Minebea
Passion to Exceed Precision

FASF MEMBERSHIP

BRIEF REPORT OF FINANCIAL RESULTS
〔under Japanese GAAP〕 (Consolidated)
(Year ended March 31 , 2016)

May 10, 2016

Registered
Company Name: MINEBEA CO., LTD. Common Stock Listings: Tokyo and Nagoya
Code No: 6479 URL http://www.minebea.co.jp/
Representative: Yoshihisa Kainuma Representative Director, President and Chief Executive Officer
Contact: Satoshi Yoneda Executive Officer, General Manager of Accounting Department
Date planned to hold ordinary general meeting of shareholders: June 29, 2016
Expected date of payment for dividends: June 30, 2016
Date planned to file report of securities: June 29, 2016 Phone: (03) 6758-6711
Preparation of supplementary explanation material for financial results : Yes
Holding of presentation meeting for financial results : Yes (For Analyst)

(Amounts less than one million yen have been omitted.)

1. Business Performance (April 1, 2015 through March 31, 2016)

(1) Consolidated Results of Operations (%: Changes from previous fiscal year)

	Net sales (millions of yen)	% Change	Operating income (millions of yen)	% Change	Ordinary income (millions of yen)	% Change
Year ended March 31, 2016	609,814	21.8	51,438	(14.4)	46,661	(22.4)
Year ended March 31, 2015	500,676	34.8	60,101	86.7	60,140	114.3

	Net income attributable to owners of the parent (millions of yen)	% Change	Net income per share (yen)	Diluted net income per share (yen)
Year ended March 31, 2016	36,386	(8.8)	97.26	92.35
Year ended March 31, 2015	39,887	91.0	106.73	101.32

(Notes) Comprehensive Income: Year ended March 31, 2016: 9,596 million yen (86.7) %
Year ended March 31, 2015: 72,380 million yen 126.4 %

	Return (net income) on equity (%)	Return (ordinary income) on assets (%)	Return (operating income) on sales (%)
Year ended March 31, 2016	15.9	9.8	8.4
Year ended March 31, 2015	20.8	13.8	12.0

(Reference) Income or loss on investments: Year ended March 31, 2016: (21) million yen
Year ended March 31, 2015: 15 million yen

(2) Consolidated Financial Position

	Total assets (millions of yen)	Net assets (millions of yen)	Equity ratio (%)	Net assets per share (yen)
As of March 31, 2016	459,427	237,973	50.2	616.43
As of March 31, 2015	490,043	233,679	46.1	604.83

(Reference) Shareholders' equity: As of March 31, 2016: 230,785 million yen
As of March 31, 2015: 226,138 million yen

(3) Consolidated Cash Flows

	Cash flows from operating activities (millions of yen)	Cash flows from investing activities (millions of yen)	Cash flows from financing activities (millions of yen)	Year end balance of cash and cash equivalents (millions of yen)
Year ended March 31, 2016	43,582	(44,642)	(4,200)	29,141
Year ended March 31, 2015	59,864	(35,326)	(19,627)	36,137

2. Dividends

	Dividends per share					Total dividends (for the year) (millions of yen)	Dividends payout (total) (%)	Dividends on net assets (total) (%)
	End of first quarter (yen)	End of second quarter (yen)	End of third quarter (yen)	Year-end (yen)	For the year (yen)			
Year ended March 31, 2015	—	6.00	—	6.00	12.00	4,537	11.2	2.3
Year ended March 31, 2016	—	10.00	—	10.00	20.00	7,562	20.6	3.3
Year ended March 31, 2017 (Forecast)	—	—	—	—	—		—	

(Note) Regarding the annual dividends for the fiscal year ending March 31, 2017, we will determine the dividend payout of around 20% on a consolidated basis.

3. Prospect for the Next Fiscal Year (April 1, 2016 through March 31, 2017)

(%: Changes from corresponding period of previous fiscal year)

	Net sales (millions of yen)	% Change	Operating income (millions of yen)	% Change	Ordinary income (millions of yen)	% Change
Six months ended Sep. 30, 2016	260,000	(12.0)	18,300	(33.3)	17,800	(23.7)
Year ended March 31, 2017	560,000	(8.2)	45,000	(12.5)	44,000	(5.7)

	Net income attributable to owners of the parent (millions of yen)	% Change	Net income per share (yen)
Six months ended Sep. 30, 2016	12,100	(31.9)	32.32
Year ended March 31, 2017	31,000	(14.8)	82.80

*Notes

(1) Changes in significant subsidiaries during the year (Changes in certain subsidiaries resulting in change in the scope of consolidation): None

(2) Changes in accounting policy, changes in accounting estimates, and restatements
1. Changes in accounting policy associated with revision of accounting standards, etc: Yes
2. Changes in accounting policy other than 1: Yes
3. Changes in accounting estimates: Yes
4. Restatements: None

(Notes) These cases fall within the scope of Article 14-7 (in the case of difficulty in distinguishing between the changes in accounting policy and the changes in accounting estimates) of the "Ordinance on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements". For details, please refer to "(5) Notes on Consolidated Financial Statements (Changes in Accounting Policy)" under "5. Consolidated Financial Statements" on page 24.

(3) Number of shares outstanding (Common stock)
1. Number of shares outstanding at end of year (Including treasury stock):
   As of March 31, 2016: 399,167,695 shares
   As of March 31, 2015: 399,167,695 shares
2. Number of treasury shares at end of year:
   As of March 31, 2016: 24,775,093 shares
   As of March 31, 2015: 25,281,915 shares
3. Average number of shares:
   As of March 31, 2016: 374,106,139 shares
   As of March 31, 2015: 373,727,342 shares

* Explanation for implementation of audit procedures

Audit procedures for financial statements under the Financial Instruments and Exchange Law are not completed at the time of disclosure of this Brief Report of Financial Results.

* Explanation for appropriate use of financial forecasts and other special remarks

(Caution Concerning Forward-Looking Statements)

The aforementioned forecasts are based on the information available as of the date when this information is disclosed as well as on the assumptions as of the disclosing date of this information related to unpredictable parameters that will most likely affect our future business performance. As such, this is not intended for the Company to give assurance that the said forecast number would be achieved. In other words, our actual performances are likely to differ greatly from these estimates depending on a variety of factors that will take shape from now on. As for the assumptions used for these forecasts and other related items, please refer to ("1. Analysis of Operating Performance and Financial Position," "(1) Analysis of Operating Performance") on page 4 of the documents attached hereunder.

(Investor Briefing Materials for Analysts)

Investor briefing materials will be made available via the Minebea corporate website (http://www.minebea.co.jp/) on Tuesday, May 10, 2016.

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1. Analysis of Operating Performance and Financial Position

(1) Analysis of Operating Performance

1. Overview of the year

The weak yen, high share prices, and low oil prices were initially expected to fuel Japan's economy during the year under review. However spring-to-summer consumer spending, capital expenditures, and exports remained stagnant as a second-half slowdown in China and other emerging economies, falling resource prices, and a rising yen cast a dark shadow over the economy. The U.S. economy continued to grow mainly in the household sector due to the robust performance of the service industry and a better job market. Despite declining exports to non-EU countries, local consumption kept the European economy moving forward on a moderate upward trajectory. Excess production capacity and slowing investment in real estate development in China has gradually unveiled a picture of economic uncertainty in Asia. Although ASEAN countries, whose economies rely largely on China, didn't see exports to China grow, they enjoyed moderate economic recoveries due partly to public investments, measures to spur consumption, and other initiatives.

Working against this backdrop, the Minebea Group has been concentrating on cutting costs, creating high-value-added products, developing new technologies, and enhancing its marketing approach to improve profitability even further.

As a result, net sales soared by 109,138 million yen (21.8%) year on year to total 609,814 million yen, reaching 600 billion yen for the first time ever. Operating income fell 8,663 million yen (-14.4%) year on year to total 51,438 million yen while ordinary income was down 13,479 million yen (-22.4%) year on year at 46,661 million yen. Net income attributable to owners of the parent decreased 3,501 million yen (-8.8%) year on year to reach 36,386 million yen.

Performance by segment is as follows:

Commencing with the fiscal year under review, Minebea has made some organizational changes, including the integration of our in-house manufacturing division with the electronic device and component manufacturing headquarters. Along with these changes come changes to the segment information.

Segment information for the last fiscal year was prepared using the new segment classification implemented with the structural reorganization.

Products in our Machined components business segment include our mainstay product, ball bearings, mechanical components, such as rod-end bearings used primarily in aircraft and hard disk drive (HDD) pivot assemblies, etc. as well as fasteners for automobiles and aircraft. Strong demand in all major markets fueled both sales and profits of ball bearings. Sales of aircraft rod-end bearings rose on the wings of soaring sales in the civil aviation market where demand was particularly strong for energy-efficient planes. Pivot assembly sales dipped slightly in the face of the shrinking HDD market but improved production efficiency drove operating income up.

All these factors combined brought net sales for the fiscal year under review up 8,026 million yen (5.2%) year on year to total 163,811 million yen. Operating income also jumped 1,132 million yen (2.9%) year on year to total 40,854 million yen.

The core products of our Electronic devices and components business include electronic devices (LED backlights for LCDs, measuring components, etc.), HDD spindle motors, stepping motors, DC motors, fan motors, precision motors, and special devices. Surging demand buoyed sales of LED backlights for LCDs as market preferences shifted to high-end smartphones. Minebea's LED backlights for LCDs enjoy a technological edge when it comes to making thinner products and the fact that they have more components enables them to command a higher price. Although sales increased substantially, they fell short of our initial forecast. This decline was due to the unexpectedly large gap between the volume initially requested by major customers and the volume actually sold in the second half of the fiscal year, resulting in a year-on-year drop in income. Both sales and profits of measuring components also rose substantially due partly to the acquisition of the Sartorius Mechatronics T&H Group in the previous fiscal year. HDD spindle motor sales slightly declined due to a shrinking HDD market while stepping motors saw both sales and profits grow mainly in the office automation equipment and automobile markets.

