

Business Results

Fiscal Year Ended March 31, 2015

May 8, 2015
Minebea Co., Ltd.

1. Financial Results

2. Policy and Strategy

Financial Results

Hiromi Yoda

Managing Executive Officer

Posting record high net sales, operating income, ordinary income and net income

(Millions of yen)	FY ended Mar. '14 Full year	FY ended Mar. '15 Full year	Change YoY	FY ended Mar.'15 February forecast Full year	VS. Forecast
Net sales	371,543	500,676	+34.8%	490,000	102.2%
Operating income	32,199	60,101	+86.7%	58,500	102.7%
Ordinary income	28,065	60,140	X 2.1	57,000	105.5%
Net income	20,878	39,887	+91.0%	36,000	110.8%
Net income per share (yen)	55.94	106.73	+90.8%	96.33	110.8%

Foreign exchange rates	Mar. '14 Full year	Mar. '15 Full year
US\$	¥99.76	¥109.19
Euro	¥133.38	¥139.38
Thai Baht	¥3.18	¥3.37
Chinese RMB	¥16.28	¥17.60

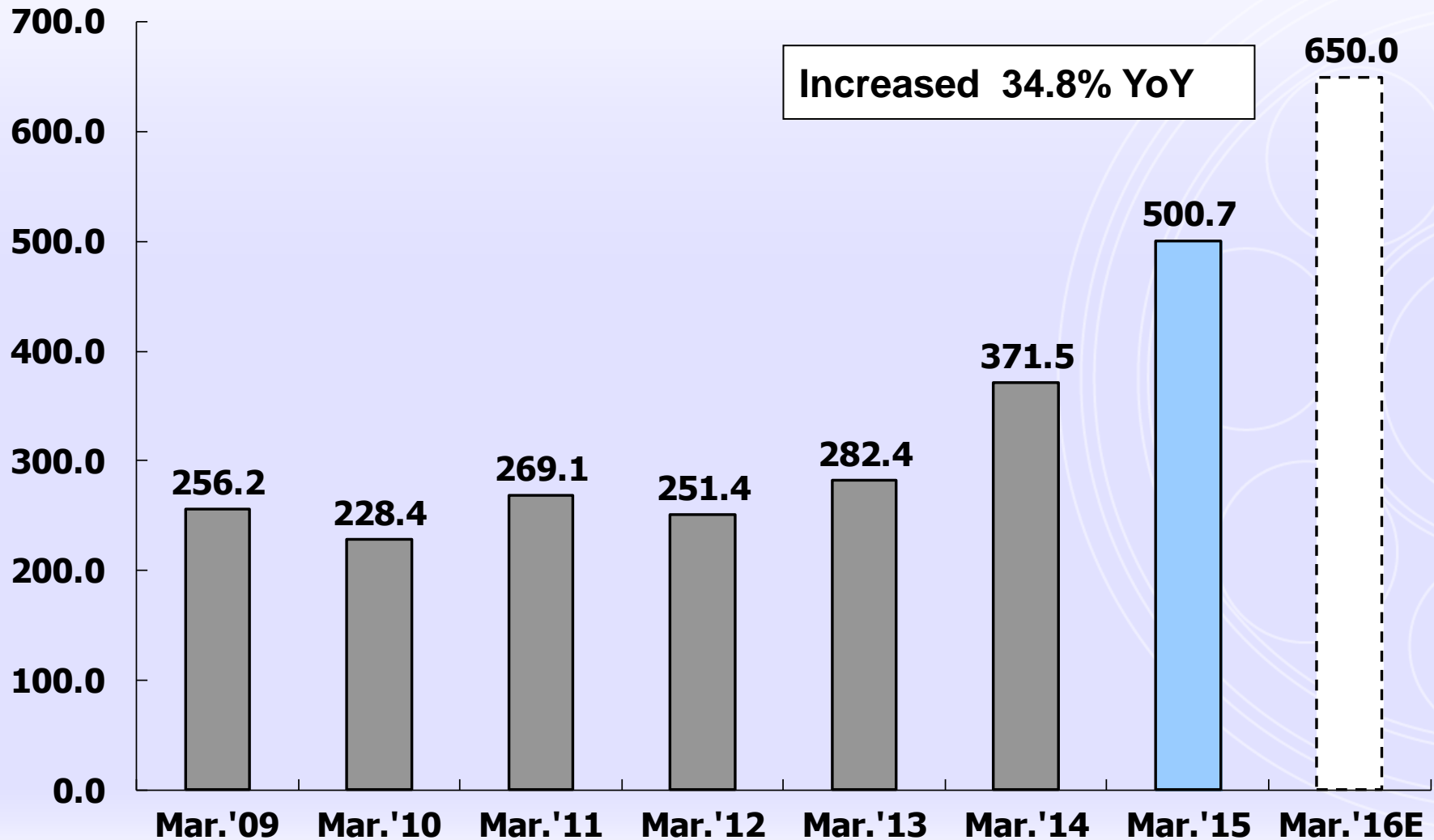
8th consecutive higher-than-plan quarterly results

(Millions of yen)	FY ended Mar. '14 4Q	FY ended Mar. '15 3Q	FY ended Mar. '15 4Q	Change	
				YoY	QoQ
Net sales	93,608	145,403	138,715	+48.2%	-4.6%
Operating income	8,883	19,080	16,259	+83.0%	-14.8%
Ordinary income	7,943	18,599	16,905	X 2.1	-9.1%
Net income	4,998	13,163	8,906	+78.2%	-32.3%
Net income per share (yen)	13.38	35.22	23.82	+78.0%	-32.4%

Foreign exchange rates	4Q of FY Mar. '14	3Q of FY Mar. '15	4Q of FY Mar. '15
US\$	¥103.40	¥112.34	¥119.36
Euro	¥141.41	¥141.29	¥138.02
Thai Baht	¥3.15	¥3.45	¥3.66
Chinese RMB	¥16.96	¥18.30	¥19.11

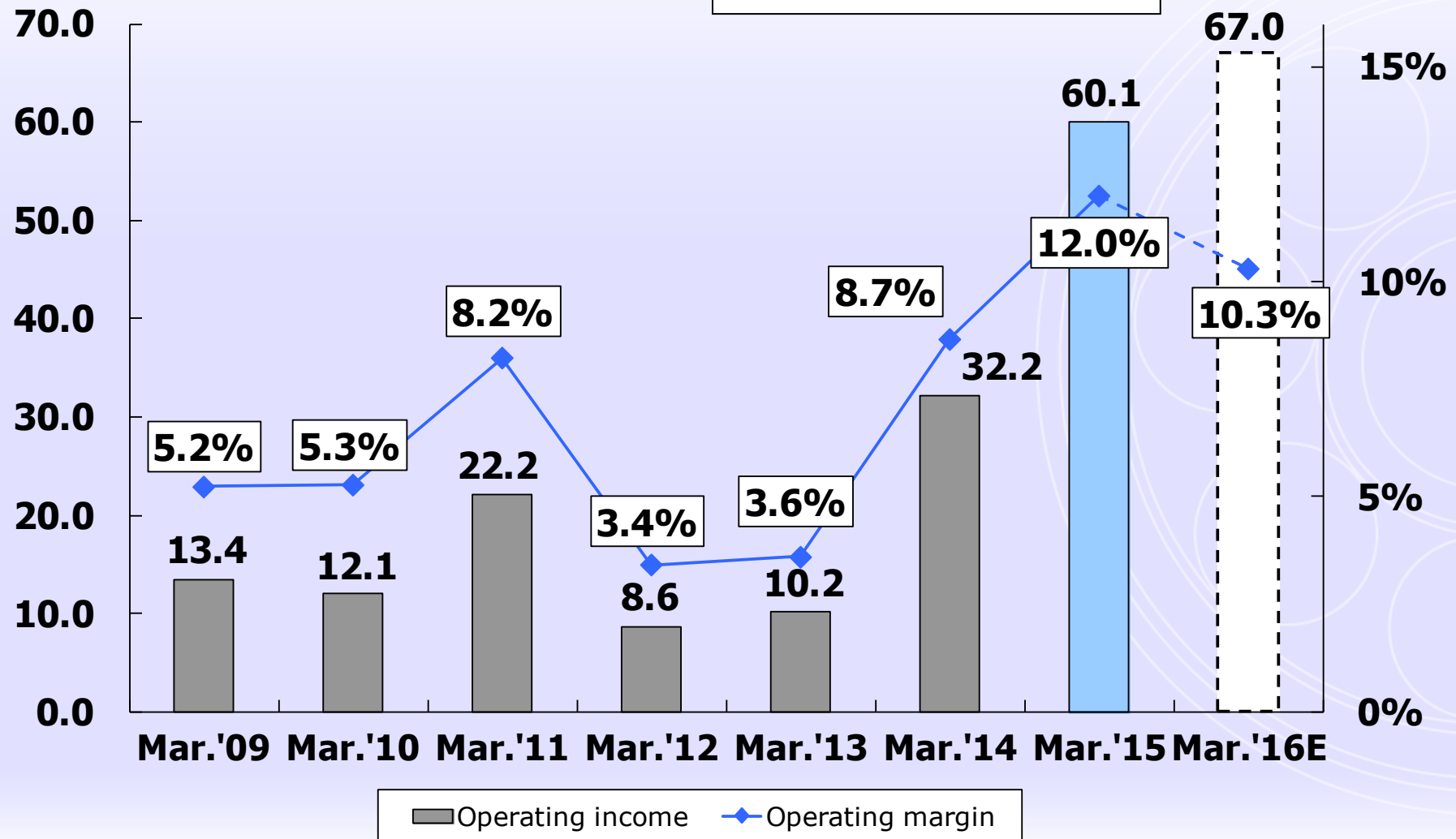
Topping record high net sales

(Billions of yen)



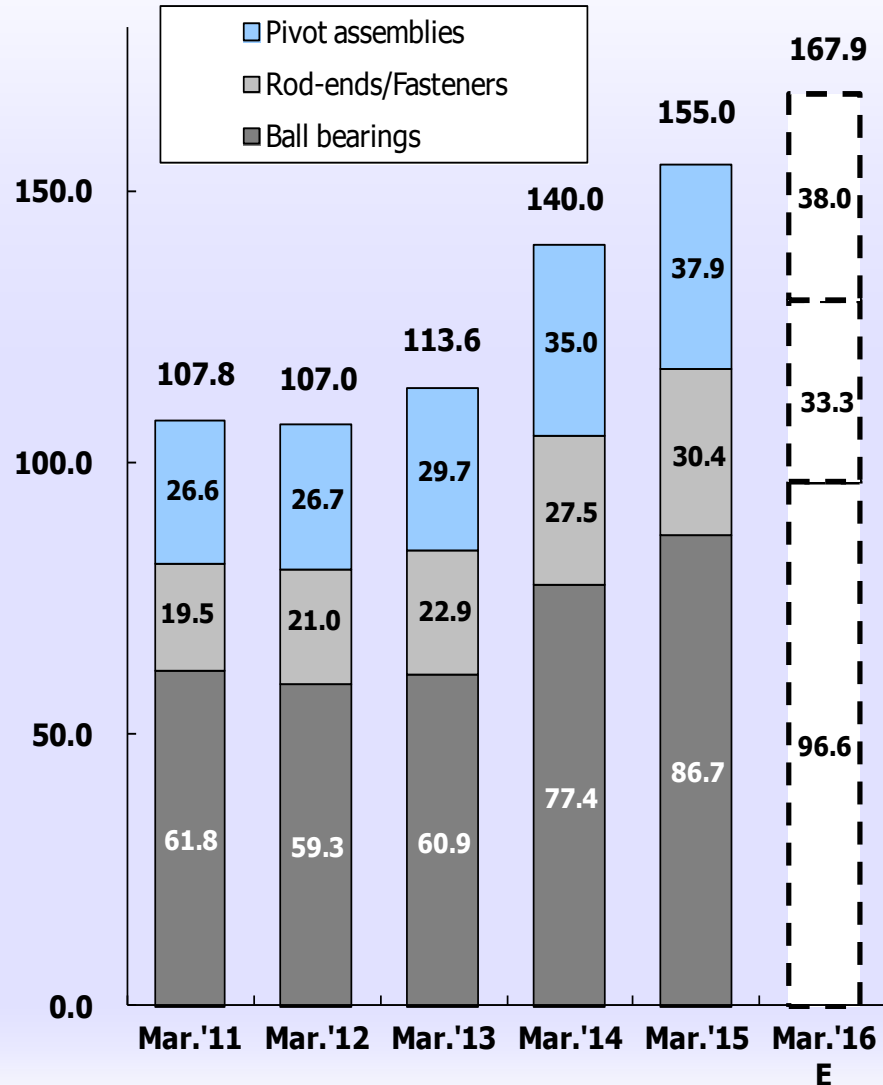
Topping record high operating income

(Billions of yen)



