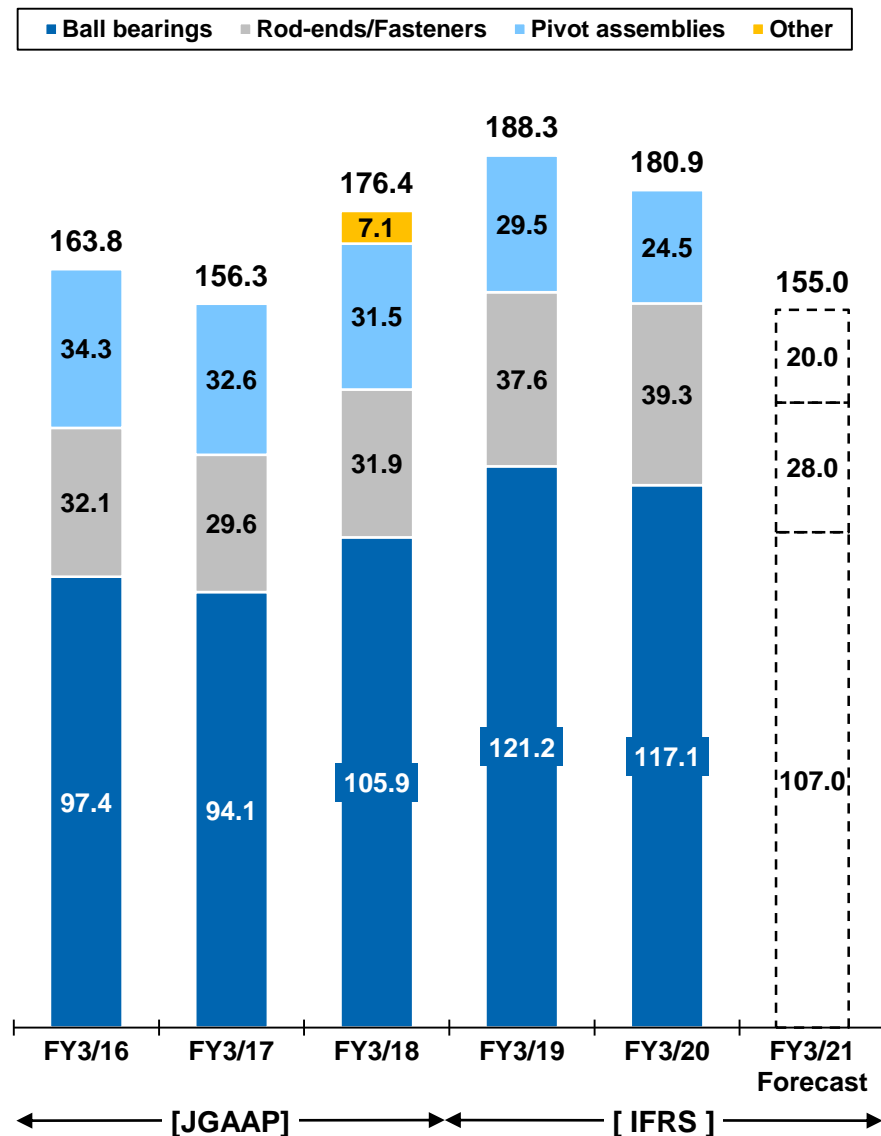
*JGAAP until FY3/18

(Billions of yen)