As a result, net sales for the fiscal year under review increased sharply by 100,743 million yen (29.2%) year on year to total 445,467 million yen while operating income dropped 8,411 million yen (-27.4%) year on year to total 22,336 million yen.

Net sales in our Other business segment, which includes machines produced in-house, were up 370 million yen (222.5%) year-on-year to total 536 million yen. The segment posted an operating loss of 124 million yen, adding up to a year-on-year loss of 96 million yen.

In addition to the figures noted above, 11,627 million yen in corporate expenses, etc. not belonging to any particular segment has been recorded as adjustments. Adjustments for the previous fiscal year amounted to 10,340 million yen on a consolidated basis.

2. Outlook for the next fiscal year

While demand is expected to remain strong across the globe, concerns over monetary and fiscal policies as well as quick appreciation of the yen may put a damper on the Japanese economy. Fueled by consumer spending, the U.S. economy will continue to gradually rebound. In Europe, although domestic demand is expected to keep the economy moving forward on a moderate upward trajectory, the economic outlook is clouded by the surging influx of refugees, Britain's exit from the EU, and other problems as well. The Asian economy meanwhile is expected to lose steam due in part to China's slowing growth rate.

Working against this backdrop, the Minebea Group expects to see booming sales of ball bearings, motors, etc. Based on conservative estimates as well as in light of recent economic conditions and exchange rates, sales are projected to total 560,000 million yen, operating income 45,000 million yen, ordinary income 44,000 million yen, and net income attributable to owners of the parent company 31,000 million yen.

Note that the effect of the integration of Minebea and MITSUMI ELECTRIC CO., LTD. is not factored into the above forecast figures.

Outlook by segment for the full year is as follows:

Machined components business

We will continue to work on boosting performance of the ball bearing business, our anchor business line, by aggressively expanding sales and launching new products targeting the automobile, information and telecommunications equipment industries, etc. while branching out into new markets as demand picks up across the globe. At the same time our German subsidiary, myonic GmbH, will increase sales of higher value-added special bearings. We will also boost production and efficiency in the rod-end bearing business while sharpening our competitive edge in terms of turnaround time and cost with an eye to boosting sales in the growing aircraft market.

Electronic devices and components business

We are focusing on beefing up our capability to supply high value-added LED backlights for LCDs featuring ultra-thin light guide plates to the smartphone market. On top of that we will make aggressive efforts to expand sales and launch new products, which are expected to keep sales and profits at the current level or take them higher. We will also work on developing new lines of measuring components that leverage their sensor function while driving sales up in the automobile market. Working with an eye to enhancing the performance of our stepping motor and HDD spindle motor businesses, we will zero in on enhancing quality and cutting costs as we work to increase sales of high value-added products for automobile, server, and other applications.

Other businesses

We will concentrate on enhancing the accuracy of machine made in-house in order to improve production efficiency for the departments that produce finished products and bring quality to new heights.

(2) Analysis of Financial Position

1. Assets, Liabilities, and Net Assets

The Minebea Group sees “strengthening our financial position” as a top priority and is taking various steps toward that end. While we aim for efficient asset management and reducing capital expenditure along with interest-bearing debts, over the past few years we have been making aggressive capital investments with an eye to boosting our financial performance.

Total assets at the end of the consolidated fiscal year under review amounted to 459,427 million yen, down 30,616 million yen over what it was at the end of last fiscal year. The main reasons for this drop include a reduction in tangible fixed assets along with decreases in notes and accounts receivable which went hand in hand with lower fourth quarter sales.

Total liabilities at the end of the consolidated fiscal year under review amounted to 221,454 million yen, with a year on year decrease of 34,909 million yen. This drop was primarily due to a decline in notes and accounts payable as a result of fewer purchases.

Net assets amounting to 237,973 million yen worked to increase the equity ratio by 4.1 percentage points year on year, to 50.2%.

2. Condition of cash flows

The balance of cash and cash equivalents at the end of the consolidated fiscal year under review totaled 29,141 million yen, down 6,996 million yen from what it was at the end of the previous fiscal year.

Cash flows from various business activities during the consolidated fiscal year under review and relevant factors were as follows:

Operating activities: Net cash provided by operating activities totaled 43,582 million yen. That amounts to a 16,282 million yen year-on-year drop due to an increase in inventories and a decrease in notes and accounts payable despite cash inflows from income before income taxes, depreciation and amortization costs, as well as a decrease in notes and accounts receivable.

Investing activities: Net cash used for investment activities rose 9,316 million yen year on year, to total 44,642 million yen as a result of aggressive capital investments needed to expand operations.

Financing activities: Net cash from financing activities declined 15,427 million yen year on year due to a cash outflow of 4,200 million yen for dividend payments, etc.

(3) Basic Policy for Profit Sharing and Dividends for the Current and the Next Fiscal Years

Sharing profits with our shareholders is job one at Minebea. That's why our 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.

During the consolidated fiscal year under review we paid an interim dividend of 10 yen per share in December 2015.

Keeping in line with our basic policy, we intend to make a proposal at this coming June's 70th ordinary general meeting of shareholders to pay a 10-yen-per-share year-end dividend for the consolidated fiscal year.

In addition, we will decide on the dividends for the next fiscal year aiming for the consolidated-basis dividend payout ratio of around 20%.

(4) Risk Management

The Minebea Group recognizes a variety of risks and uncertainties that have the potential to affect its operating results and/or financial position.

Future risks mentioned in this document are those recognized by the Minebea Group as of the end of the current fiscal year.

1. Market risk

The principal markets for Minebea products, including those for PCs and peripheral equipment, information and telecommunications equipment and household electrical appliances, are intensely competitive both in and outside of the country and are subject to significant fluctuations in demand. Our operating results and financial position are vulnerable to these fluctuations.

2. Foreign exchange risk

Since a significant portion of our consolidated net sales and production occur outside Japan, our business is vulnerable to risks associated with fluctuations in foreign currency exchange rates. We have entered into various currency exchange contracts and other derivatives transactions to hedge these risks, but fluctuations in foreign currency exchange rates may affect our operating results and/or financial position over the long term.

3. R&D risk

While we focus on R&D to introduce a constant stream of new, high-quality products, we may not reap a financial reward from our R&D investments. There are no guarantees that our R&D efforts will come to fruition.

4. Legal risk

The Legal Department is responsible for managing risk related to lawsuits and other legal actions brought in relation to Minebea Group operations in Japan and/or overseas. We are subject to the risk that lawsuits or other actions with the potential to affect our operating results and/or financial position may be brought against us in the future.

5. Risk related to price negotiations
We continue to face intense competition from lower-priced products made overseas. We are subject to the risk that we will be unable to maintain or increase our market share should market needs shift to low-priced products.

6. Risk related to raw materials and logistics costs
We purchase a variety of materials from external suppliers. While we work with an eye to maintaining optimal inventory volumes along with access to a steady supply of materials at stable prices, rising material prices could affect our operating results and/or financial position.

7. Latent risk related to operations overseas
The Minebea Group's manufacturing activities are conducted primarily in Thailand, China, Singapore and Cambodia. While we have been operating in these countries for quite some time, overseas operations are always subject to the following risks (any of which could have a negative impact on our operating results and/or financial position):
(a) Unexpected changes to laws or regulations
(b) Difficulty in attracting and securing qualified human resources
(c) Acts of terrorism or war, or other occurrences that could disrupt social order.

8. Risk related to natural and other disasters
If an earthquake, flood, or other natural disaster, as well as nuclear plant accident, or outbreak of a new type of infectious disease were to affect the operational bases of the Minebea Group or its suppliers, it could have a significant impact on our production and sales activities.

9. Risk related to compliance and internal controls
We engage in a wide range of businesses all around the world and are subject to the laws and regulations that are in effect in each region. We have established and operate appropriate internal control systems needed to achieve our objectives. While these systems provide reasonable assurance that the methods used to prepare our financial statements are appropriate and in compliance with relevant laws, they cannot provide an absolute guarantee that all our objectives will be met. They are also not a guarantee that all potential risks we may face in the future, including legal violations, will be avoided. Changes in laws and regulations, including the interpretation or enforcement thereof, may make compliance more complex and could even incur higher costs related to compliance.

10. Losses related to competition laws
In November 2014, the Korea Fair Trade Commission (KFTC) issued an order for corrective action to Minebea and its Korean subsidiary for violating the Monopoly Regulation and Fair Trade Act (a competition law) in connection with the trading of small-sized ball bearings in Korea. KFTC imposed a surcharge amounting to 4,912 million won (527 million yen equivalent) on Minebea, and the Company has fully paid the said surcharge in the current fiscal year. In relation to the order issued by KFTC, the Seoul Central District Prosecutor's Office brought a charge as of September 11, 2015 against the two companies concerning the violation of the Korea Fair Trade Law (competition law). The Seoul Central District Court issued the ruling on October 30, 2015 that Minebea and its Korean sales subsidiary were sentenced to a fine of 100 million won (10 million yen equivalent) and a fine of 70 million won (7 million yen equivalent), respectively. The said amount of fines has been paid in full. Minebea reached an agreement in February 2015 with the U.S. Department of Justice and pleaded guilty to violating U.S. antitrust laws concerning the sale of certain small-sized ball bearing products. We paid a fine totaling 13.5 million dollars (1,610 million yen equivalent), and as a result, we have paid the said amount in full in the current fiscal year.
A class action suit in relation to the investigations of these cases has been brought in Canada against Minebea and its subsidiaries.
However, we can neither reasonably project the amount of said losses arising from surcharges, etc. depending on the outcome of the lawsuit mentioned above at this time nor predict whether they will affect our operating performance or financial standing, etc.
Please refer to "(5) Notes on Consolidated Financial Statements (Subsequent Events)" under "5. Consolidated Financial Statements" on page 32." in regards to the investigations made by competition authorities in Singapore against Minebea and its subsidiary.