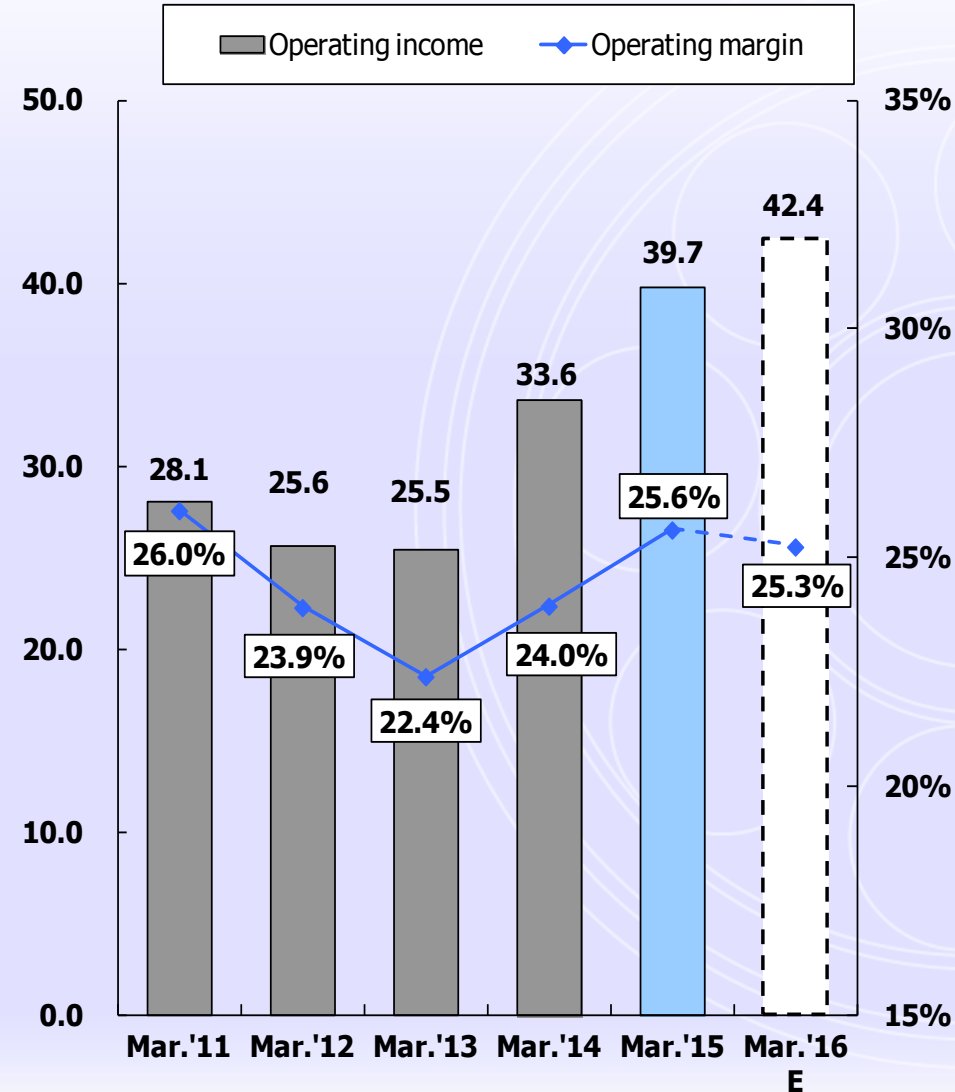
Net sales

(Billions of yen)



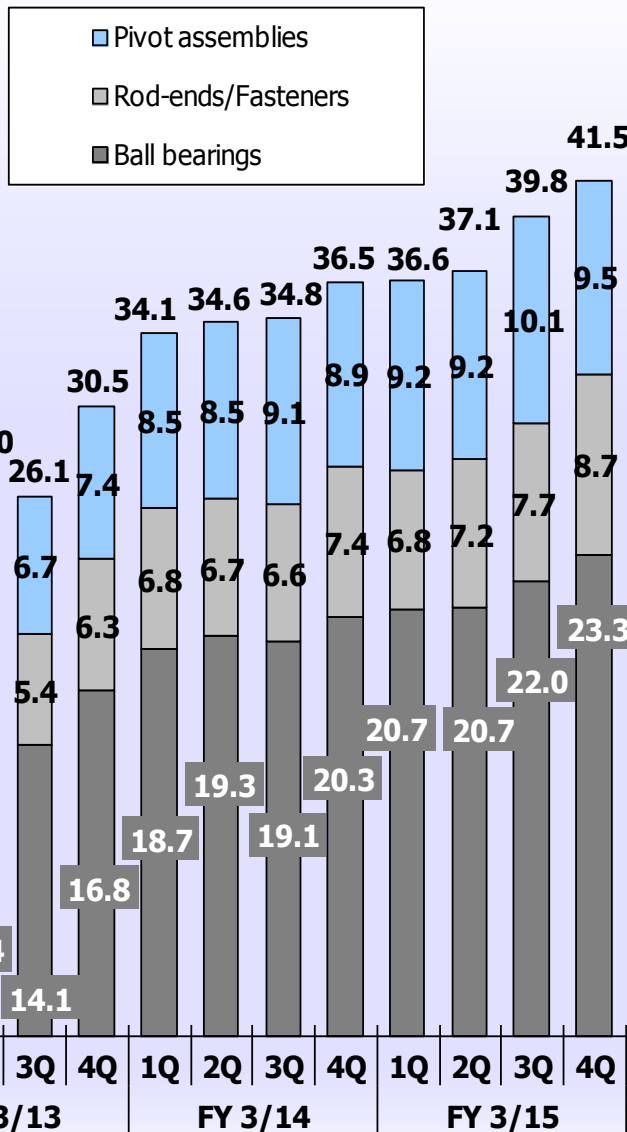
Operating income

(Billions of yen)



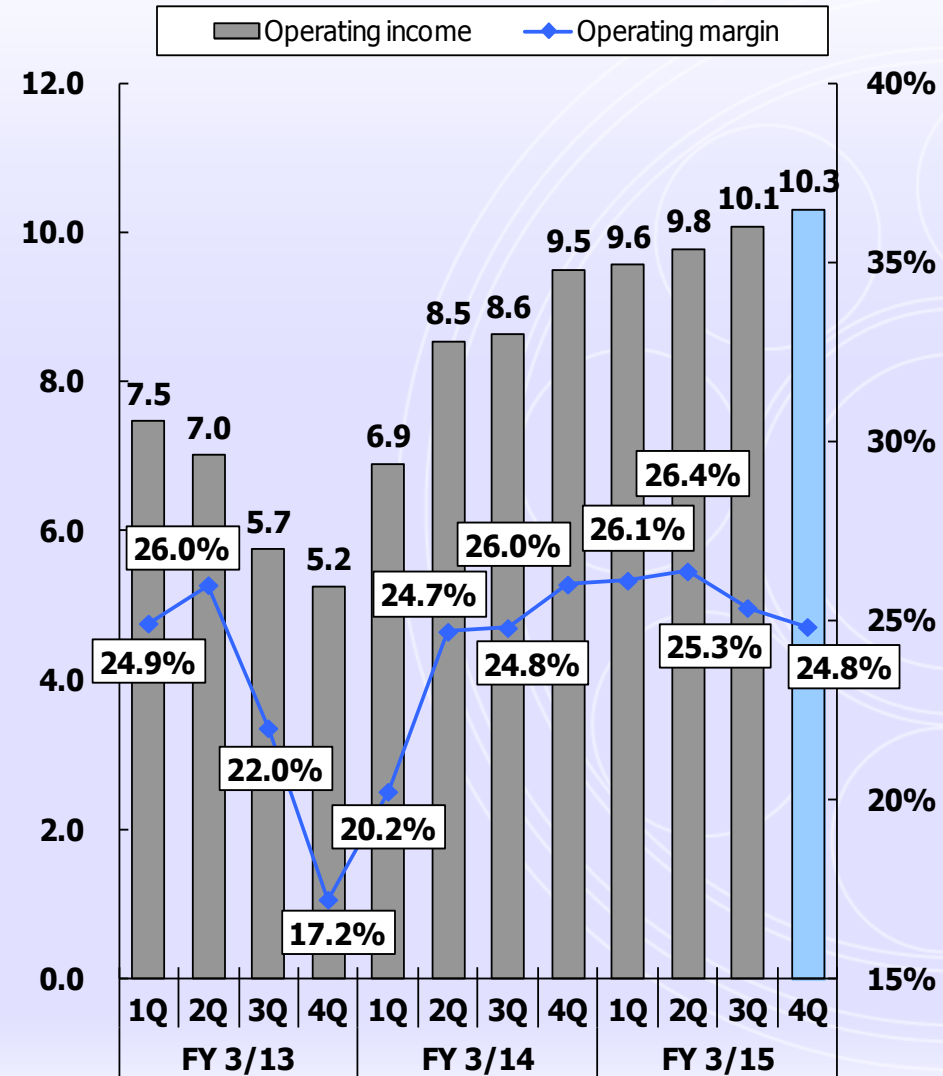
Net sales

(Billions of yen)



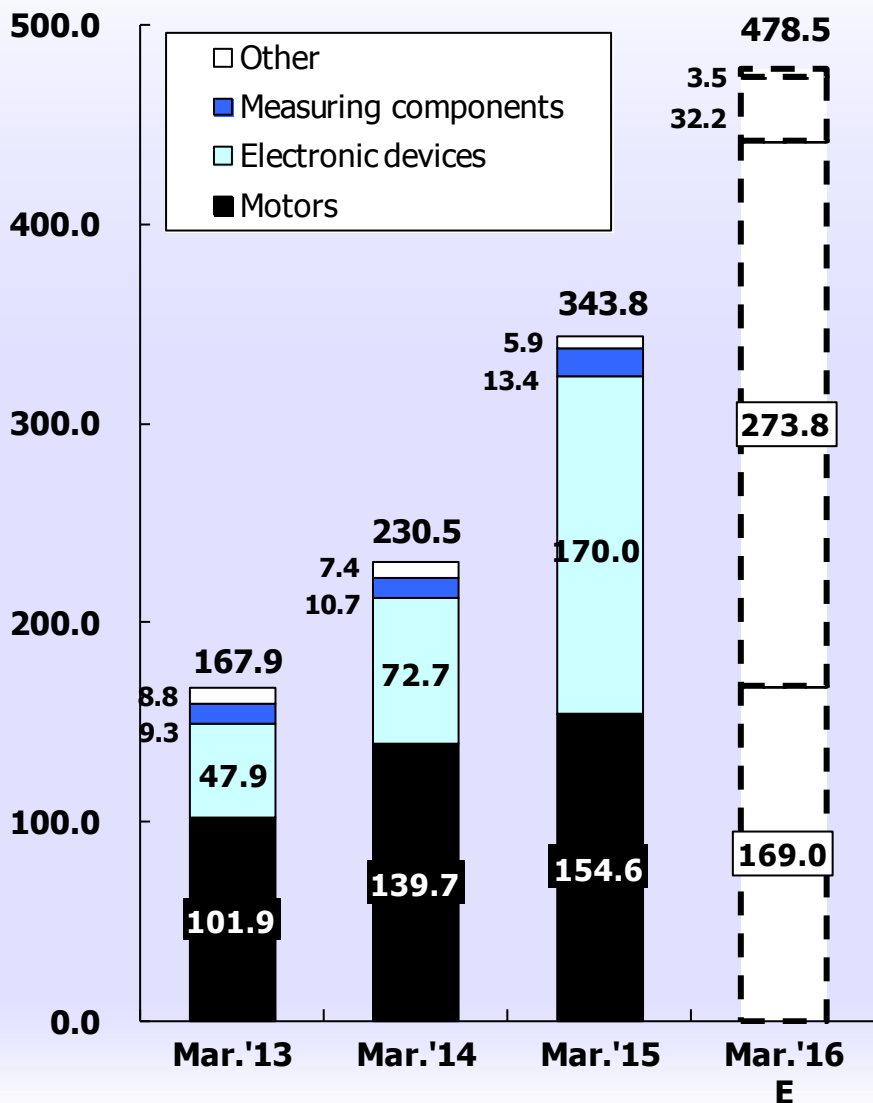
Operating income

(Billions of yen)



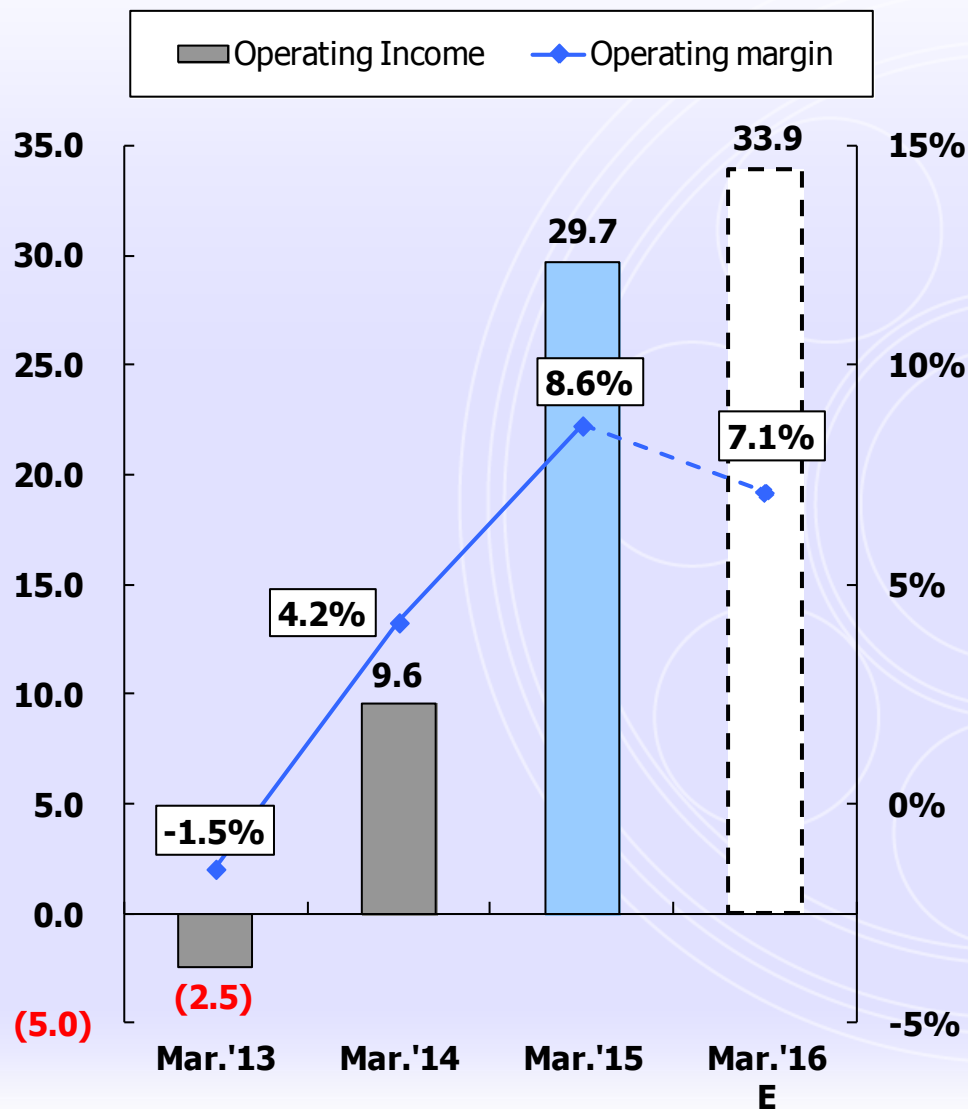
Net sales

(Billions of yen)