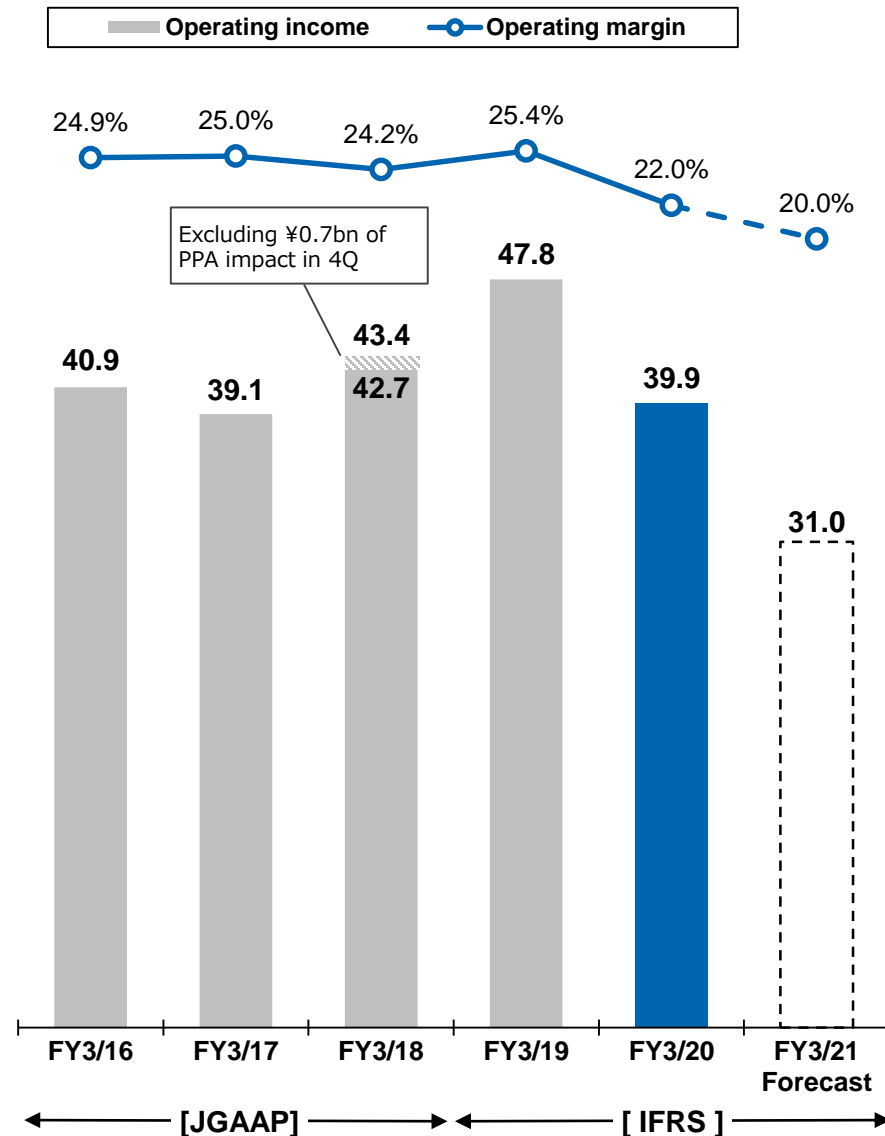


← [JGAAP] → [IFRS] →

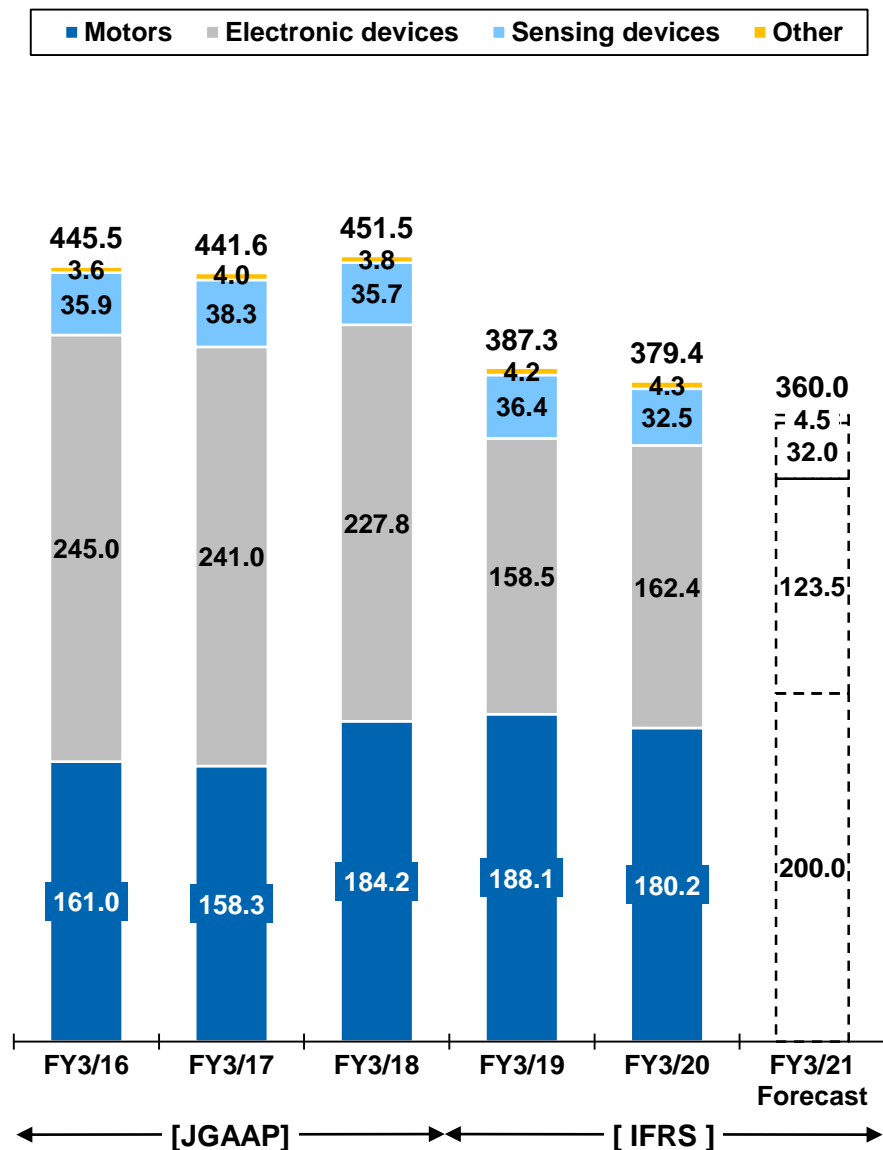