11. Risk related to accrued post-retirement benefit and pension costs
Although the Minebea Group maintains multiple defined benefit pension plans, the fair value of pension assets may decrease due to a low rate of return on a pension fund, or pension costs may increase due to an increase in the pension obligation and a decline in the funded status following a change in preconditions such as the discount rate.

12. Environmental risk
Our business is subject to various environmental laws and regulations that are in effect in the regions where we operate. Although we pay due attention to ensuring compliance with all such laws and regulations, we could be subject to losses in the event that an incident involving environmental contamination were to occur or in the event

that the possibility of such an incident were to arise.

13. Risk related to M&As and alliances

While we are continually seeking M&A and alliance opportunities, M&As and alliances may not produce the results initially expected or an alliance may not be maintained due to a conflict of interest with respect to strategies, etc. We may provide an alliance partner with financial support if its financial health deteriorates or for other reasons which in turn could adversely affect our business performance and financial condition.

Meanwhile, the consummation of the business integration with MITSUMI ELECTRIC CO., LTD. (MITSUMI), which has been made public, is subject to obtaining the approval of MITSUMI shareholders at its general meeting of shareholders and obtaining Japanese and foreign regulatory approvals, such as those from the Japanese Fair Trade Commission, that are necessary to consummate the said business integration. Depending on the progress of satisfying such conditions, timing of the consummation of the business integration may be delayed after the scheduled date of completion on March 17, 2017 or the business integration may not be consummated at all.

14. Quality risk

Our products are used across a wide range of industries, especially for applications that require a high degree of precision (including end products that could affect human health and safety such as automobiles, aircraft, medical devices, etc.). We recognize the social responsibility we bear and have a system in place to ensure our products are of the highest quality. However, if any of our products were found to be defective and resulted in a serious accident, the suspension of our customers' manufacturing operations, or a product recall, we could incur significant expenses, or lose public confidence, any of which could result in a material adverse effect on our operating results and financial status.

15. Information management risk

Through the course of our business operations, we obtain large amounts of important information, including personal information. While we maintain information security policies that prevent the undesired disclosure as well as unintended use of information, a security breach could occur due to unforeseen circumstances. Addressing such an incident could incur huge losses and expose us to the risk of losing public confidence.

2. Condition of Group of Enterprises

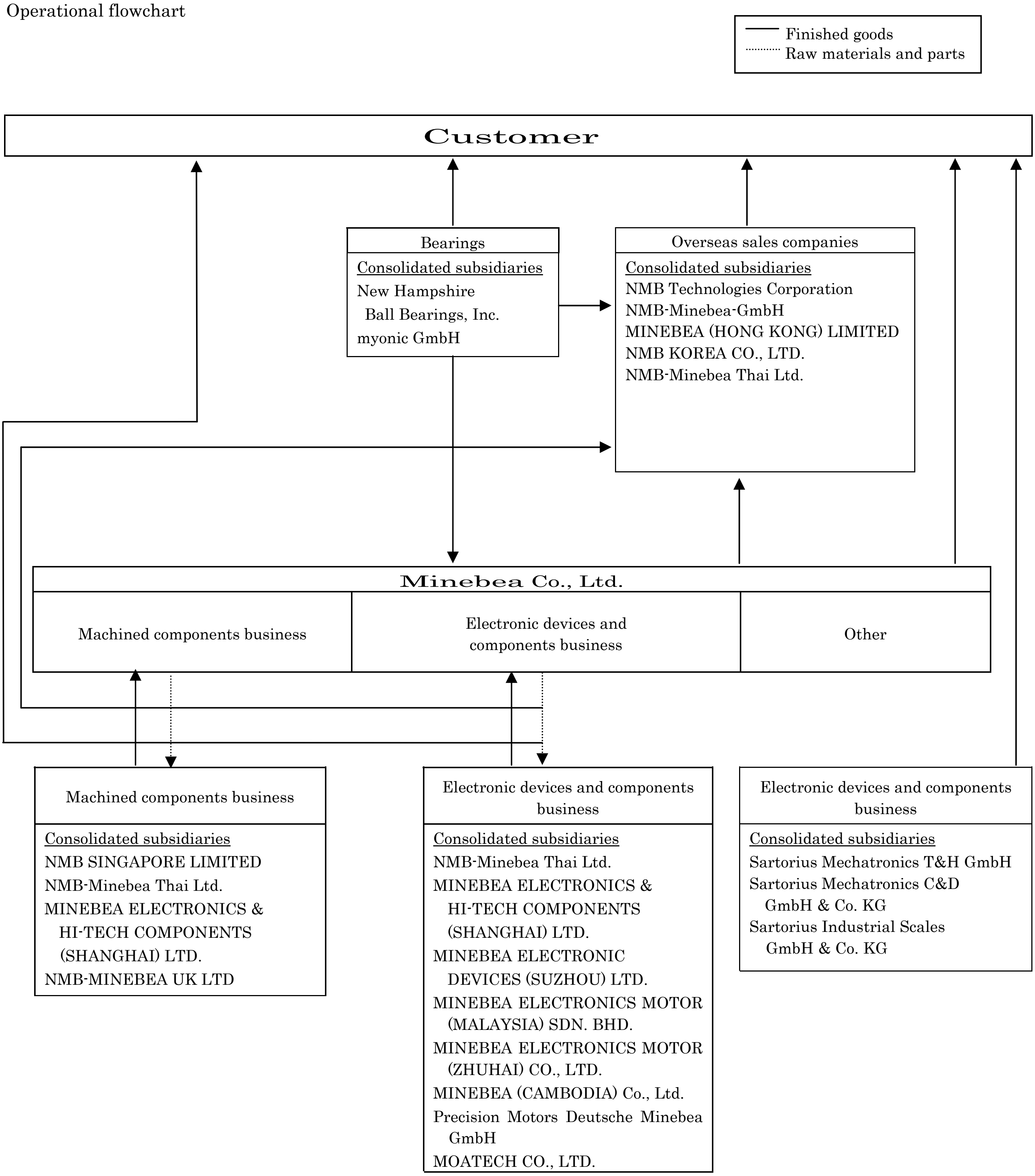
The Minebea Group consists of Minebea Co., Ltd. (the Company) and 77 related companies (68 consolidated subsidiaries, 2 equity method affiliated companies, 7 non-consolidated subsidiaries). The Minebea Group produces and sells machined components and electronic devices and components.

The Company along with its domestic consolidated subsidiaries as well as its consolidated subsidiaries in the U.S., Europe and Asia are responsible for production. The Company markets its products directly to customers in Japan, while overseas marketing is handled through its subsidiaries and branches in the U.S., Europe and Asia.

Manufacturing and sales companies within each segment

Segments	Operations	Manufacturing companies	Sales companies
Machined components business	Bearings	Minebea Co., Ltd. NMB-Minebea Thai Ltd. MINEBEA ELECTRONICS & HI-TECH COMPONENTS (SHANGHAI) LTD. New Hampshire Ball Bearings, Inc. NMB SINGAPORE LIMITED myonic GmbH	Minebea Co., Ltd. NMB Technologies Corporation NMB-Minebea-GmbH NMB-Minebea Thai Ltd. MINEBEA (HONG KONG) LIMITED NMB KOREA CO., LTD. New Hampshire Ball Bearings, Inc.
	Rod-end bearings	Minebea Co., Ltd. NMB-Minebea Thai Ltd. New Hampshire Ball Bearings, Inc. NMB-MINEBEA UK LTD	
	Mechanical components Fasteners for automobiles and aircraft	Minebea Co., Ltd. NMB-Minebea Thai Ltd.	
Electronic devices and components business	Electronic devices	Minebea Co., Ltd. NMB-Minebea Thai Ltd. MINEBEA ELECTRONICS & HI-TECH COMPONENTS (SHANGHAI) LTD. MINEBEA ELECTRONIC DEVICES (SUZHOU) LTD. MINEBEA (CAMBODIA) Co., Ltd. Sartorius Mechatronics T&H GmbH Sartorius Mechatronics C&D GmbH & Co. KG Sartorius Industrial Scales GmbH & Co. KG	
	Motors	Minebea Co., Ltd. NMB-Minebea Thai Ltd. MINEBEA ELECTRONICS & HI-TECH COMPONENTS (SHANGHAI) LTD. MINEBEA ELECTRONICS MOTOR (MALAYSIA) SDN.BHD. MINEBEA ELECTRONICS MOTOR (ZHUHAI) CO., LTD. MINEBEA (CAMBODIA) Co., Ltd. Precision Motors Deutsche Minebea GmbH MOATECH CO., LTD.	

Operational flowchart



3. Management Policy

(1) Company Credo

Minebea Group has upheld "The Five Principles" described in the following as a set of our company credos.