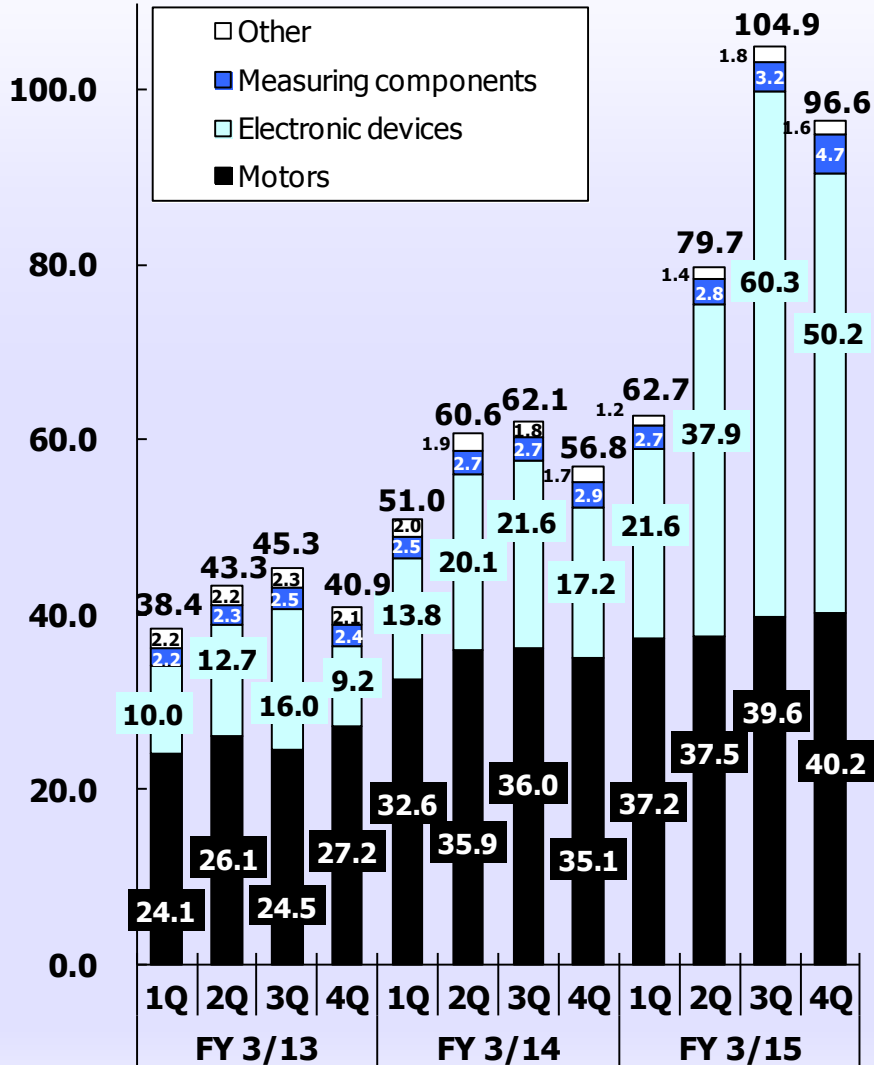
Operating income

(Billions of yen)



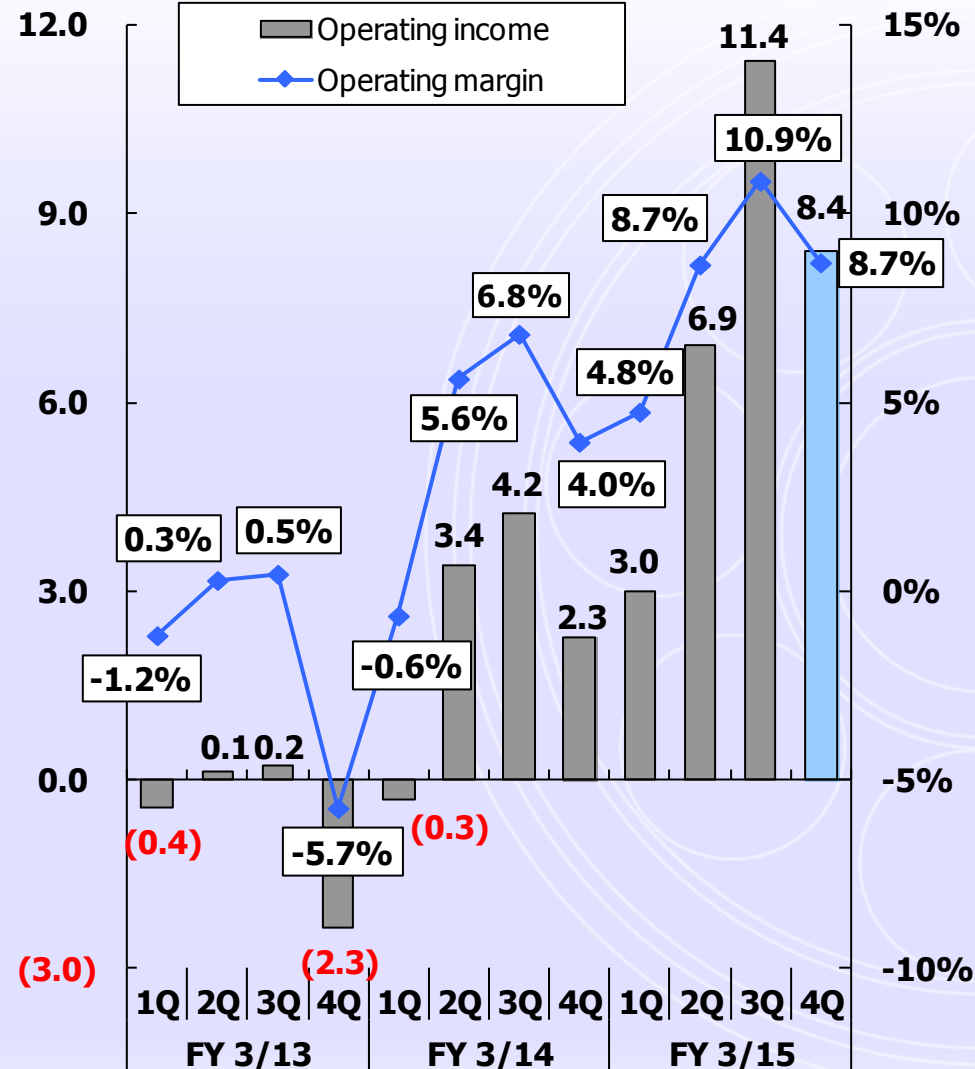
Net sales

(Billions of yen)



Operating income

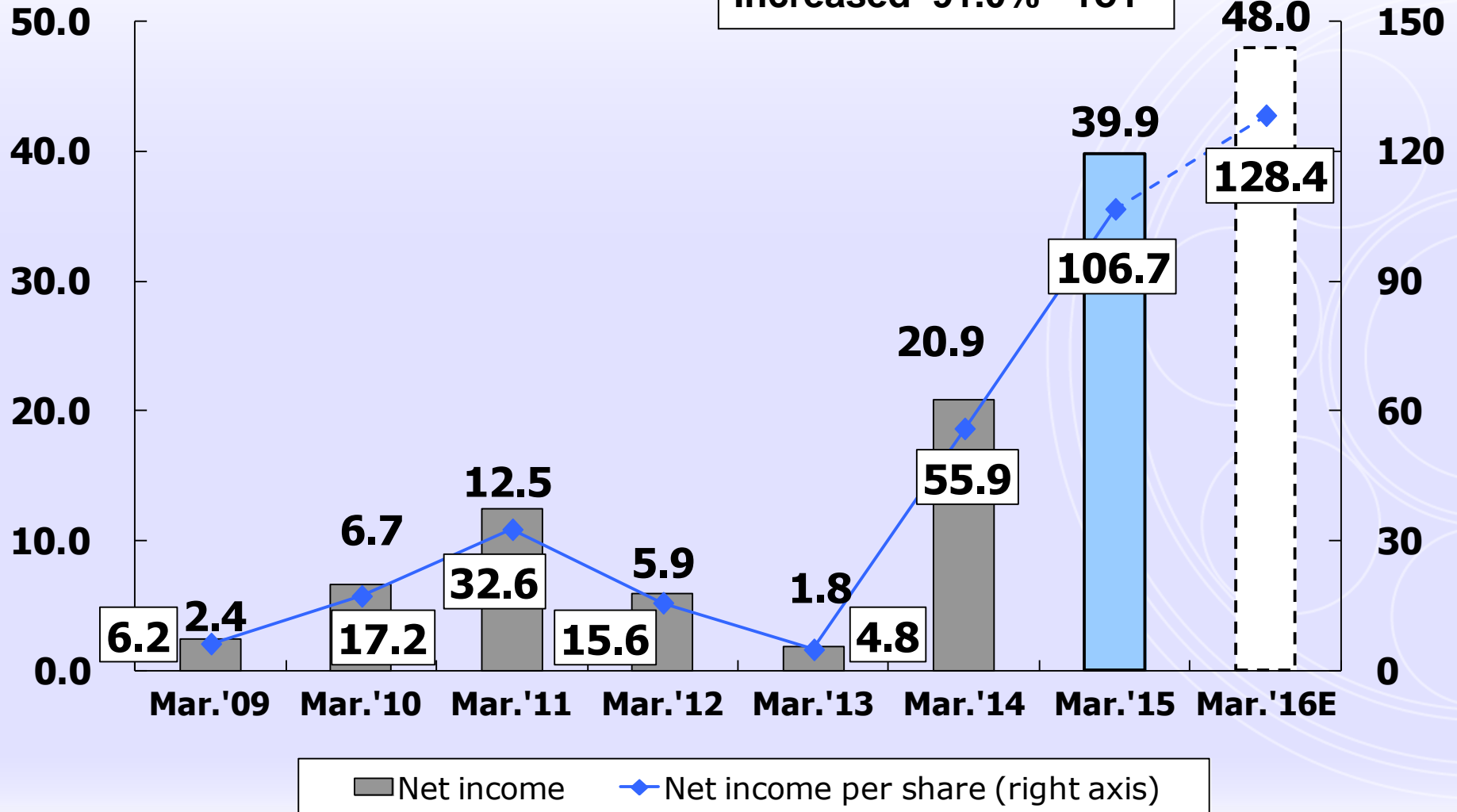
(Billions of yen)



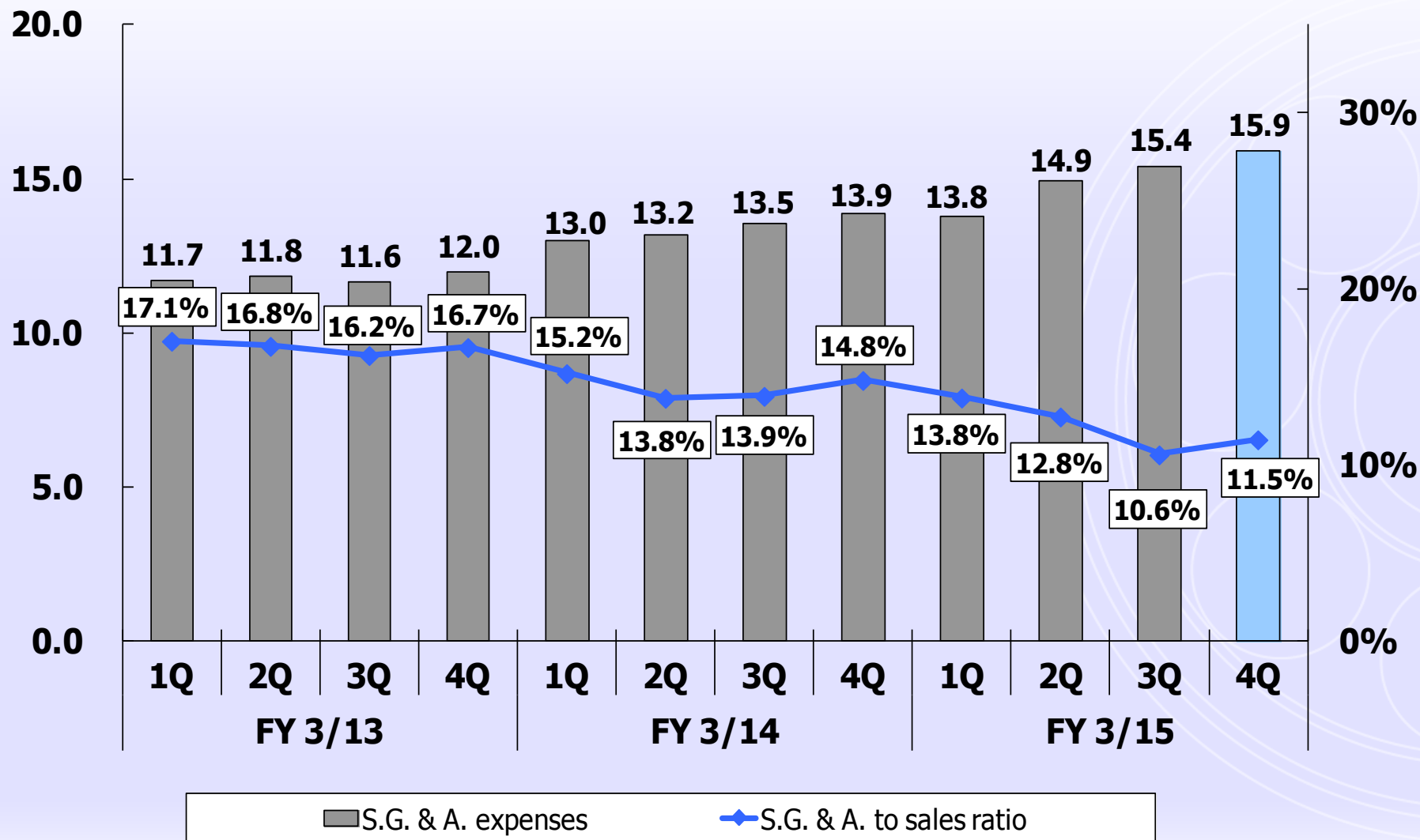
Posting record high net income

(Billions of yen)