Net sales (Billions of yen)



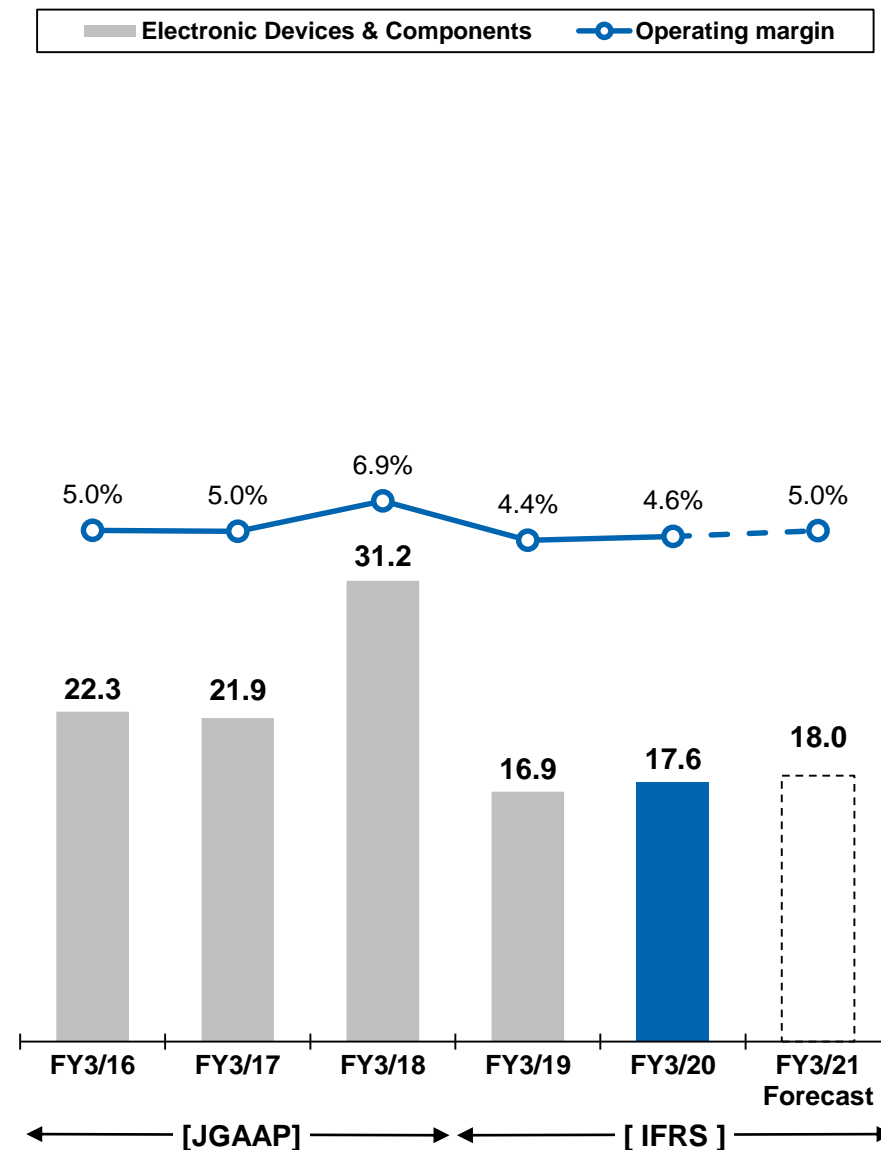
Operating income (Billions of yen)