(a) Be a company where our employees are proud to work
(b) Earn and preserve the trust of our valued customers
(c) Respond to our shareholders' expectations
(d) Work in harmony with the local community
(e) Promote and contribute to global society

Based on these company credos, the company's basic management policy is to fulfill its social responsibility and to maximize the corporate value for its various stakeholders, such as shareholders, business partners, local communities, global society and employees. Aiming at concentrating its management resources on the fields where it has the collective and comprehensive strengths of the corporate group, Minebea Group has worked proactively on "the development of high-value-added products" and "the advancement of the quality of the products." In addition, we strive to reinforce our corporate management centering on "the strengthening of our financial standing" as well as to implement "the company management having a high-degree of transparency" in a comprehensive manner both internally and externally.

(2) Management Index

Our consolidated forecasts for fiscal year ending March 31, 2017 are as follows:

(Amount: millions of yen)

	Fiscal year ending March 2017	
Net sales	560,000	(91.8%)
Operating income	45,000	(87.5%)
Ordinary income	44,000	(94.3%)
Net income attributable to owners of the parent	31,000	(85.2%)
Capital investment	29,200	(66.5%)

(%):Year-on-year change

(3) Mid- and Long-term Management Strategies and Tasks

Following our basic management policy, we will work to boost the profitability of our existing lines while developing new high-value-added products. That includes leveraging the wealth of experience we have gained in manufacturing, sales, engineering and development as well as the commitment to restructuring our business portfolio, encompassing the hybrid component business that is driven by our combined technological strengths in electronic devices and components as well as machined components, in order to provide flexible prices and meet the needs of our customers. We will actively work on restructuring our business portfolio and increasing corporate value via M&As and alliances. At the same time we will focus on establishing large-scale overseas mass production facilities as well as R&D capabilities in light of regional risk assessment findings.

We have developed new "Five Arrows" strategies, described in the following, which will guide us through the fiscal year ending March 2018 with a view to moving ahead with the aforementioned initiatives specifically and further boosting our bottom line.

(a) Sell 180 million ball bearings externally per month on average.
Bearing sales have steadily grown and the monthly external sales volume has reached 150 million units. We will cultivate new demand in existing product markets and develop new applications to achieve monthly external sales of 180 million units on average.

(b) Develop and boost sales of new "Electro Mechanics Solutions®" (*registered in Japan) products to take the EMS business to new heights.
While we have already achieved higher-than-projected EMS sales, we will work to establish the technological capability needed to make EMS more complex and sophisticated with an eye to developing and boosting sales of new products.

(c) Establish a business foundation for lighting devices and parts.
We will combine our optical and ultra-precision machining technologies with the wireless communication technology of PARADOX ENGINEERING SA, with which we have recently formed a capital alliance, to move forward with our smart city, SALIOT (Smart Adjustable Light for the Internet Of Things), and other businesses.

(d) Take sales of measuring components and related products to 50 billion yen.
We have raised the annual sales target from 20 billion yen to 50 billion yen as a result of the acquisition of the Sartorius Mechatronics T&H GmbH.

(e) Take aircraft components sales to 70 billion yen.
We will leverage our global presence and maximize synergy with our new subsidiary, CEROBEAR GmbH, to tap new demand in the commercial aircraft market and supply components for new aircraft models with the aim of bringing rod-end bearing and other aircraft component sales to 70 billion yen.

4.Basic Rationale for Selection of Accounting Standards

For the upcoming application of IFRS in the near future, we are in the process of developing the system.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Amount: millions of yen)

	As of March 31, 2015	As of March 31, 2016
ASSETS		
Current assets	265,185	249,820
Cash and cash equivalents	45,327	39,594
Notes and accounts receivable	110,518	92,275
Marketable securities	1,487	1,545
Finished goods	36,900	39,717
Work in process	22,620	29,873
Raw materials	17,381	18,799
Supplies	5,162	4,939
Goods in transit	10,097	9,681
Deferred tax assets	3,631	4,016
Other	12,233	9,557
Allowance for doubtful receivables	(175)	(179)
Fixed assets	224,834	209,597
Tangible fixed assets	192,597	177,993
Buildings and structures	149,865	146,446
Machinery and transportation equipment	329,876	312,225
Tools, furniture and fixtures	55,742	51,198
Land	26,586	25,573
Leased assets	881	366
Construction in progress	9,035	6,250
Accumulated depreciation	(379,389)	(364,068)
Intangible fixed assets	12,152	12,905
Goodwill	6,539	5,721
Other	5,613	7,184
Investments and other assets	20,083	18,699
Investments in securities	10,929	8,760
Long-term loans receivable	330	240
Deferred tax assets	6,666	7,643
Other	2,893	2,076
Allowance for doubtful receivables	(735)	(22)
Deferred charges	23	9
Total assets	490,043	459,427

(Amount: millions of yen)

	As of March 31, 2015	As of March 31, 2016
LIABILITIES		
Current liabilities	167,620	165,424
Notes and accounts payable	59,906	35,807
Short-term loans payable	46,656	66,165
Current portion of bonds	—	10,000
Current portion of convertible bond-type bonds with subscription rights to shares	—	7,700
Current portion of long-term loans payable	20,100	13,479
Lease obligations	172	64
Accrued income taxes	8,219	5,385
Accrued bonuses	6,251	6,157
Allowance for bonuses to directors	201	180
Allowance for after-care of products	345	302
Allowance for environmental remediation expenses	410	463
Allowance for business restructuring losses	587	216
Other	24,768	19,502
Long-term liabilities	88,743	56,029
Bonds	10,000	—
Convertible bond-type bonds with subscription rights to shares	7,700	—
Long-term loans payable	54,005	39,765
Lease obligations	205	45
Allowance for retirement benefits to executive officers	182	187
Allowance for environmental remediation expenses	650	513
Net defined benefit liability	12,975	13,246
Other	3,024	2,271
Total liabilities	256,363	221,454
NET ASSETS		
Shareholders' equity	248,820	279,914
Common stock	68,258	68,258
Capital surplus	95,237	95,772
Retained earnings	94,730	125,133
Treasury stock	(9,406)	(9,249)
Total accumulated other comprehensive income	(22,682)	(49,129)
Difference on revaluation of available-for-sale securities	1,677	588
Deferred gains or losses on hedges	(2)	283
Foreign currency translation adjustments	(21,144)	(47,390)
Remeasurements of defined benefit plans	(3,213)	(2,611)
Subscription rights to shares	127	130
Non-controlling interests	7,413	7,058
Total net assets	233,679	237,973
Total liabilities and net assets	490,043	459,427

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Income)

(Amount: millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016
Net sales	500,676	609,814
Cost of sales	380,585	486,671
Gross profit	120,091	123,143
Selling, general and administrative expenses	59,989	71,704
Operating income	60,101	51,438
Other income	3,082	1,765
Interest income	576	532
Dividends income	202	175
Foreign currency exchange gains	1,075	—
Share of profit of entities accounted for using equity method	15	—
Rent income of fixed assets	277	270
Dividends income of insurance	218	206
Other	717	581
Other expenses	3,043	6,542
Interest expenses	1,504	1,168
Foreign currency exchange losses	—	3,112
Share of loss of entities accounted for using equity method	—	21
Investigation related expenses	549	178
Other	990	2,061
Ordinary income	60,140	46,661
Extraordinary income	309	4,431
Gain on sales of fixed assets	95	37
Insurance income	50	3,337
Government subsidy	—	973
Gain on liquidation of affiliates	—	83
Gain on sales of subsidiaries and affiliates' stocks	163	—
Extraordinary loss	8,677	4,130
Loss on sales of fixed assets	22	19
Loss on disposal of fixed assets	465	118
Loss on reduction of fixed assets	—	928
Impairment loss	78	6
Loss on disaster	5	137
Loss on sales of subsidiaries and affiliates' stocks	1,261	—
Business restructuring losses	1,111	514
Loss on abolishment of retirement benefit plan	3,115	1,465
Loss for after-care of products	398	356
Loss related to Anti-Monopoly Act	2,137	17
Allowance for environmental remediation expenses	82	567
Income before income taxes	51,773	46,963
Income taxes		
Income taxes (including enterprise tax)	11,977	12,757
Adjustment of income taxes	314	(2,393)
Total income taxes	12,291	10,363
Net income	39,481	36,599
Net income (loss) attributable to non-controlling interests	(406)	212
Net income attributable to owners of the parent	39,887	36,386

(Consolidated Statements of Comprehensive Income)

(Amount: millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016
Net income	39,481	36,599
Other comprehensive income:		
Difference on revaluation of available-for-sale securities	514	(1,048)
Deferred gains or losses on hedges	5	285
Foreign currency translation adjustments	31,899	(26,704)
Remeasurements of defined benefit plans	524	601
Share of other comprehensive income of associates accounted for using equity method	(44)	(137)
Total other comprehensive income	32,898	(27,003)
Total comprehensive income	72,380	9,596
Comprehensive income attributable to:		
Owners of the parent	72,161	9,939
Non-controlling interests	218	(342)

(3) Consolidated Statements of Changes in Net Assets
(Year ended March 31, 2015)

(Amount: millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current fiscal year	68,258	94,874	59,190	(9,505)	212,818
Cumulative effects of changes in accounting policies			(237)		(237)
Restated balance	68,258	94,874	58,952	(9,505)	212,581
Changes					
Cash dividend from retained earnings			(4,109)		(4,109)
Net income attributable to owners of the parent			39,887		39,887
Purchase of treasury stocks				(21)	(21)
Disposal of treasury stocks		362		120	483
Changes (net) in non-shareholders' equity items					
Total changes	—	362	35,777	98	36,239
Balance at end of current fiscal year	68,258	95,237	94,730	(9,406)	248,820