(Yen)



(Billions of yen)



(Billions of yen)

100.0

80.0

60.0

40.0

20.0

0.0

1Q

2Q

3Q

4Q

1Q

2Q

3Q

4Q

1Q

2Q

3Q

4Q

FY 3/13

FY 3/14

FY 3/15

51.8

54.8

60.2

58.2

59.1

60.5

65.5

63.7

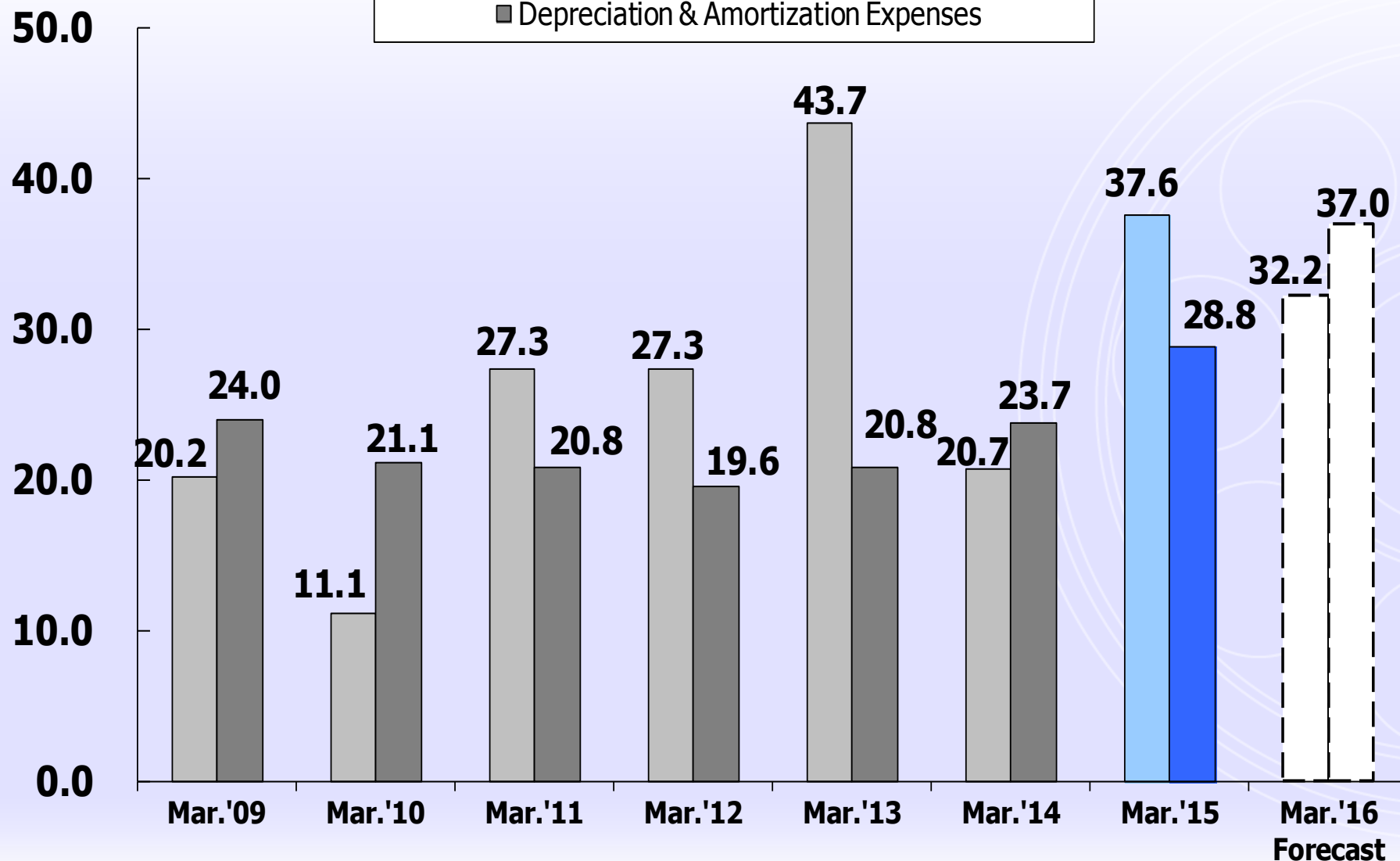
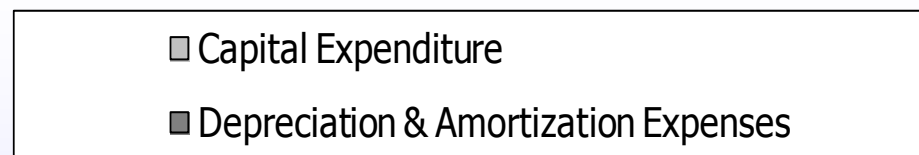
67.4

78.1

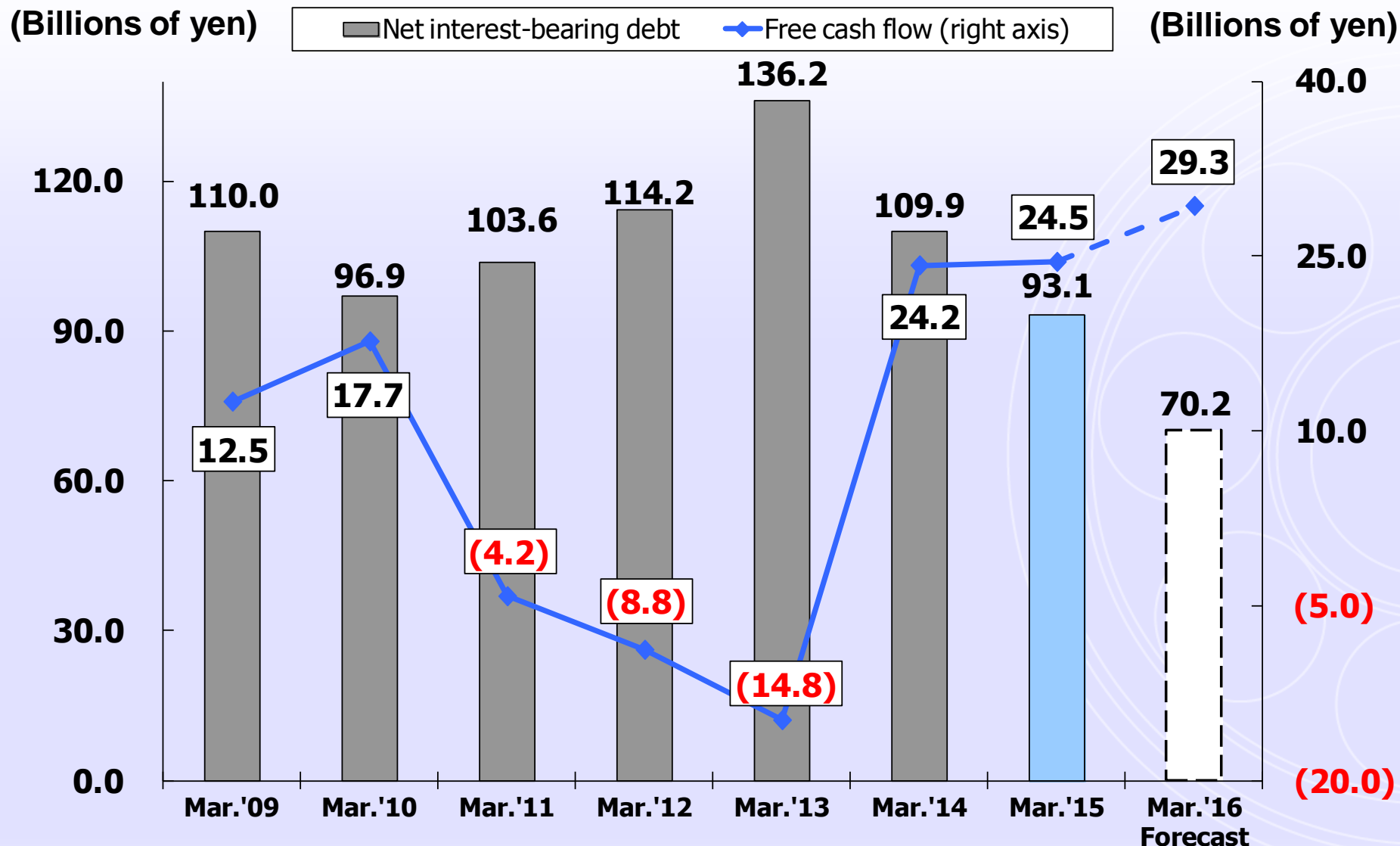
89.6

92.2

(Billions of yen)



Net Interest-Bearing Debt & Net D/E ratio Yearly



Net interest-bearing debt = Interest-bearing debt – Cash and cash equivalents

Free Cash Flow = CF from operating activities + CF from investing activities

Expecting increase in sales and profits for 4 consecutive fiscal years due to a big jump up of sales in electronic devices and other factors

(Millions of yen)	FY ended Mar. '15 Full year	Fiscal year ending Mar. '16			
		1st Half	2nd Half	Full year	YoY
Net sales	500,676	294,500	355,500	650,000	+29.8%
Operating income	60,101	28,400	38,600	67,000	+11.5%
Ordinary income	60,140	27,900	38,100	66,000	+9.7%
Net income	39,887	20,200	27,800	48,000	+20.3%
Net income per share (yen)	106.73	54.03	74.35	128.38	+20.3%

Foreign exchange rates	Mar. '15 Full year	FY ending Mar. '16 Full year Assumption
US\$	¥109.19	¥118.00
Euro	¥139.38	¥130.00
Thai Baht	¥3.37	¥3.60
Chinese RMB	¥17.60	¥19.30

Forecast for Business Segment

(Millions of yen)	FY ended Mar. '15	Fiscal year ending Mar. '16			
	Full year	1st Half	2nd Half	Full year	YoY
Net sales	500,676	294,500	355,500	650,000	+29.8%
Machined components	154,986	82,900	85,000	167,900	+8.3%
Electronic devices and components	343,842	209,800	268,700	478,500	+39.2%
Other	1,848	1,800	1,800	3,600	+94.8%
Operating income	60,101	28,400	38,600	67,000	+11.5%
Machined components	39,713	21,200	21,200	42,400	+6.8%
Electronic devices and components	29,720	12,000	21,900	33,900	+14.1%
Other	859	600	900	1,500	+74.6%
Adjustment	-10,191	-5,400	-5,400	-10,800	+6.0%

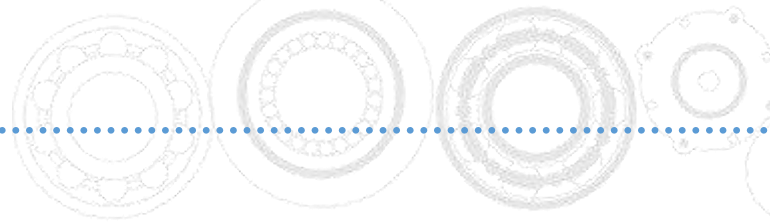


Policy and Strategy

May 8, 2015

Yoshihisa Kainuma

**Representative Director,
President and Chief Executive Officer**



- **FY3/2015 results**
- New mid- to long-term targets
- Mid-term Business Plan
- FY3/2016 plan