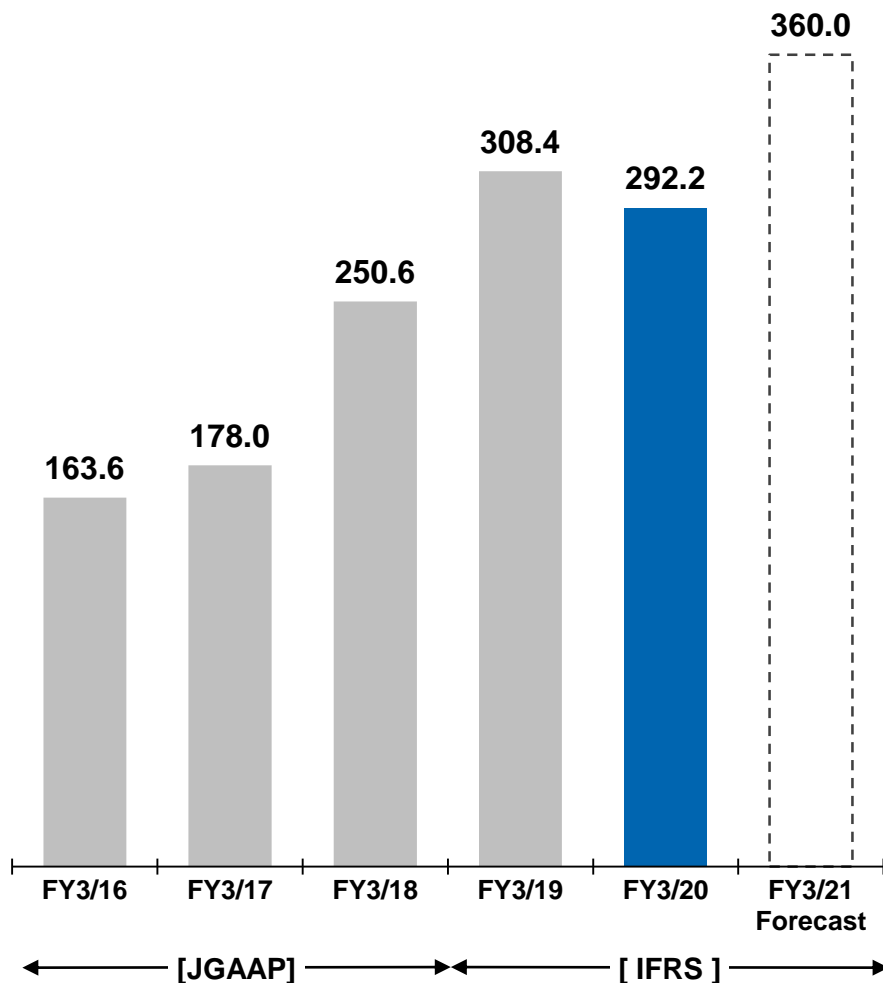
Net sales (Billions of yen)