	Accumulated other comprehensive income					Subscription rights to shares	Non-controlling interests	Total net assets
	Difference on revaluation of available for sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasure -ments of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current fiscal year	1,153	(7)	(52,365)	(3,737)	(54,955)	116	5,483	163,463
Cumulative effects of changes in accounting policies								(237)
Restated balance	1,153	(7)	(52,365)	(3,737)	(54,955)	116	5,483	163,225
Changes								
Cash dividend from retained earnings								(4,109)
Net income attributable to owners of the parent								39,887
Purchase of treasury stocks								(21)
Disposal of treasury stocks								483
Changes (net) in non-shareholders' equity items	523	5	31,221	524	32,273	10	1,929	34,214
Total changes	523	5	31,221	524	32,273	10	1,929	70,453
Balance at end of current fiscal year	1,677	(2)	(21,144)	(3,213)	(22,682)	127	7,413	233,679

(Year ended March 31, 2016)

(Amount: millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current fiscal year	68,258	95,237	94,730	(9,406)	248,820
Changes					
Cash dividend from retained earnings			(5,983)		(5,983)
Net income attributable to owners of the parent			36,386		36,386
Purchase of treasury stocks				(8)	(8)
Disposal of treasury stocks		534		165	700
Changes (net) in non-shareholders' equity items					
Total changes	—	534	30,402	156	31,094
Balance at end of current fiscal year	68,258	95,772	125,133	(9,249)	279,914

	Accumulated other comprehensive income					Subscription rights to shares	Non-controlling interests	Total net assets
	Difference on revaluation of available for sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasure -ments of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current fiscal year	1,677	(2)	(21,144)	(3,213)	(22,682)	127	7,413	233,679
Changes								
Cash dividend from retained earnings								(5,983)
Net income attributable to owners of the parent								36,386
Purchase of treasury stocks								(8)
Disposal of treasury stocks								700
Changes (net) in non-shareholders' equity items	(1,088)	285	(26,246)	601	(26,447)	2	(355)	(26,800)
Total changes	(1,088)	285	(26,246)	601	(26,447)	2	(355)	4,293
Balance at end of current fiscal year	588	283	(47,390)	(2,611)	(49,129)	130	7,058	237,973

(4) Consolidated Statements of Cash Flows

(Amount: millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016
1. Cash flows from operating activities:		
Income before income taxes	51,773	46,963
Depreciation and amortization	28,775	34,787
Impairment loss	109	21
Amortization of goodwill	582	969
Loss on disaster	5	137
Business restructuring losses	200	—
Loss on abolishment of retirement benefit plan	3,115	1,465
Loss related to Anti-Monopoly Act	2,137	17
Share of (profit) loss of entities accounted for using equity method	(15)	21
Insurance income	(50)	(3,337)
Government subsidy	—	(973)
Interest and dividends income	(778)	(707)
Interest expenses	1,504	1,168
Loss (gain) on sales of fixed assets	(73)	(18)
Loss on disposal of fixed assets	465	118
Loss on reduction of fixed assets	—	928
Loss (gain) on sales of stocks of subsidiaries and affiliates	1,097	—
Loss (gain) on liquidation of affiliates	—	(83)
Decrease (increase) in notes and accounts receivable	(24,322)	11,176
Decrease (increase) in inventories	(18,430)	(21,119)
Increase (decrease) in notes and accounts payable	23,978	(19,019)
Increase (decrease) in allowance for doubtful receivables	0	(704)
Increase (decrease) in accrued bonuses	917	344
Increase (decrease) in allowance for bonuses to directors	7	(21)
Increase (decrease) in net defined benefit liability	(851)	(299)
Increase (decrease) in allowance for retirement benefits to executive officers	16	4
Increase (decrease) in allowance for after-care of products	345	(43)
Increase (decrease) in allowance for environmental remediation expenses	(298)	(24)
Increase (decrease) in allowance for business restructuring losses	247	(360)
Other	(2,079)	7,446
Sub-total	68,380	58,857
Interest and dividends received	755	684
Interest paid	(1,498)	(1,158)
Income taxes paid	(7,801)	(15,764)
Proceeds from income taxes refund	27	223
Payments related to Anti-Monopoly Act	—	(2,164)
Proceeds from insurance income	—	2,904
Net cash provided by operating activities	59,864	43,582

(Amount: millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016
2. Cash flows from investing activities:		
Payments into time deposits	(10,227)	(16,418)
Proceeds from withdrawal of time deposits	11,690	14,019
Purchase of marketable securities	(100)	—
Proceeds from sales of marketable securities	204	34
Purchase of tangible fixed assets	(34,979)	(40,136)
Proceeds from sales of tangible fixed assets	599	664
Purchase of intangible fixed assets	(2,577)	(2,243)
Purchase of investments in securities	(453)	(1,650)
Proceeds from sales of investments in securities	68	38
Proceeds from redemption of investment securities	1,101	1,438
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(2,219)	(257)
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	49	—
Proceeds from sales of investments in shares of subsidiaries resulting in change in scope of consolidation	1,261	—
Purchase of investments in subsidiaries	(400)	—
Purchase of stocks of subsidiaries and affiliates	(392)	—
Proceeds from sales of stocks of subsidiaries and affiliates	1,314	—
Payments for loans provided	(125)	(216)
Proceeds from collection of loans receivables	197	115
Other	(340)	(30)
Net cash used in investing activities	(35,326)	(44,642)
3. Cash flows from financing activities:		
Net increase (decrease) in short-term loans payable	(7,843)	22,109
Proceeds from long-term loans	7,850	—
Repayment of long-term loans	(15,764)	(20,897)
Purchase of treasury stock	(21)	(8)
Proceeds from disposal of treasury stock	474	700
Cash dividends paid	(4,109)	(5,983)
Repayment of lease obligations	(211)	(119)
Other	0	—
Net cash used in financing activities	(19,627)	(4,200)
4. Effect of exchange rate changes on cash and cash equivalents	2,196	(1,735)
5. Net increase (decrease) in cash and cash equivalents	7,106	(6,996)
6. Cash and cash equivalents at beginning of year	29,031	36,137
7. Cash and cash equivalents at end of year	36,137	29,141

(5) Notes on Consolidated Financial Statements

(Notes on Going Concern Assumptions)

Not applicable.

(Basis of Presenting Consolidated Financial Statements)

1. Scope of consolidation

(a) Number of consolidated companies..............68 companies

The names of principal consolidated subsidiaries, stated in 2. Condition of Group of Enterprises, are omitted.

(b) Non-consolidated subsidiaries etc.

Non-consolidated subsidiaries

NMB-MINEBEA DO BRASIL IMPORTACAO E COMERCIO DE COMPONENTES DE PRECISAO LTDA
Shiono Precision Co., Ltd.
SARTORIUS MECHATRONICS PHILIPPINES, INC.
PARADOX ENGINEERING SDN BHD
PARADOX ENGINEERING ASIA PACIFIC
SYLLOGISM SYSTEMS SRL
TINYNODE SA

Among the companies noted above, PARADOX ENGINEERING SDN BHD, PARADOX ENGINEERING ASIA PACIFIC, SYLLOGISM SYSTEMS SRL as well as TINYNODE SA, in which we newly acquired additional shares of PARADOX ENGINEERING SA during this period have been added to our list of non-consolidated subsidiaries beginning this fiscal year.

Also starting this fiscal year, Sartorius-Verwaltungs-GmbH has been changed from a non-consolidated subsidiary to a consolidated subsidiary.

(Reason for exclusion from the scope of consolidation)

The reason is that non-consolidated subsidiaries are all small operations, and each of their total assets, sales, net income (amount equivalent to equity), retained earnings (amount equivalent to equity), etc. has no significant impact on our consolidated financial statements.

2. Changes in the scope of consolidation

Anew :	Establishment	(2 companies)	MINEBEA PHILIPPINES, INC. NMB-Minebea de Mexico, S. de R. L. de C. V.
	From affiliated company to consolidated subsidiary	(1 company)	PARADOX ENGINEERING SA
	From non-consolidated subsidiary to consolidated subsidiary	(1 company)	Sartorius-Verwaltungs-GmbH
Exclusion:	Liquidation	(2 companies)	NMB Mechatronics (Thailand) Co., Ltd. MOATECH ELECTRONICS (BEIHAI) CO., LTD.

3. Application of the equity method

(a) Number of affiliated companies (2 companies) SEFFICE Co. Ltd.
KJ Pretech Co., Ltd.

PARADOX ENGINEERING SA.is no longer categorized as equity-method affiliates beginning this fiscal year as we acquired its additional shares and it became consolidated subsidiary .

(b) Non-consolidated subsidiaries not accounted for by the equity method

NMB-MINEBEA DO BRASIL IMPORTACAO E COMERCIO DE COMPONENTES DE PRECISAO LTDA, Shiono Precision Co., Ltd., SARTORIUS MECHATRONICS PHILIPPINES, INC., PARADOX ENGINEERING SDN BHD, PARADOX ENGINEERING ASIA PACIFIC, SYLLOGISM SYSTEMS SRL and TINYNODE SA are excluded from the scope of application by the equity method, because their net income (amount equivalent to equity), retained earnings (amount equivalent to equity), etc. are not important for our consolidated financial statements.

(c) Of the companies under the equity method, regarding those which have different balance sheet dates, their preliminary financial statements prepared as of the consolidated balance sheet date are used in preparing the current consolidated financial statements.

4. Fiscal years, etc. of consolidated subsidiaries

Of the consolidated subsidiaries, the following companies' fiscal year ends differ from the consolidated balance date.