Achieved 500 bil. yen sales and 60 bil. yen OP

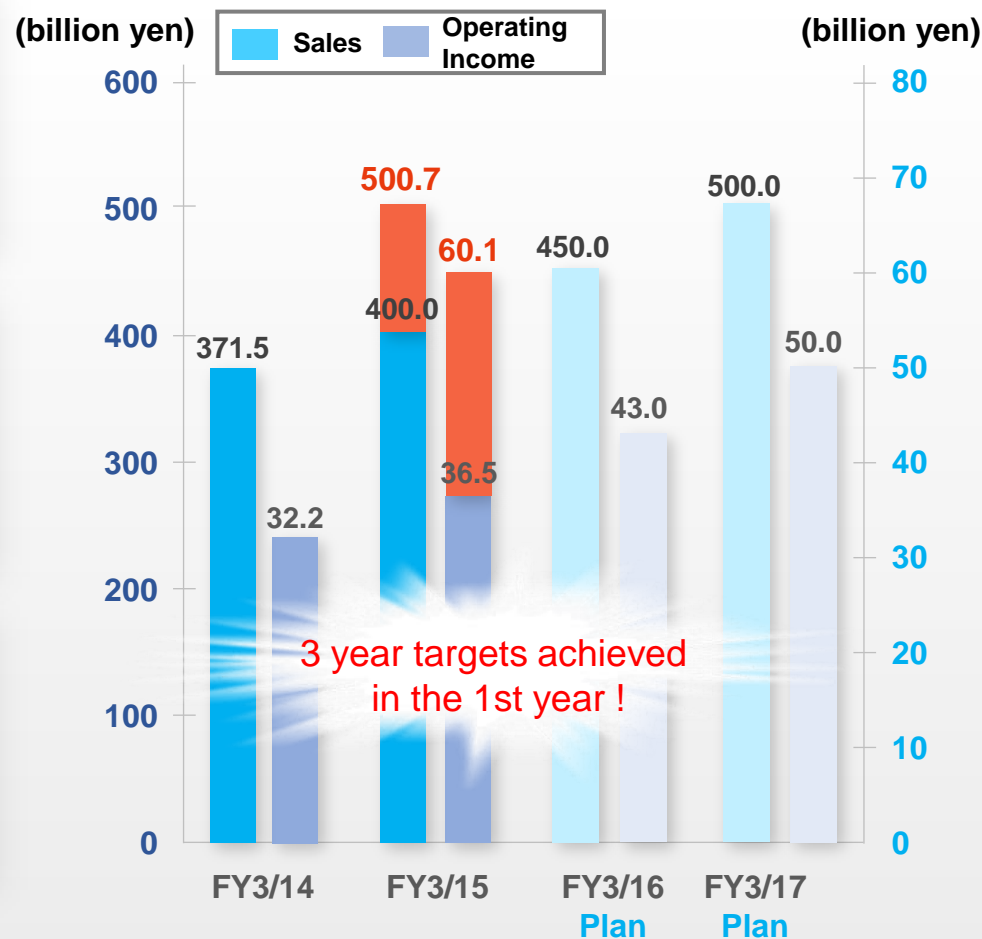
**Record highs for sales,
OP, ordinary &
net income !**

**3 year targets
achieved
in the 1st year!**

**Quarterly results
higher than plan for
8 quarters in a row!**

Mid-term Business Plan Targets

(Announced on May 9, 2014)



Drivers behind fast growth in FY3/15

Steady demand growth in machined components led by ball bearings

- Ball bearing external shipment volume increased 6% average 137 million units / month (FY3/14) to 145(FY3/15)

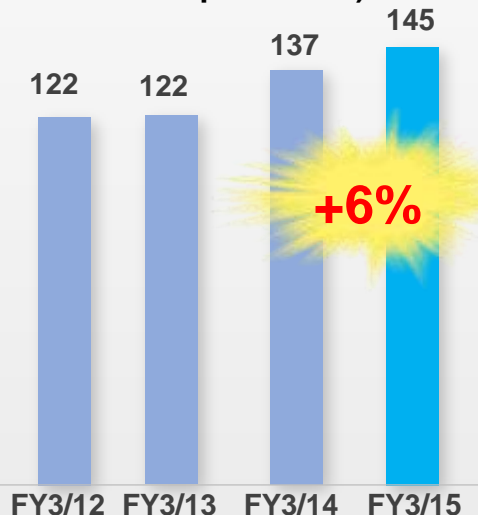
Higher-than-expected growth in LED backlights

- Increased share to large maker in addition to expanded customer base, mainly Chinese makers
- Boosted production capacity from up to 25 million units / month (FY3/14 end) to 35 (FY3/15 end)

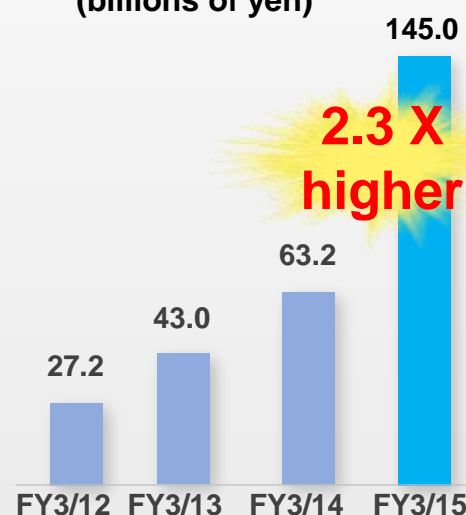
Better profitability in Electronic Devices and Components excluding LED backlights

- Increased sales for automobile, office automation equipments, home electronics, etc. and steadily cut costs

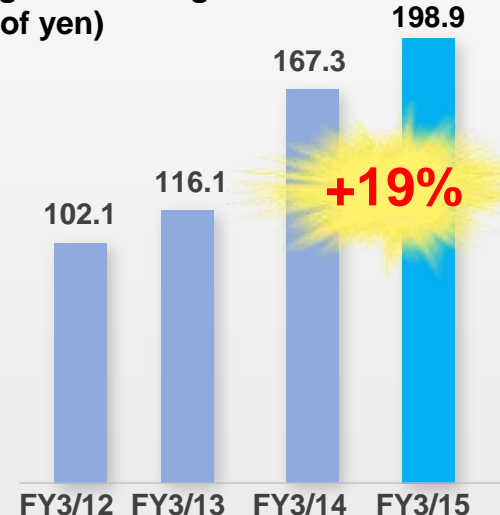
Ball bearings external shipment volume (million of units per month)



LED backlight sales (billions of yen)



Electronic Devices and Components sales, excluding LED backlights (billions of yen)



Progress with Five Arrows strategy ahead of 100th Anniversary

Steadily seeding for the future

Sell 150 million ball bearings externally per month on average

Achieved 3 times on a monthly basis and aim to achieve for the entire FY3/16



Develop and boost sales of new EMS products

Higher-than-plan sales in FY3/15
Aiming to grow further



Boost sales of lighting device-related products

Seeding in progress for product development and marketing utilizing Paradox wireless technology



Take Measuring Components BU sales to 20 billion yen

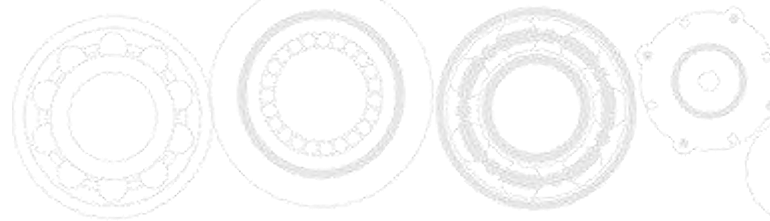
Achieved with Sartorius Mechatronics T&H acquisition
Focus on synergy, R&D and marketing



Increase the sales and profitability of aircraft components business

Organization change for better marketing
Focus on CEROBear synergy with new ceramic aircraft parts





- **FY3/2015 results**
- **New mid- to long-term targets**
- **Mid-term Business Plan**
- **FY3/2016 plan**

New challenge to **¥1 tri. sales** and/or **¥100 bil. OP**

1 and/or **100** by **2020**

Minebea will change to grow!! "C to G Project"

Execution of large M&A!

by **2020**

3 pillars
Including
new products
w/ wireless or other
technology

by **2017**
Enlarging
2 pillars

by **2014**
Completion
of 2 pillars

Mid-term targets

Further advance of businesses
and new products

Mid- to long-term targets

1 trillion yen in sales and/or
100 billion yen OP

Former Mid-term plan

achieved in 1st year
Electronic Device and Components
became 2nd pillar

Key factors towards 1 and/or 100 project

**Boost integration of our
vertical and horizontal strengths :
maximize synergy**

**Cultivate demand in existing product markets and
expand assembly business to increase sales of other
Minebea components**

**Aggressive R&D and sales of
new (EMS) products**



Large-scale M&As

New products to support further growth



Materials



Ultra-precision
machining



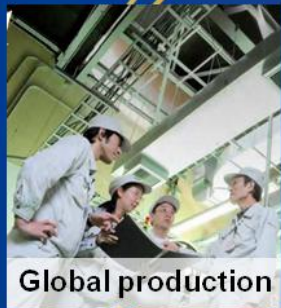
Analysis
Measurement



Mass production



Existing
Minebea products

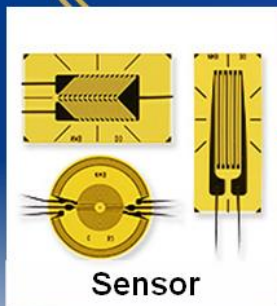


Global production

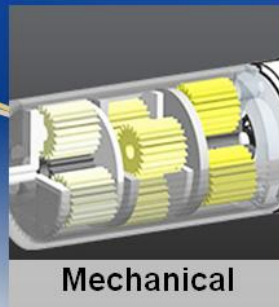
**Fusing Minebea technologies
and assembly capability
to speed up product development**