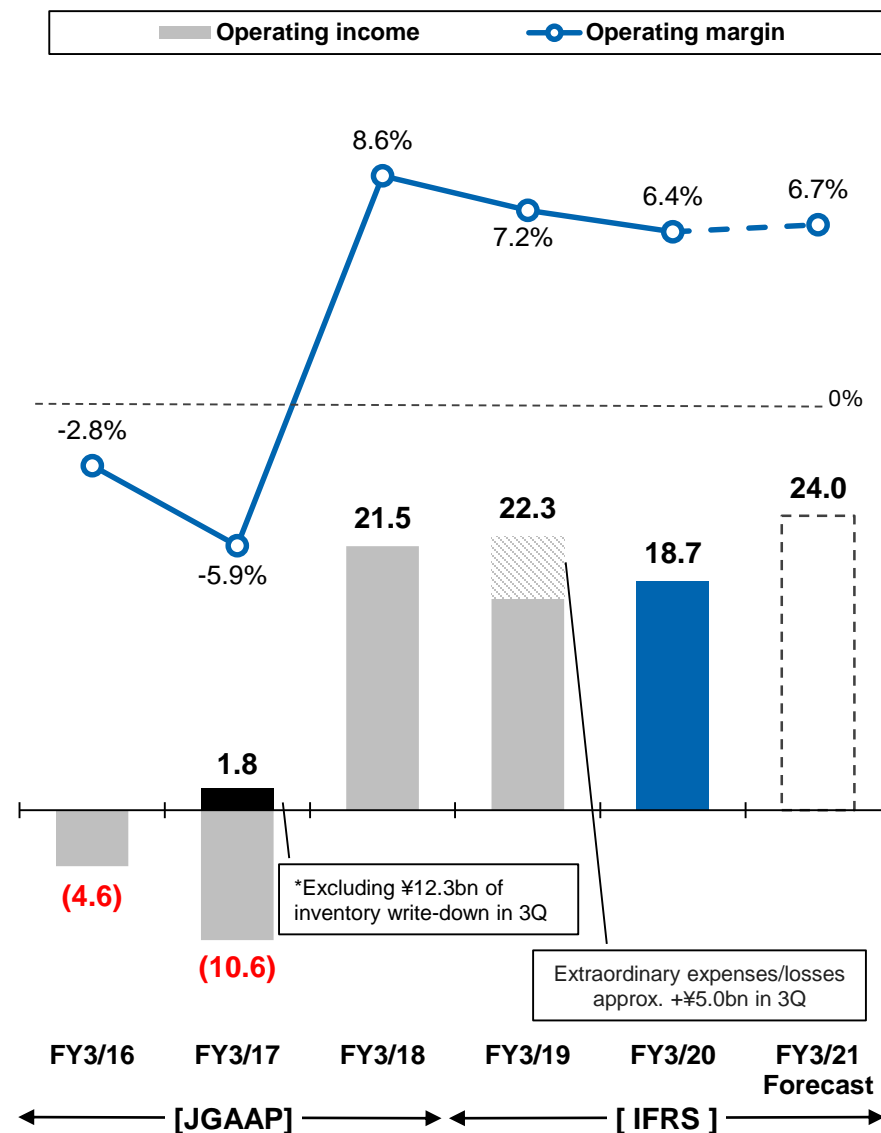
Operating income (Billions of yen)