Company	Fiscal Year End	
MINEBEA ELECTRONICS & HI-TECH COMPONENTS (SHANGHAI) LTD.	December 31	*1
MINEBEA TRADING (SHANGHAI) LTD.	December 31	*1
SHANGHAI SHUN DING TECHNOLOGIES LTD.	December 31	*1
MINEBEA (SHENZHEN) LTD.	December 31	*1
MINEBEA ELECTRONICS MOTOR (ZHUHAI) CO., LTD.	December 31	*1
MINEBEA ELECTRONIC DEVICES (SUZHOU) LTD.	December 31	*1
Cixi New MeiPeiLin Precision Bearing Co., Ltd	December 31	*1
DONGGUAN CHENGQU DAIICHI PRECISION MOLD CO. LTD	December 31	*1
MINEBEA (CAMBODIA) Co., Ltd.	December 31	*1
MINEBEA PHILIPPINES, INC.	December 31	*1
NMB-Minebea de Mexico, S. de R. L. de C. V.	December 31	*1
Sartorius Intec K.K.	December 31	*2
Sartorius Intec USA, Inc.	December 31	*2
SARTORIUS INTEC UK LIMITED	December 31	*2
Sartorius Mechatronics T&H GmbH	December 31	*2
Sartorius Mechatronics C&D GmbH & Co. KG	December 31	*2
Sartorius-Verwaltungs-GmbH	December 31	*2
Sartorius Industrial Scales GmbH & Co. KG	December 31	*2
Sartorius Industrial Weighing Verwaltungs GmbH	December 31	*2
Sartorius Intec Austria GmbH	December 31	*2
SARTORIUS INTEC ITALY S.R.L.	December 31	*2
SARTORIUS INTEC FRANCE S.A.S.	December 31	*2
Sartorius Mechatronics Switzerland AG	December 31	*2
SARTORIUS INTEC BELGIUM	December 31	*2
Sartorius Intec Netherlands B.V.	December 31	*2
SARTORIUS INTEC SPAIN, S.L.	December 31	*2
SARTORIUS INTEC POLAND Sp. z o.o.	December 31	*2
Sartorius Industrial Weighing Equipment (Beijing) Co., Limited	December 31	*2
SARTORIUS MECHATRONICS INDIA PRIVATE LIMITED	December 31	*2
MOATECH CO., LTD.	December 31	*2
MOATECH MANUFACTURING PHILS., INC.	December 31	*2
MOATECH REALTY, INC.	December 31	*2
MOATECH HONGKONG LIMITED	December 31	*2
DONGGUAN DONGMA ELECTRONICS CO., LTD.	December 31	*2

(Notes) *1.Uses their preliminary financial statements prepared as of the consolidated balance sheet date.

*2.Uses the consolidated subsidiaries financial statements as of its fiscal year end. But regarding the significant transactions that occur between the fiscal year end and the consolidated balance sheet date, necessary adjustments are made for consolidation.

5. Accounting policies

(Notes) The differences in accounting standards between our domestic consolidated companies and overseas consolidated companies are mainly due to overseas consolidated companies complying with the regulation "interim accounting procedures for overseas subsidiaries for the creation of consolidated financial statements" (Business Response Report No. 18).

(a) Valuation basis and method of significant assets

1. Securities

Other marketable securities

Securities with market value

The Company adopted the market value method based on market prices and other conditions at the end of the term. Also, the Company accounted for all valuation differences based on the direct net asset method and the sales costs are calculated by the moving average method.

The Company's consolidated overseas subsidiaries also used primarily the same accounting method.

Securities without market value

Non listed securities are stated at cost determined by the moving average method.

2. Derivatives
   Market value method
   The Company's consolidated overseas subsidiaries also used primarily the same accounting method.
3. Inventories
   The Company and consolidated domestic subsidiaries state primarily at the moving average cost. (The balance sheet amounts of the inventories are calculated at the lowered book values reflecting potential decline in profitability).
   Consolidated overseas subsidiaries state at the lower of average cost or market.

(b) Method of significant depreciation
1. Tangible fixed assets (excluding leased assets)
   The Company and consolidated domestic subsidiaries adopt the declining- balance method.
   For the depreciation of buildings, however, the straight-line method is adopted.
   Their major useful lives are as follows:

Buildings and structures	2 to 50 years
Machinery and transportation equipment	2 to 15 years
Tools, furniture and fixtures	2 to 20 years

   They also collectively show equal charges for small depreciable assets (whose acquisition values are not less than 100,000 yen and less than 200,000 yen) over the 3 years each consolidated fiscal year.
   Consolidated overseas subsidiaries mainly adopt the straight-line method.
   We adopt the declining-balance method to depreciate part of machines and equipment used for the manufacture of LED backlights for LCDs.
2. Intangible fixed assets (excluding leased assets)
   The Company and consolidated domestic subsidiaries mainly adopt the straight-line method. However, depreciation of software (for internal use) is computed on the straight-line method based on our expected useful period (5 years).
   Consolidated overseas subsidiaries mainly adopt the straight-line method.
3. Leased assets
   Lease assets related to finance lease transactions that do not involve transfer of ownership
   The Company adopts the straight-line method of making lease periods depreciable lives and salvage values zero.
   The Company's consolidated overseas subsidiaries also used primarily the same accounting method.

(c) Valuation basis of significant allowances
1. Allowance for doubtful receivables
   The Company and consolidated domestic subsidiaries post in the amount required for the estimated uncollectible receivables based on actual losses of trade receivables and on collectability of specific receivables with loss possibilities.
   Consolidated overseas subsidiaries post in the amount required for the estimated uncollectible receivables based on the collectability of each receivable for possible losses on the receivables.
2. Accrued bonuses
   The Company and consolidated domestic subsidiaries make preparations for the payment of bonuses to employees, accrued bonuses are shown based on the anticipated amounts of payment in the current term.
   Consolidated overseas subsidiaries post on accrual basis.
3. Allowance for bonuses to directors
   To provide for payment of bonuses to directors, the Company posts an amount, based upon the estimated amount of payment for the current consolidated fiscal year.
4. Allowance for retirement benefits to executive officers
   We post retirement allowances to be required for payment at the end of the current consolidated fiscal year in accordance with regulations.
5. Allowance for after-care of products
   We post reasonably projected amounts to be incurred in the future as expenses for after-care of products.
6. Allowance for environmental remediation expenses
   Our consolidated overseas subsidiaries post reasonably projected amounts to be incurred in the future as environment-related expenses in the U.S.
7. Allowance for business restructuring losses
   The Company and consolidated domestic subsidiaries post reasonably projected amounts to be incurred in the future, based on the decision of restructuring plans, such as the closures.
   The Company's consolidated overseas subsidiaries also used primarily the same accounting method.

(d) Method to Allocate Projected Benefit Obligation

1. Attributing expected retirement benefits to periods

We calculate retirement benefit obligations by attributing projected benefit obligations to periods up to the end of the current fiscal year on a benefit formula basis.

2. Actuarial gains or losses and past service costs

Past service costs are amortized on a straight-line basis over a specified number of years (10 years).

Actuarial gains or losses are amortized in subsequent fiscal years on a straight-line basis over a specified number of years (5 years).

3. Unrecognized actuarial gains or losses and unrecognized past service costs

Actuarial gains or losses as well as past service costs that are yet to be recognized in profit or loss are recognized, after adjusting for taxes, as remeasurements of defined benefit plans included in accumulated other comprehensive income, which is posted under net assets.

(e) Translation of foreign currency assets and liabilities in financial statements of the Company and consolidated subsidiaries

The Company and consolidated domestic subsidiaries translate monetary receivables and payables in foreign currency into yen at the spot exchange rates on the balance sheets date. The resulting exchange differences are accounted for as an exchange gain or loss.

Our consolidated overseas subsidiaries, assets and liabilities are translated into yen at the spot exchange rates at the consolidation date, while revenues and expenses are translated into yen at the average rates for the year. Exchange differences are included in foreign currency translation adjustments and non-controlling interests in net assets.

(f) Accounting method of significant hedge transactions

1. Method of hedge accounting

The Company adopts the deferred hedge method to account for the forward exchange contracts for foreign currency-denominated anticipated transactions. The Company also adopts the special method to account for the interest rate swaps, which meet the requirements of special accounting.

2. Hedging vehicles and hedged items

(Hedging vehicles)
Forward exchange contracts
Interest rate swaps
(Hedged items)
Anticipated transactions in foreign currencies
Interest rates on borrowings

3. Hedge policy

Under the guidance of its Corporate Finance Department, the Company makes forward exchange contracts to hedge risks in foreign exchange fluctuations arising from export and import transactions. The Company also makes interest rate swaps to hedge fluctuation risks in interest rates on borrowings.

4. Method of assessing hedge effectiveness

Regarding forward exchange contracts, in principle, the Company allocates them to anticipated transactions in foreign currencies with same maturities and same amounts in foreign currency at closing of forward exchange contracts in accordance with the risk management policy. This completely ensures correlations reflecting subsequent exchange rate fluctuations. The Company assesses hedge effectiveness based upon such correlations.

Also, regarding interest rate swaps, the Company assesses hedge effectiveness based upon the fulfillment of the accounting requirements for special treatment.

(g) Amortization of goodwill and negative goodwill

The goodwill is equally amortized 10 years

(h) Range of cash in cash flow statements

Cash and cash equivalents consist of cash on hand, demand deposit and short-term investments which expire within 3 months from acquisition date, have high liquidity and are easily turned into cash.

(i) Others

1. Amortization of deferred charges

Deferred charges are equally amortized over the term of bonds issued (5 years).

2. Accounting method of consumption tax and other

Consumption tax and other related taxes are excluded from revenue and purchases of the Company.

(Changes in Accounting Policy)

(Adoption of accounting standard for business combinations, etc.)