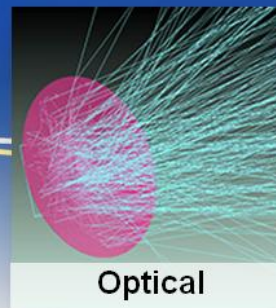
Power electronics



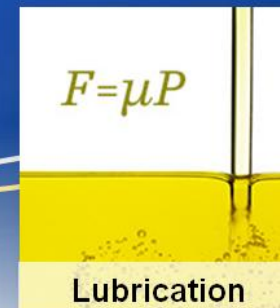
Sensor



Mechanical



Optical

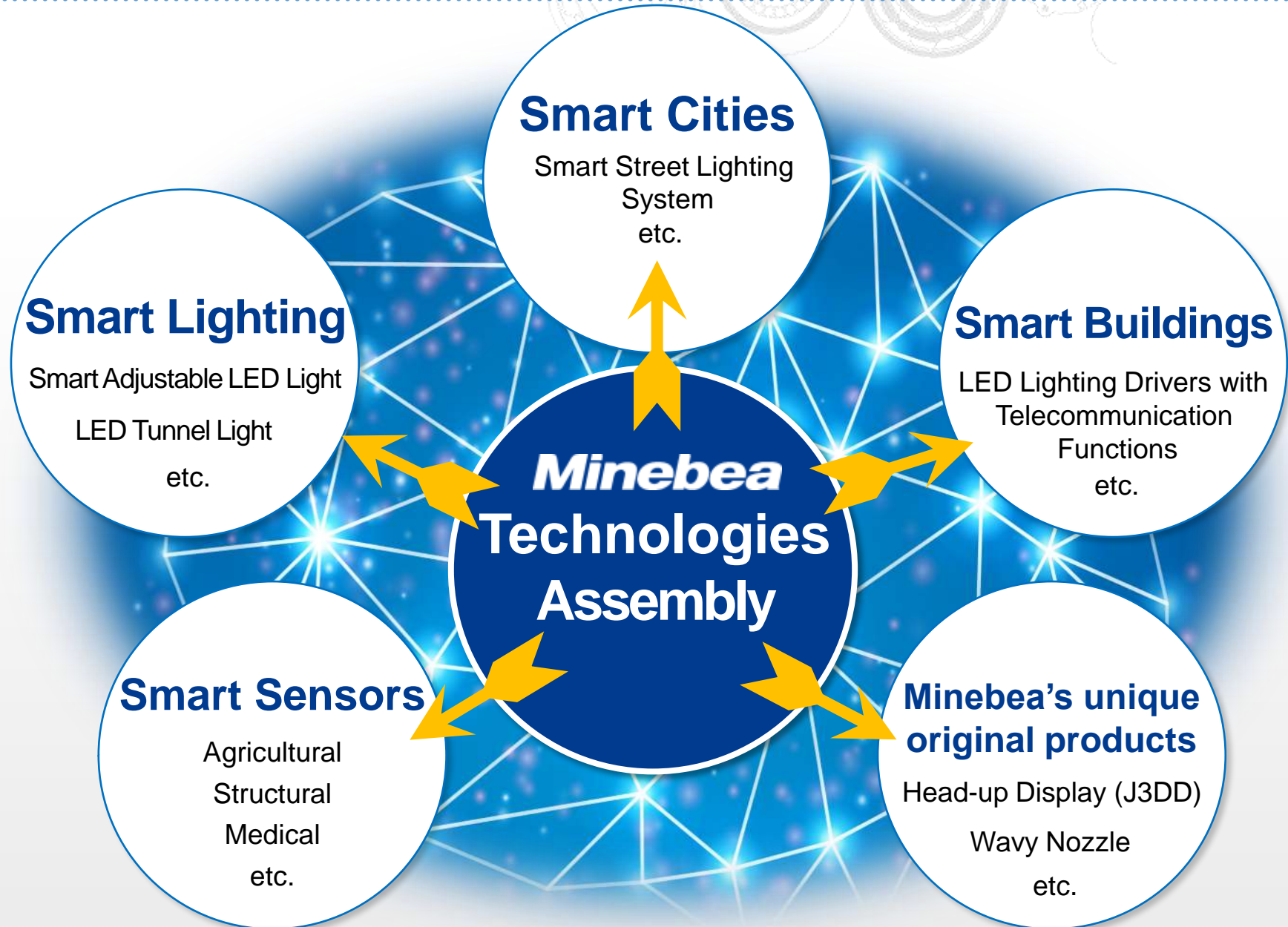


Lubrication



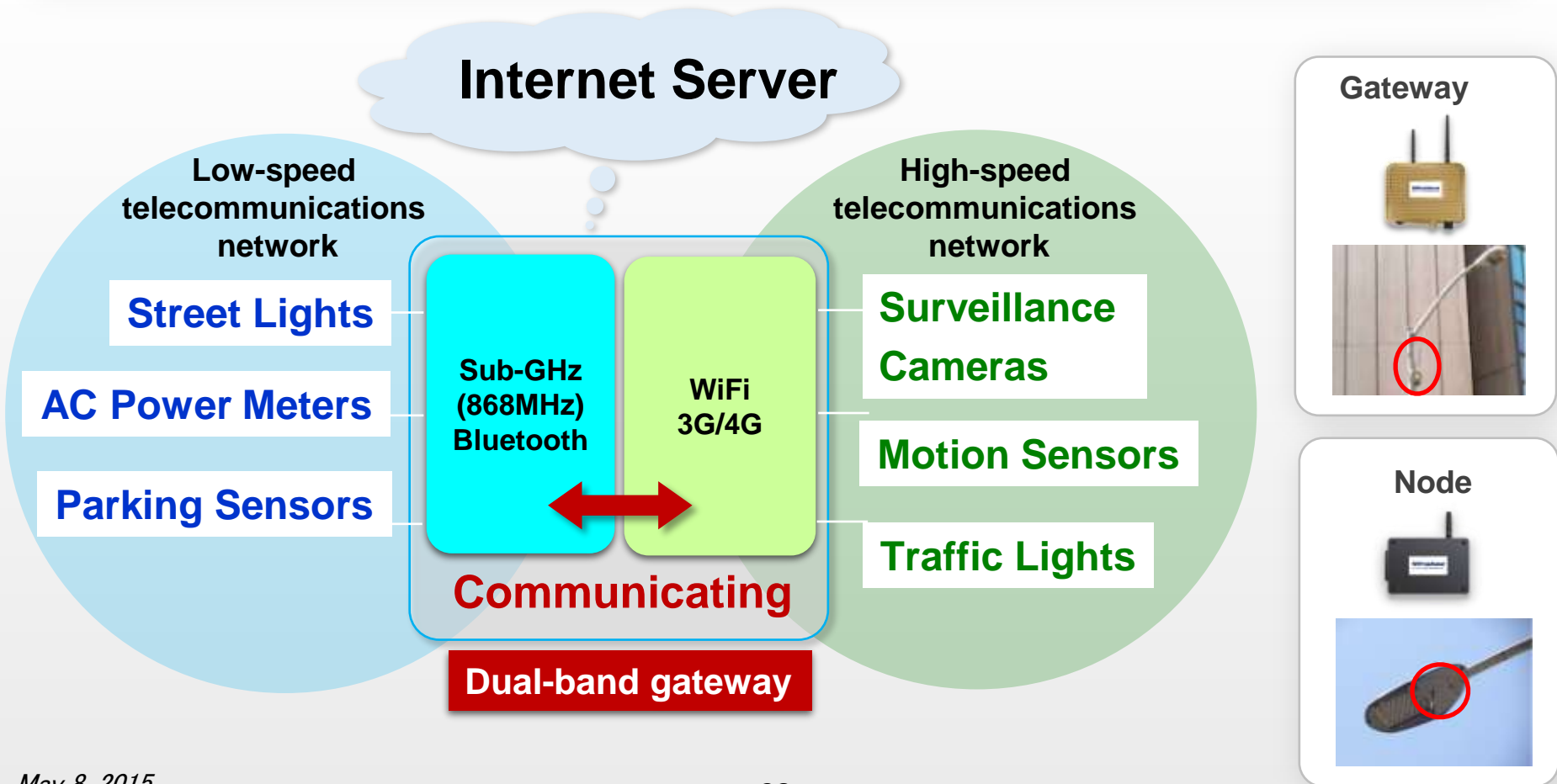
Network

“Five Arrows for new products” strategy



Minebea's wireless networking technology Minebea Passion to Exceed Precision

- Both high- and low-speed networks can communicate with each other as an integrated system.
- Network optimization can be achieved by connecting application-oriented networks.
- Future expansion of any application can be easier due to the use of both high- and low-speed networks.



Smart City Projects in Phnom Penh, Cambodia

Minebea
Passion to Exceed Precision



1. LED Exterior Lights (for tunnels)

- Developed thin plastic lens utilizing ultra-precision machining and optical technology.
- Wider area coverage with lower power can contribute to lower CO₂ emissions.
- Less glare from lights improves driving safety.

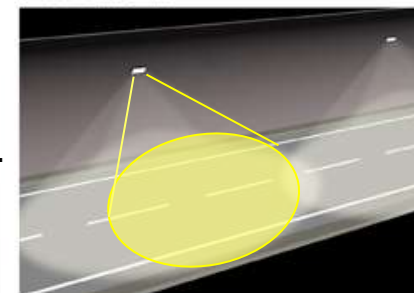


Image of tunnel lights with new Minebea lens

2. Smart City LED Street Lights

- Developed high-efficiency LED street lights with wireless telecommunication capability with Paradox technology.
- Did a feasibility study commissioned by Japan's METI as part of a JCM project to reduce greenhouse gasses.
- The completed feasibility study concluded that the introduction of 9,000 Minebea high-efficiency street lights could cut CO₂ emissions by 66%.

3. Smart Adjustable LED Lights (SALL)

- Developed Smart Adjustable LED Lights with wireless telecommunication capability.
- Utilizing combination of optical, electronic, mechanical, motor and wireless communication technologies.
- Synchronized operation over a wide area is possible with a smartphone when using Bluetooth Mesh wireless controls.
- Target market : smart building applications in hotels, event halls, commercial spaces and more.

4. Bolt Sensors

- Developed sensors to measure and observe tightness of bolts and nuts.
- Now evaluating for use in infrastructure inspection and management in cooperation with Associate Professor Miyashita from the Nagaoka University of Technology.
- Tightening or loosening to a certain degree can be observed by the human eye.
- Wireless network technology is expected to be used in remote locations in the future.

5. Smart Agricultural Sensors

- Now evaluating how well the sensor can measure weight of agricultural products and establish clear growth indexes with an eye to applying IT to the field of farming.
- Measuring by wireless data transmission can be done with load cells and sensors.
- Easier handling of sensors via wireless data transmission.

Clearer index

Understanding of weight changes
(Manage growth)

Good farming practices
(Preserve a heritage)



Smart agricultural sensors

6. Wavy Nozzle

- Leveraged in-house production machinery and manufacturing capabilities to develop and newly launch this auxiliary device for small machine tools.

Higher Yields

Better quality and efficiency in machining by spraying coolants in 3 modes at the point of processing.

Shorter processes

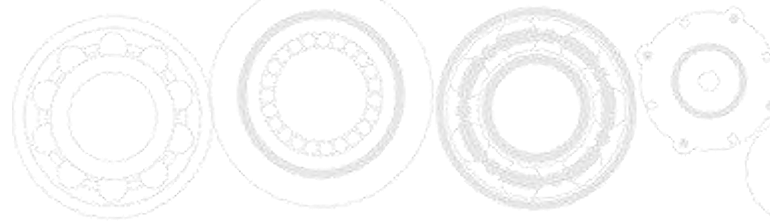
No manual handling and adjusting.
Removal of machining chips extends life of machines and tools.

Combined technologies

80% of parts are made in-house.



Wavy nozzle



- **FY3/2015 results**
- **New mid- to long-term targets**
- **Mid-term Business Plan**
- **FY3/2016 plan**

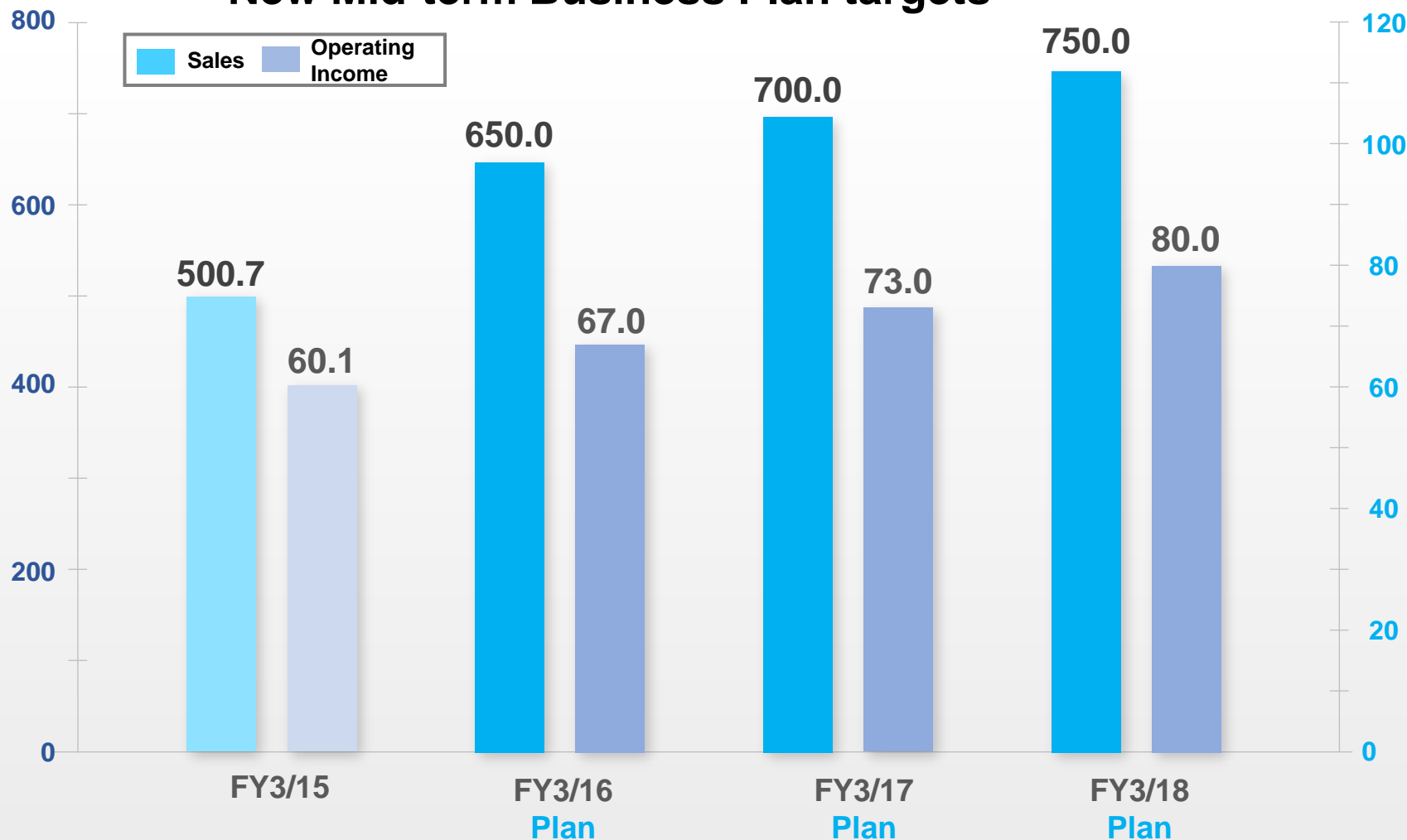
New Mid-term Business Plan targets

Targets as simple check points to our goal for 2020

(billion yen)

New Mid-term Business Plan targets

(billion yen)



New Mid-term Business Plan by segment

Machined Components business

Steady global GDP growth and cultivation of new demand

- 2015 global GDP growth of +3.5% (IMF estimate), expanding middle class
- Cultivate new demand in existing product markets
- Develop new applications in cooperation with customers
- Penetrate low-priced mass-produced ball bearing market
- Expand aircraft component production

Steady Profit Growth

Electronic Devices and Components business

LED backlights

Increase capacity to boost profits

- Establish overwhelming presence in smartphone market
- Boost productivity to fuel profits further

Other products

- Motors: improve profitability further
- Measuring Components: new applications
- New products: focus on EMS
- EMS: expand assembly business to boost other Minebea component sales

Large Sales and Profits Increase

LED backlight business is becoming our second pillar

Smartphones keep growing

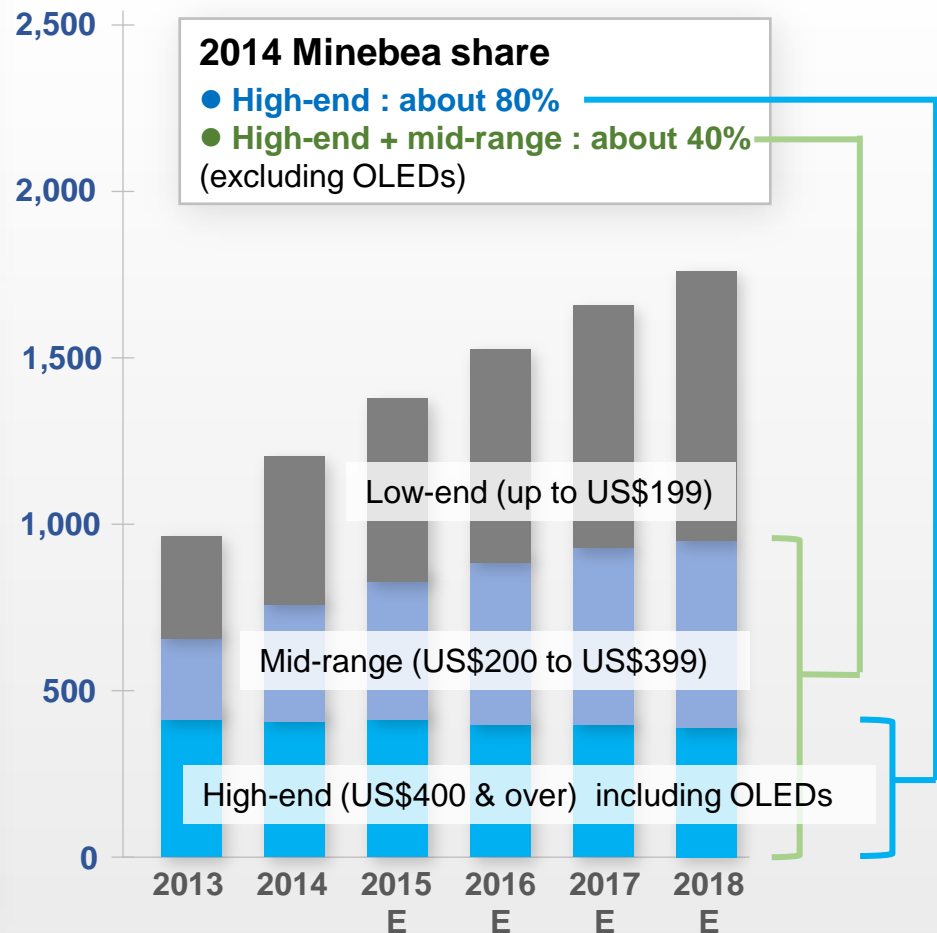
Use of our ultra-thin LED backlights are expanding from high-end to mid-range smartphones.