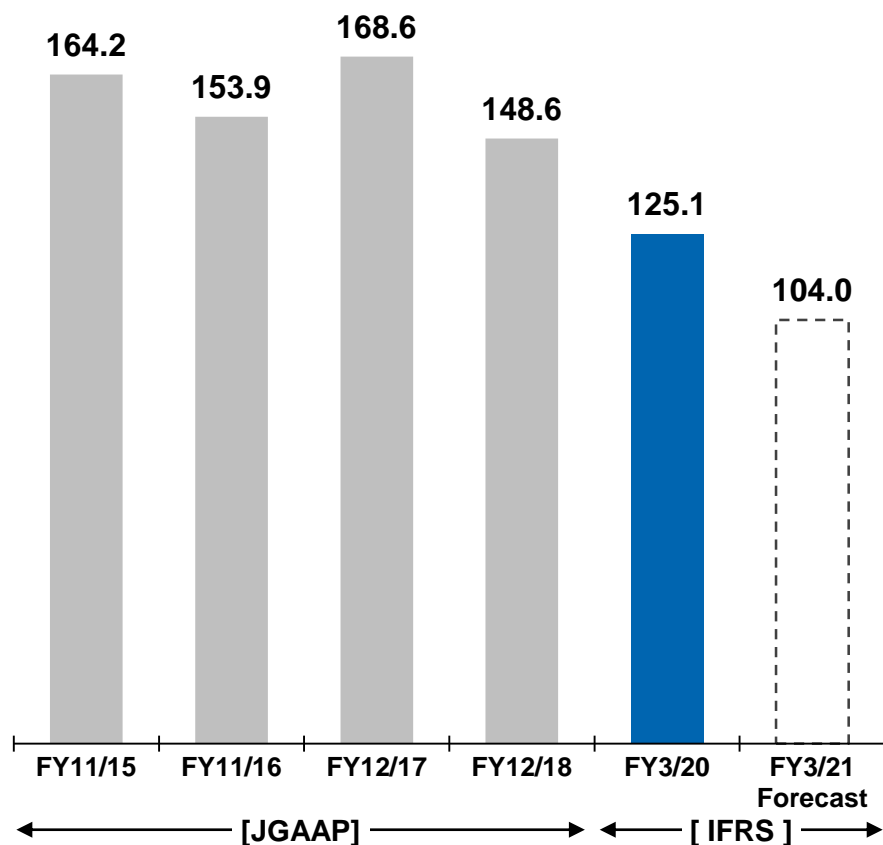
Net sales (Billions of yen)



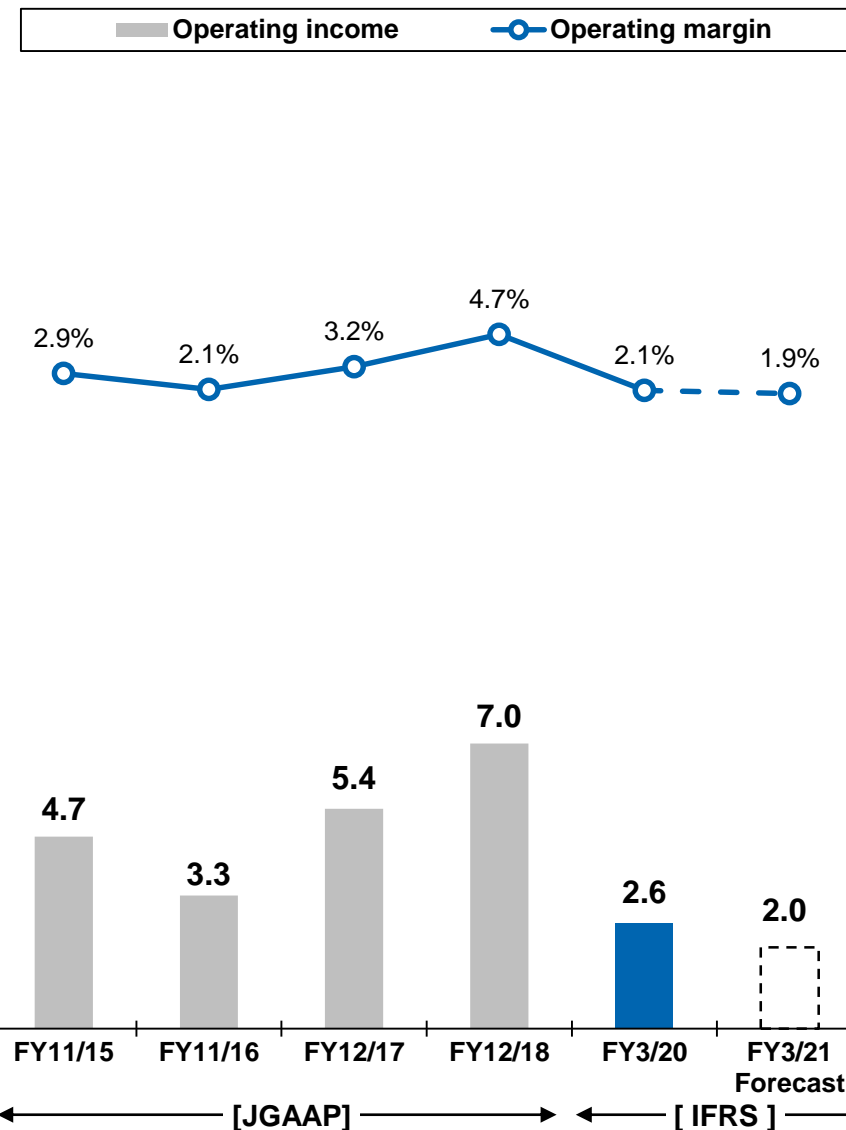
Operating income (Billions of yen)