Revised Accounting Standard for Business Combinations (ASBJ Statement No. 21, September 13, 2013), Revised Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, September 13, 2013), Revised Accounting Standard for Business Divestitures (ASBJ Statement No. 7, September 13, 2013) and others have been applied effective from the current fiscal year ended March 31, 2016. As a result, any change resulting from the Company's ownership interests in its subsidiary when the Company retains control over the subsidiary is accounted for as capital surplus, and acquisition related costs are expensed in the year in which the costs are incurred. For any business combinations on or after the beginning of current fiscal year, subsequent measurement of the provisional amount recognized based on the purchase price allocation due to the completion of accounting for the business combination are reflected in the consolidated financial statements for the fiscal year to which the date of that business combination occurs. In addition, the presentation method of net income was amended as well as "minority interests" to "non-controlling interests." To reflect these changes in presentation, adjustments have been made to the consolidated financial statements for the last fiscal year presented herein.

In the consolidated statements of cash flows for the current fiscal year, cash flows from costs in relations to purchase of investments in subsidiaries resulting in change in scope of consolidation are described in the category of cash flows from operating activities.

The aforementioned accounting standards are adopted as of the beginning of this fiscal year and thereafter, according to the transitional treatment provided for in paragraph 58-2 (4) of the Accounting Standard for Business Combinations, paragraph 44-5 (4) of the Consolidated Accounting Standard and paragraph 57-4 (4) of the Accounting Standard for Business Divestitures.

As a result, operating income, ordinary income and income before income taxes for the current fiscal year decreased 304 million yen each, respectively.

In addition, net income per share and diluted net income per share for the current fiscal year decreased 0.81 yen and 0.77 yen, respectively.

(Changes in the accounting method of significant hedge transactions)

The Company adopted the allocation method to account for the forward exchange contracts for foreign currency-denominated receivables and payables, and the deferred hedge method to account for the forward exchange contracts for foreign currency-denominated anticipated transactions. However, as a result of the change in the hedge policy, etc. adopted by the Company, the accounting method of significant hedge transactions has been changed to the deferred hedge accounting since the start of the current fiscal year, aiming at more accurately presenting the status of foreign currency-denominated receivables and payables as well as derivatives transactions.

The said changes in the accounting method have minor impacts on the financial results of the past accounting periods, and as such, no restatements have been made for the past accounting periods.

In addition, there are very minor impacts of the said changes on the profit and loss of the current consolidated statement of operations.

(Change in accounting policy which is difficult to distinguish from the change in accounting estimates)

(Change in the depreciation method of buildings)

The Company and consolidated domestic subsidiaries adopted the declining balance method primarily for the depreciation method of buildings; however, the Company has adopted the straight-line method since this current fiscal year.

This change has been adopted based on our decision that the straight-line depreciation method can account for the current economic situation of the Company more accurately and adequately than the declining balance method as a result of reviewing the depreciation methods. When the Company acquired its Headquarters building, and the constructions of the Matsuida Plant as well as the Kashiwazaki Plant, the Company came up with the conclusion that the straight-line depreciation method is appropriate for such buildings that are to be used stably for a long-period of time, irrespective of the profitability and operational situation of the facilities so that the benefits of utilization shall berealized in proportion to the lapse of time.

Due to the change, depreciation and amortization costs decreased in the current fiscal year, while quarterly operating income, ordinary income and income before income taxes increased 353 million yen, respectively, as compared with the corresponding quarter of the previous fiscal year.

(Additional Information)

(Investigations by Korean, the U.S. and Singaporean competition authorities)

As it has been reported earlier, some of our consolidated subsidiaries have been investigated by Korean, U.S., and Singapore competition authorities for the alleged infringement of competition laws in the respective countries related to the trading of small-sized ball bearing products, etc.

In Korea, the Korea Fair Trade Commission (KFTC) issued an order for corrective action to Minebea and its Korean subsidiary in November 2014 for violating the Monopoly Regulation and Fair Trade Act (a competition law) in connection with the trading of small-sized ball bearings in Korea. KFTC imposed a surcharge amounting to 4,912 million won (527 million yen equivalent) on Minebea, and the Company has fully paid the said surcharge in the current fiscal year.

In relation to the order issued by KFTC, the Seoul Central District Prosecutor's Office brought a charge as of September 11, 2015 against the two companies concerning the violation of the Korea Fair Trade Law (competition law). The Seoul Central District Court issued the ruling on October 30, 2015 that Minebea and its Korean subsidiary were sentenced to a fine of 100 million won (10 million yen equivalent) and a fine of 70 million won (7 million yen equivalent), respectively. The said amount of fines has been paid in full.

In the United States, Minebea reached an agreement in February 2015 with the U.S. Department of Justice and pleaded guilty to violating U.S. antitrust laws concerning the sale of certain small-sized ball bearing products. We paid a fine totaling 13.5 million dollars (1,610 million yen equivalent), and as a result, we have paid the said amount in full in the current fiscal year.

A class action suit in relation to the investigations of these cases has been brought in Canada against Minebea and its subsidiaries.

However, we can neither reasonably project the amount of said losses arising from surcharges, etc. depending on the outcome of the lawsuit mentioned above at this time nor predict whether they will affect our operating performance or financial standing, etc.

Please refer to "Subsequent Events" in regards to the investigations made by competition authorities in Singapore against Minebea and its subsidiary.

(Transactions to transfer the Company shares to the employees through the trust)

(a) Outline of the transactions

The Company has introduced the "Trust-type Employee Shareholding Incentive Plan" (the "Plan"), in order to provide the Company group's employees with incentives to increase the enterprise value of the Company, and to promote the benefit and welfare of the employees of the Company group and others. The Plan is an incentive plan, in which all employees of the Company group who are members of the "Minebea Employee Stock Holding Partnership" ("Stock Holding Partnership") (a Company group employee who is a member of the Stock Holding Partnership is hereinafter referred to as an "Employee") may participate. Based on the Plan, as of May 10, 2012, Minebea entered into the Minebea Employee Stock Holding Partnership Exclusive Trust Agreement (the "Trust Agreement") with the bank in which the Company is Truster and the Bank is Trustee. As per the Plan and the Trust Agreement, the "Minebea Employee Stock Holding Partnership Exclusive Trust Account" (the "Trust"), which had been established for the purpose of securing the Company shares for the Stock Holding Partnership to effect purchases, has borrowed money from banks (the Company guarantees the Trust's borrowings) for a considerable number of Company shares that were expected to be acquired by the Stock Holding Partnership by the end of May 2017, and acquired Company shares in a number equal to such borrowings from the market at the time the Plan was introduced in May 2012. Subsequently, the Trust is to continuously transfer the Company shares to the Stock Holding Partnership in accordance with certain plans (conditions and methods) and terminate, e.g. if all of the Company shares belonging to the trust assets of the Trust are transferred. If any capital gains, such as gains on sale of the Company shares, accumulate within the Trust by the time of its termination, and if any money remains within the Trust after repaying all the debts such as borrowings to be borne by the Trust, then such money is to be distributed as residual assets to those Employees that fulfill the requirements for eligible beneficiaries.

A trust administrator or an agent of the beneficiaries gives instructions to the trustee of the Trust with regard to preserving and exercising the rights (including the exercise of voting rights) relating to the Company shares held as the trust assets in the Trust, while eligible beneficiaries of the Trust will preserve and exercise their rights in accordance with such instructions. A trust administrator or an agent of the beneficiaries of the Trust shall follow the guidelines relating to the exercise of the voting rights stipulated in the Trust Agreement, in case of executing instructions regarding the exercise of voting rights on behalf of beneficiaries.

(b) Since the said trust agreement was concluded before the first applicable fiscal year of the adoption of the "Practical Solution on Transactions of Delivering the Company's Own Stock to Employees etc. through Trusts" (ASBJ PITF No.30 dated as of December 25, 2013 and revised as of March 26, 2015), the transaction has been accounted for with the accounting method that had been adopted.

(c) The items relating to the Company shares owned by the Trust

1. Book value of the Company shares owned by the Trust
   As of March 31, 2015: 1,377 million yen
   As of March 31, 2016: 1,212 million yen
2. The Company shares owned by the Trust are accounted for as treasury stock.
3. Number of the Company shares owned by the Trust at the end of the last fiscal year and the average number of shares owned by the Trust
   Number of the Company shares owned by the Trust at the end of the last fiscal year
   As of March 31, 2015: 4,267,000 shares
   As of March 31, 2016: 3,754,000 shares
   Average number of shares owned by the Trust
   As of March 31, 2015: 4,419,652 shares
   As of March 31, 2016: 4,043,423 shares
4. The number of the Company shares mentioned in part 3. was included in the treasury stock to be deducted in terms of calculating relevant per share indicators.

(Consolidated Balance Sheets)

1. Lawsuit

(Year ended March 31, 2015)

NMB-Minebea Thai Ltd., our consolidated subsidiary company located in Thailand, received (1) a revised assessment of income tax liability in the amount of 502 million baht on August 25, 2008; (2) another revised assessment of income tax liability in the amount of 125 million baht on August 25, 2010; (3) a third revised assessment of income tax liability in the amount of 101 million baht on August 11 and 22, 2011; (4) a fourth revised assessment of income tax liability in the amount of 71 million baht on July 2,August 8 and 17, 2012; (5) a fifth revised assessment of income tax liability in the amount of 366 million baht on April 5, 2013; (6) a sixth revised assessment of income tax liability in the amount of 14 million baht on August 26, 2013 from the Revenue Department of the Kingdom of Thailand. The company has not accepted these revised assessments, believing them to be unjust and without legal grounds, and regarding item (1), the Company took the case to the Tax Court of Thailand on August 25, 2009, following the petition to the Revenue Department, and regarding items (2), (3), (4), (5) and (6) has petitioned the Revenue Department for redress. Regarding item (2), the Company, among these cases, plans to bring the case before the Tax Court of Thailand.