Overwhelming competitive edge

1. Demand is rising for Minebea's ultra-thin highly-efficient LED backlights.
2. The overwhelming design and production advantage this business is gaining will put it on a par with our ball bearing and pivot assembly businesses.

Worldwide smartphone shipments by price range

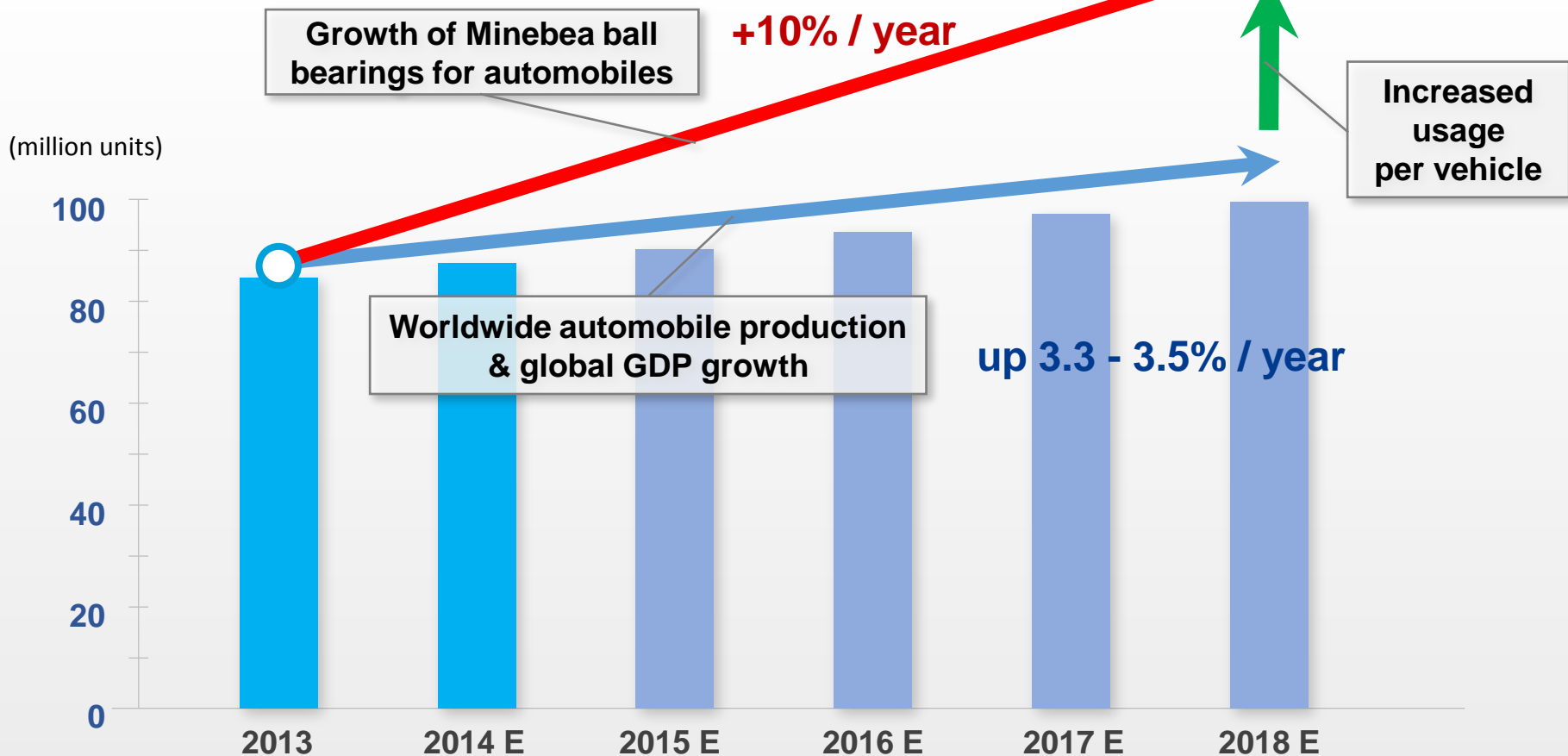
(million units)



(Source : Display Search)

Down-sizing and energy-savings are our tailwinds

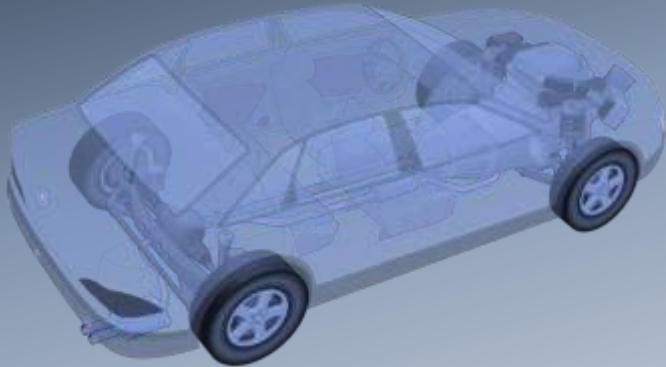
Worldwide automobile production and Minebea ball bearings



(Source : IHS, IMF, Minebea)

Automobile: ball bearings & motors are growing

Minebea ball bearings and motors are growing for newer functions



A look at Minebea products used In one European luxury car

# of Minebea-size ball bearings used/vehicle			42
For head lamp motors	20	EPS	2
For seat fan motors	6	Radiator Fan	2
EGR	3	Other	7
ABS	2		

of Minebea-made ball bearings used/vehicle 38

of Minebea-made motors used/vehicle 11

Environment

Exhaust Gas Recirculation
Urea-based Selective
Catalytic Reduction
etc.



Safety

Lighting Systems
Antilock Brake System
Electronic Stability Control
etc.



Energy-saving

Electronic Throttle Valve
Turbo Charger
etc.



Comfort

Seat Fan
Rear Gate Opener
etc.



Aircraft production to grow

1. Responding to production ramp-up

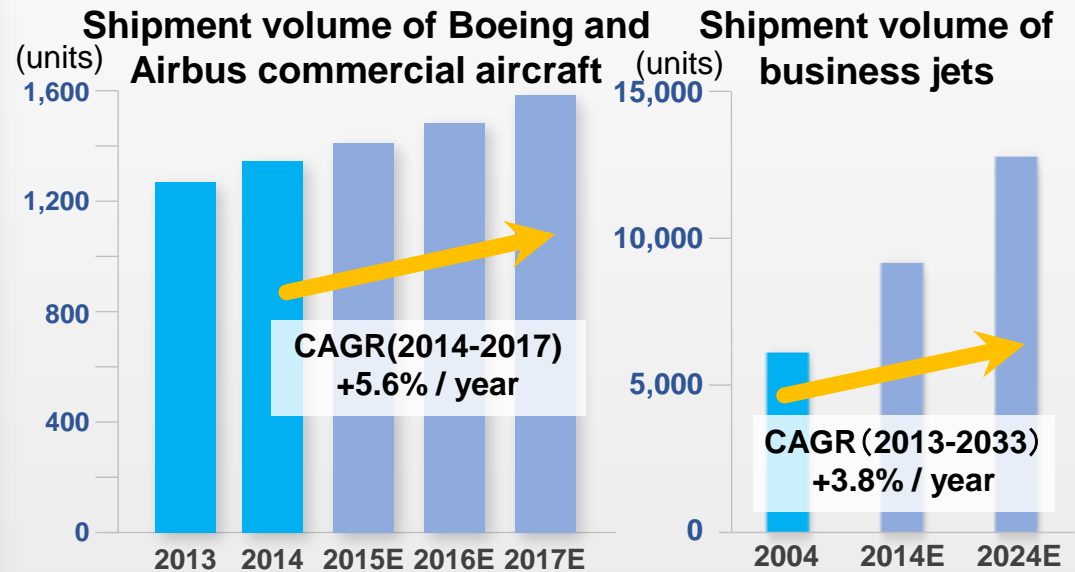
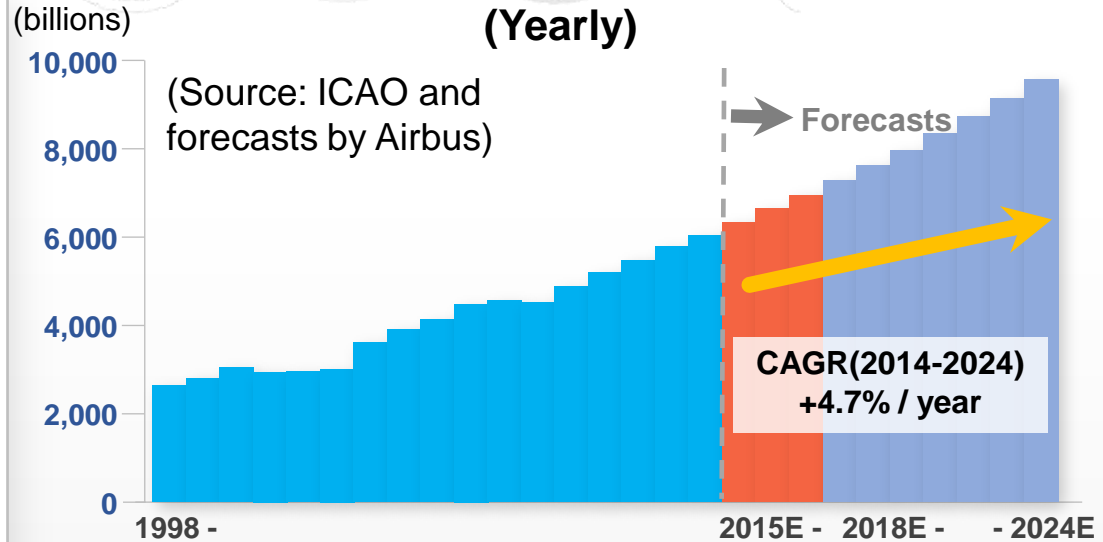
In addition to steady production of existing models, mass production and parts procurement to begin for new energy-saving models (A350XWB, A320neo, B737MAX, B777X, MRJ, etc.)

In order to cut costs and in light of steady orders, boosting production capacity of Lop Buri plant in Thailand and shifting production from Japan, the US, and the UK

2. Establishing organization to enhance efficiency and cooperation among marketing operations in U.K., U.S. and Japan that clarifies each location's role on hard-to-machine materials processing technology.

3. Leveraging CEROBEAR acquisition with a focus on R&D of ceramic bearing aircraft parts.

Worldwide Revenue Passenger-Kilometers



(Source: Boeing and Airbus, forecasts by Minebea)

(Source: Bombardier)

From “Seeding for the future” to “Cultivating growth”

**Sell 180 million ball bearings externally per month on average
(before new factory construction)**

Cultivate new demand in existing product markets and
develop new applications in cooperation with customers

Develop and boost sales of new EMS products

Establish technology and marketing for our “Electro Mechanics Solutions® (*registered in Japan)” products
which are becoming more complex and sophisticated.

Boost sales of lighting device-related products

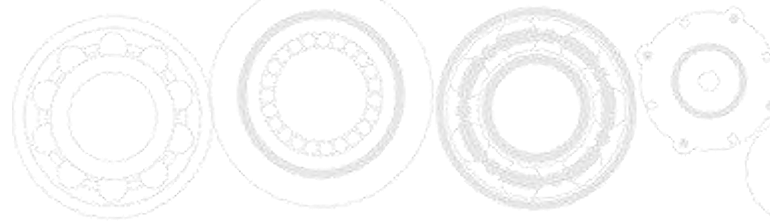
Establish a new pillar of lighting device business
by combining optical, ultra-precision machining, and wireless telecommunication technologies.

Take Measuring Components BU sales to 50 billion yen

Maximize synergy with Sartorius Mechatronics T&H GmbH.
Focus on new product development and marketing.

Take aircraft components sales to 70 billion yen

Cultivate new demand in commercial aircraft market, targeting new models especially.
Focus on hard-to-machine materials for structural and engine components.