Net sales (Billions of yen)



Operating income (Billions of yen)

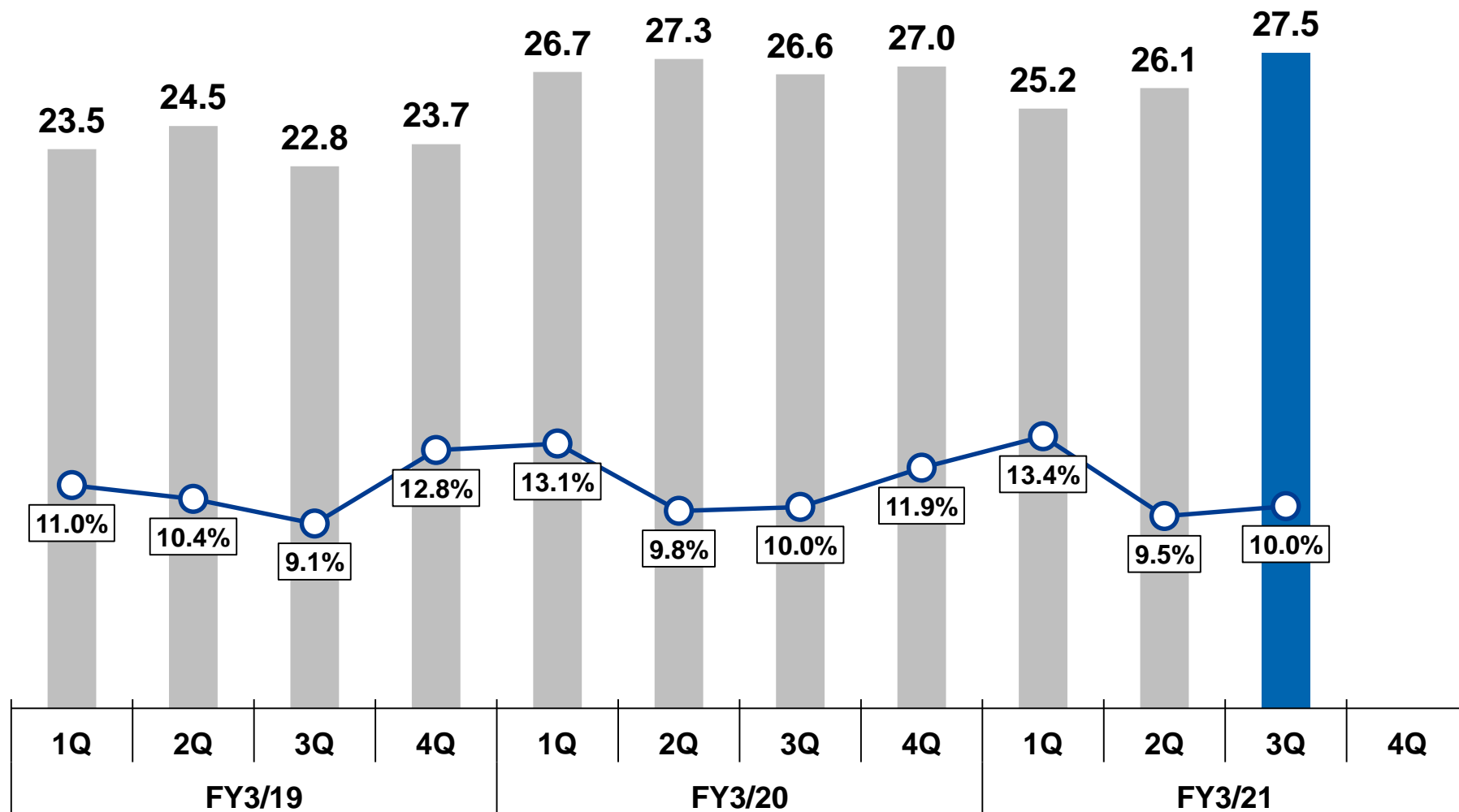


S.G.&A. expense / ratio

(Billions of yen)

■ S.G.&A. expenses

● S.G.&A. to sales ratio

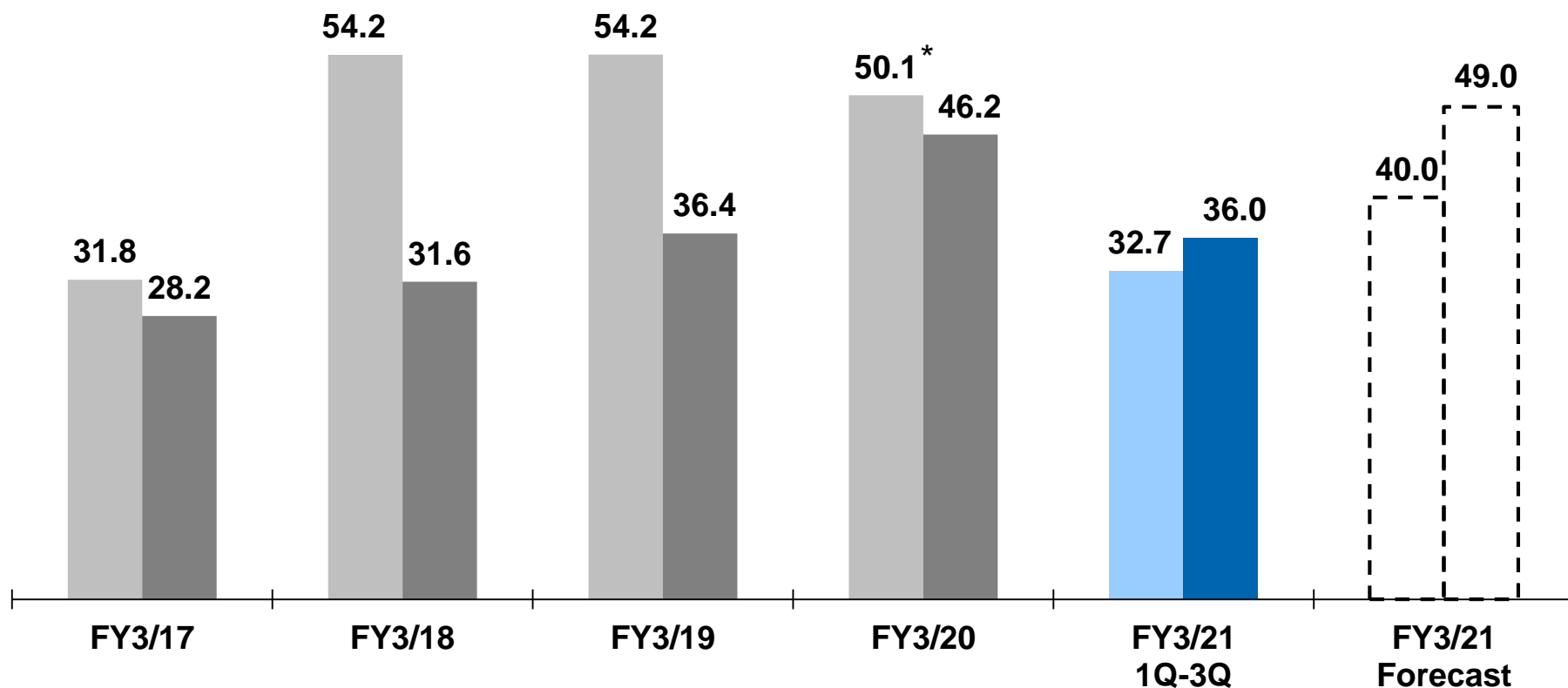


Capital Expenditure / D&A Expense

*JGAAP until FY3/18

(Billions of yen)

■ Capital expenditure ■ Depreciation & Amortization expenses



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

← [JGAAP] → [IFRS] →

ROIC (Return On Invested Capital)

ROIC for U-Shin business are pre-merger result and based on CY / JGAAP, and are not included in the Total. JGAAP until FY3/18

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