- **FY3/2015 results**
- **New mid- to long-term targets**
- **Mid-term Business Plan**
- **FY3/2016 plan**

1. Smartphone related assembly business expansion

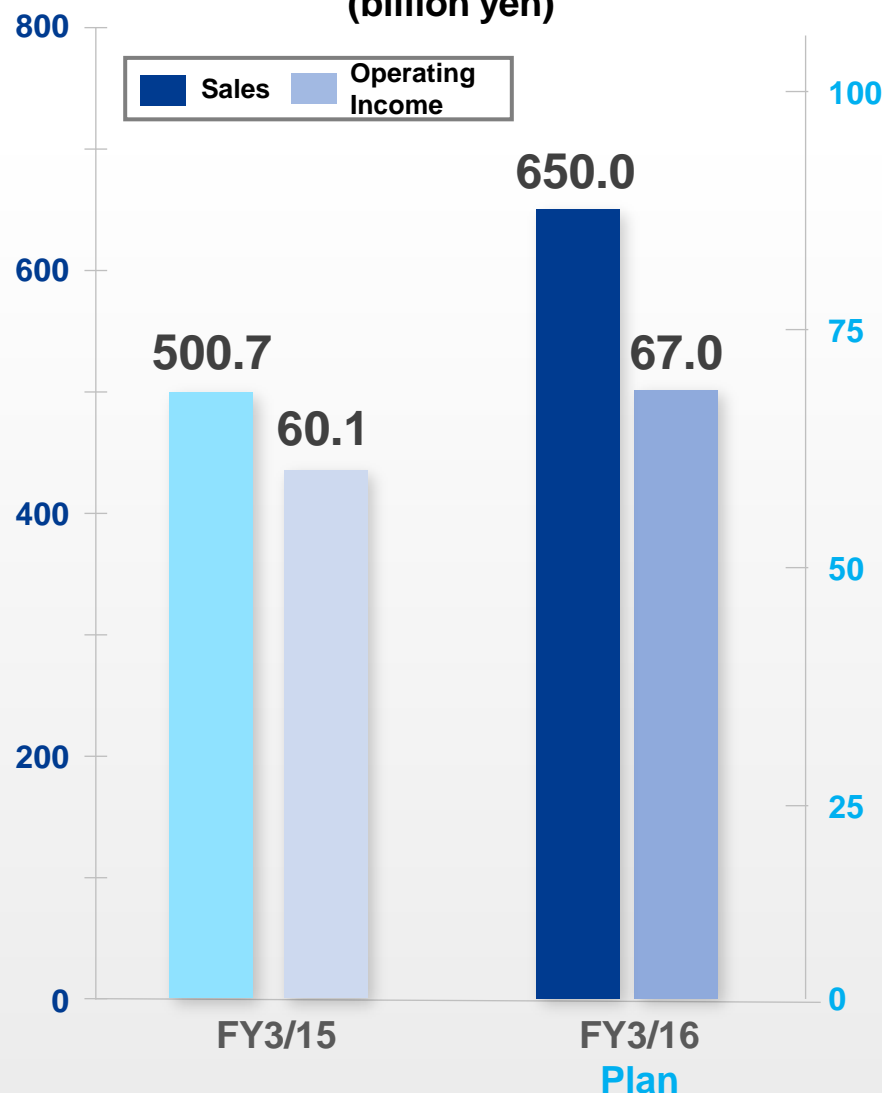
2. Growth of existing businesses (+5%)

3. Better profitability from all businesses plus additions from Sartorius Mechatronics T&H, etc.

4. Growth of LED backlights

- Monthly production capacity from 35 million units (3/15) to 50 (by 3/16)
- Slimmer Chinese smartphones and new customers

FY3/16 sales and OP targets
(billion yen)



Tasks for FY3/16

1

Ball bearing external shipment volume of 150 million units / month on average

2

Smartphone related assembly business expansion

3

Increase LED backlight volume
(2 and 3 makes 100 billion yen sales increase)

4

Improve motor profitability

5

Boost measuring component profits

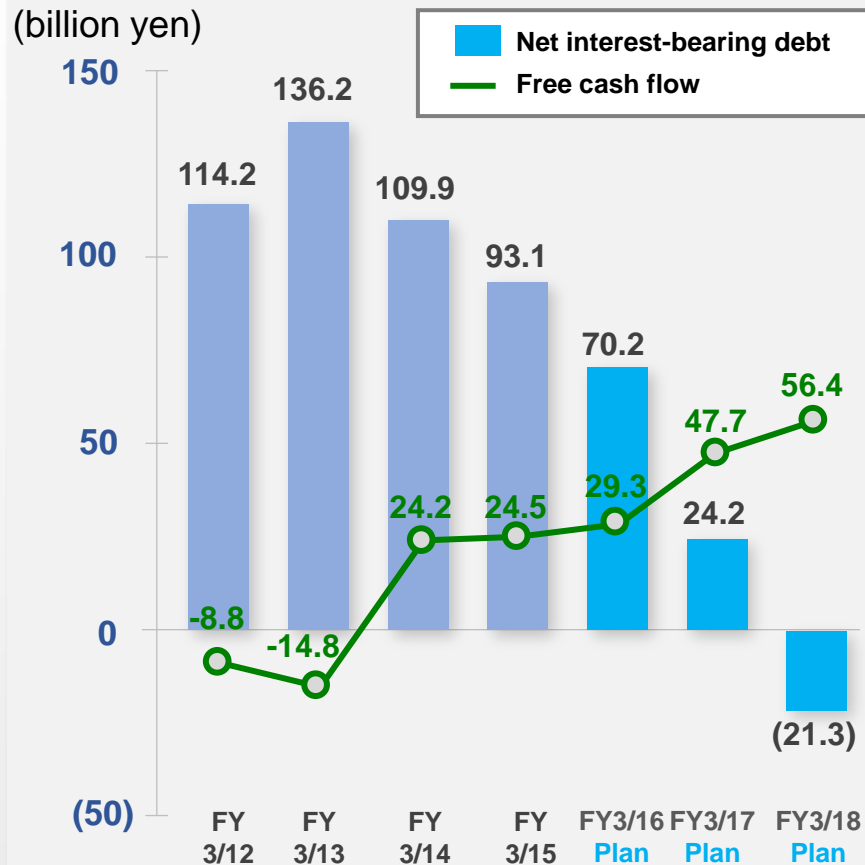
6

Turn around J3DD on monthly basis

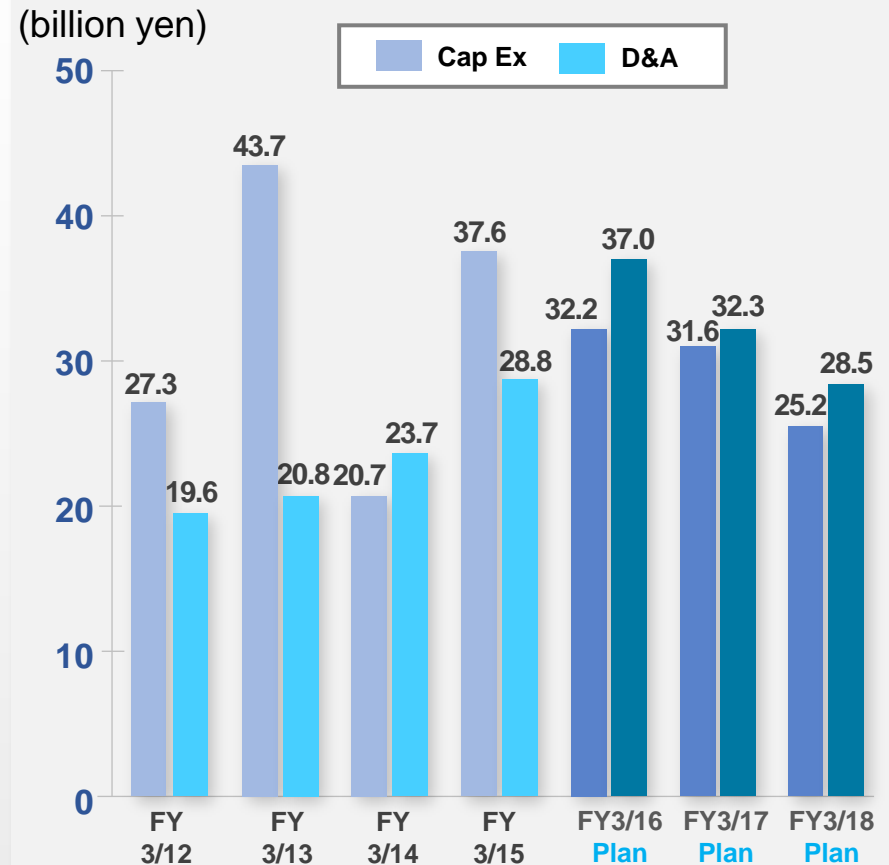
Better balance sheet

As free cash flow increases, cash will pile up if there are no major M&As.

Free cash flow and net interest-bearing debt



Capital expenditures and Depreciation & amortization expenses



Seize investment opportunities for future cash returns

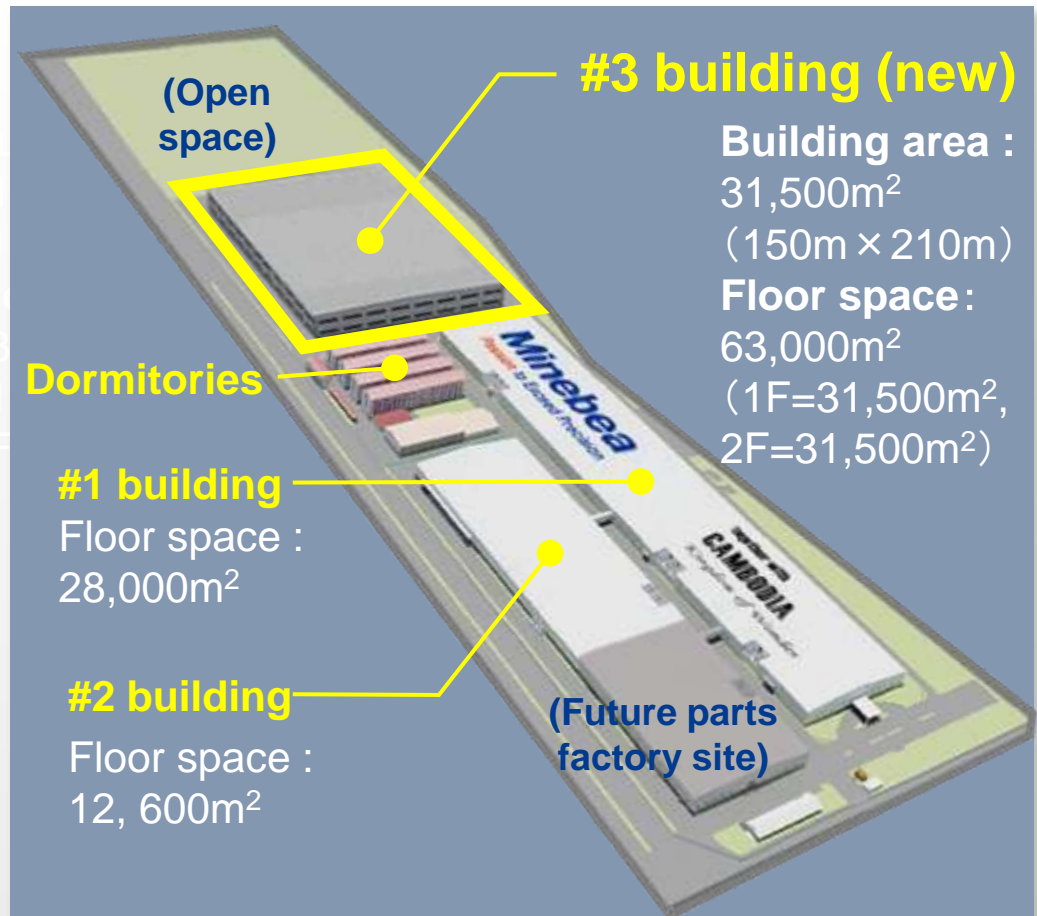
Ban Wa 2 purchase will
supplement Ban Wa 1



Ban Wa 2

Land area: 25,600m²
Total floor space: 11,900m²
(clean room area 380m²)

Constructing a new 2-story building
at Cambodia factory



Dividend Policy

FY ended 3/2015 year-end dividend: **6** yen/share; Total year: **12** yen/share

Dividend forecast for FY ending 3/2016: Interim: **TBD** yen/share
Year-end: **TBD** yen/share

Aiming for about 20% payout ratio for FY3/16!

Our basic dividend policy gives priority to enhancing equity efficiency and improving returns to our shareholders, with dividends reflecting performance in light of the overall business environment while maintaining a stable and continuous distribution of profits.

Maintain strategies for buying back own shares

Implement a flexible capital strategy in response to changes in the business environment.

EPS of FY3/16 is expected to increase 20%+.

(Millions of yen)	FY ended Mar. '15 Full year	Fiscal year ending Mar. '16			
		1st Half	2nd Half	Full year	YoY
Net sales	500,676	294,500	355,500	650,000	+29.8%
Operating income	60,101	28,400	38,600	67,000	+11.5%
Ordinary income	60,140	27,900	38,100	66,000	+9.7%
Net income	39,887	20,200	27,800	48,000	+20.3%
Net income per share (yen)	106.73	54.03	74.35	128.38	+20.3%

Foreign exchange rates	Mar. '15 Full year	FY ending Mar. '16 Full year Assumption
US\$	¥109.19	¥118.00
Euro	¥139.38	¥130.00
Thai Baht	¥3.37	¥3.60
Chinese RMB	¥17.60	¥19.30



Minebea Co., Ltd.

Business Results

<http://www.minebea.co.jp/>

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 Minebea'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.

All the information in this document is the property of Minebea Co., Ltd. All parties are prohibited, for whatever purpose, to copy, modify, reproduce, transmit, etc. this information regardless of ways and means without prior written permission of Minebea Co., Ltd.