Regarding item (1), the Company has won the case as a result of the decision at the Tax Court of the Kingdom of Thailand on October 13, 2010, but the Revenue Department disagreed with this decision and appealed the case to the Supreme Court on December 9, 2010.

Payment of these amounts was made in subrogation on (1) September 22, 2008, (2) September 23, 2010, (3) August 16, 2011, (4) August 23, 2012, (5) April 26, 2013 and (6) September 16, 2013, respectively, using a surety bond from a bank with which the Company does business.

(Year ended March 31, 2016)

NMB-Minebea Thai Ltd., our consolidated subsidiary company located in Thailand, received (1) a revised assessment of income tax liability in the amount of 502 million baht on August 25, 2008; (2) another revised assessment of income tax liability in the amount of 125 million baht on August 25, 2010; (3) a third revised assessment of income tax liability in the amount of 101 million baht on August 11 and 22, 2011; (4) a fourth revised assessment of income tax liability in the amount of 71 million baht on July 2,August 8 and 17, 2012; (5) a fifth revised assessment of income tax liability in the amount of 366 million baht on April 5, 2013; (6) a sixth revised assessment of income tax liability in the amount of 14 million baht on August 26, 2013 from the Revenue Department of the Kingdom of Thailand. The company has not accepted these revised assessments, believing them to be unjust and without legal grounds, and regarding item (1), (2), (3) and (4), following the petition to the Revenue Department, the Company took the cases to the Tax Court of Thailand on August 25, 2009 for the case (1) and on November 16, 2015 for the cases (2), (3) and (4). Regarding items (5) and (6), the Company has petitioned the Revenue Department for redress.

Regarding item (1), the Company has won the case as a result of the decision at the Tax Court of the Kingdom of Thailand on October 13, 2010, but the Revenue Department disagreed with this decision and appealed the case to the Supreme Court on December 9, 2010.

Payment of these amounts was made in subrogation on (1) September 22, 2008, (2) September 23, 2010, (3) August 16, 2011, (4) August 23, 2012, (5) April 26, 2013 and (6) September 16, 2013, respectively, using a surety bond from a bank with which the Company does business.

(Consolidated Statements of Income)

1.Insurance income

(Year ended March 31, 2016)

Insurance payments totaling 2,803 million yen, carried by the insurance policies that cover the damages and costs including lost earnings caused by the large-scale floods which occurred in Thailand in October 2011, and insurance money received totaling 534 million yen, due to the determination of the insurance amount paid to cover the damages and losses associated with the factory explosion at our consolidated subsidiary in the U.S. in February 2014.

2.Government subsidy

(Year ended March 31, 2016)

Fixed amount granted as a subsidy for the "Project to Promote Investment in Advanced Equipment as Measures to Deal with Yen Appreciation and Energy Constraints" by the Ministry of Economy, Trade and Industry.

3.Loss on reduction of fixed assets

(Year ended March 31, 2016)

Losses associated with the inclusion in deductible expenses relating to item 2. described above.

4. Loss on sales of subsidiaries and affiliates' stocks

(Year ended March 31, 2015)

This loss was incurred by the sale of shares of our foreign consolidated subsidiary in the U.S., namely Hansen Corporation.

5.Business restructuring losses

(Year ended March 31, 2015)

These business restructuring losses consist of a loss of 602 million yen incurred by the personnel reduction in one of the foreign consolidated subsidiaries located in the U.S.; a loss of 496 million yen incurred by the rationalization of small-sized motor business; and other losses totaling 12 million yen.

(Year ended March 31, 2016)

These business restructuring losses consist of a loss of 264 million yen incurred by the personnel reduction in one of the foreign consolidated subsidiaries located in the U.S.; a loss of 204 million yen incurred by the rationalization of small-sized motor business; and other losses totaling 45 million yen.

6.Loss on abolishment of retirement benefit plan

(Year ended March 31, 2015)

This is due to the loss on partial abolishment of retirement benefit plan in our consolidated subsidiaries in the U.S.

(Year ended March 31, 2016)

This is due to the loss on abolishment of retirement benefit plan in our consolidated subsidiaries in the U.S.

(Segment Information etc.)

〔Segment Information〕

(a) Summary of reportable segments

Our reportable segments are segments for which separated financial information is available and subject to periodical reviews in order for the Company's Board of Directors to determine the distribution of management resources and evaluate performance.

The Company establishes business divisions by product in key business centers, therein Machined Component Manufacturing Headquarters supervises the production of machined components, while Electronic Device and Component Manufacturing Headquarters oversees the manufacture of small-sized motors, electronic devices and components and optical products, etc. Each of such manufacturing headquarters formulates comprehensive domestic and overseas strategies regarding products in order to deploy its business activities. Therefore, we have two reportable segments consisting of "Machined components business" and "Electronic devices and components business."

Our core products in the "Machined components business" are mechanical parts, such as ball bearings, rod-end bearings, pivot assemblies of HDDs, fasteners for automobile and aircraft, etc. The "Electronic devices and components business" includes electronic devices and components (LED backlights for LCDs and measuring components, etc.) and a wide variety of motors such as spindle motors for HDDs, stepping motors, DC motors, fan motors, and precision motors as well as special components.

Commencing with this consolidated accounting period, Minebea has made some organizational changes, including incorporating its in-house manufacturing division into the Electronic devices and components manufacturing headquarters. Due to these changes, the segment information has also been changed.

Segment information for last fiscal year is disclosed using the new classification for reportable business segments implemented subsequent to the structural reorganization.

(b) Calculation method of amounts

The accounting method for the reported business segments is almost the same as that explained in "Basis of Presenting Consolidated Financial Statements".

Segment earnings are operating income-based figures. Inter-segment earnings and transfer are calculated based on invoice prices-the comprehensive judgment made after having considered factors including market prices and manufacturing costs.

(Change in the depreciation method of buildings)

The Company and consolidated domestic subsidiaries adopted the declining balance method primarily for the depreciation method of buildings; however, the Company has adopted the straight-line method since this current fiscal year.

This change has been adopted based on our decision that the straight-line depreciation method can account for the current economic situation of the Company more accurately and adequately than the declining balance method as a result of reviewing the depreciation methods. When the Company acquired its Headquarters building, and the constructions of the Matsuida Plant as well as the Kashiwazaki Plant, the Company came up with the conclusion that the straight-line depreciation method is appropriate for such buildings that are to be used stably for a long-period of time, irrespective of the profitability and operational situation of the facilities so that the benefits of utilization shall be realized in proportion to the lapse of time.

Due to this change, depreciation and amortization costs for this current fiscal year decreased, while the segment income for Machined components, that for Electronic devices and components and that for Adjustment (all companies) segment rose 29, 101, and 222 million yen, respectively.

(c) Information on net sales, profit or loss, assets, liabilities and other amounts by reported segment
(Year ended March 31, 2015) (Amount: millions of yen)

	Reportable segments			Other *1	Total	Adjustment *2	Consolidated Financial Statements amount *3
	Machined components business	Electronic devices and components business	Total				
Total sales							
(1) Sales to customers	155,785	344,724	500,510	166	500,676	—	500,676
(2) Sales to other segment	3,928	5,088	9,017	1,274	10,292	(10,292)	—
Total	159,714	349,813	509,527	1,441	510,969	(10,292)	500,676
Segment income (loss)	39,722	30,747	70,470	(28)	70,441	(10,340)	60,101
Segment assets	120,227	190,913	311,140	4,088	315,229	174,814	490,043
Other							
Depreciation	9,621	15,153	24,775	75	24,851	3,923	28,775
Increase in fixed assets	7,498	19,214	26,713	2,487	29,201	8,356	37,557

(Year ended March 31, 2016) (Amount: millions of yen)

	Reportable segments			Other *1	Total	Adjustment *2	Consolidated Financial Statements amount *3
	Machined components business	Electronic devices and components business	Total				
Total sales							
(1) Sales to customers	163,811	445,467	609,278	536	609,814	—	609,814
(2) Sales to other segment	4,409	4,318	8,727	1,251	9,979	(9,979)	—
Total	168,220	449,785	618,006	1,787	619,794	(9,979)	609,814
Segment income (loss)	40,854	22,336	63,190	(124)	63,066	(11,627)	51,438
Segment assets	105,254	189,748	295,002	2,167	297,169	162,257	459,427
Other							
Depreciation	9,296	20,807	30,103	334	30,437	4,349	34,787
Increase in fixed assets	7,735	29,012	36,747	178	36,925	6,953	43,878

(Notes) *1. The classification of "Other" is the business segment, which is not included in the reportable segments, and its products are mainly machine made in-house.

*2. The amount of the adjustment is as follows.

(a) Adjustments to segment income include amortization of goodwill (-582 million yen last fiscal year, -969 million yen this fiscal year), as well as corporate expenses such as selling, general & administrative expenses in addition to research and development costs that do not belong to the reportable segments (-9,757 million yen last fiscal year, -10,657 million this fiscal year).

(b) Adjustments to segment assets include unamortized goodwill (6,539 million yen last fiscal year, 5,721 million yen this fiscal year), as well as assets related to administrative divisions that do not belong to the reportable segments (168,274 million yen last fiscal year, 156,536 million yen this fiscal year).

(c) The major part of the adjustments in depreciation is depreciation of equipment related to the administrative division, which does not belong to the reportable segments.

(d) The major part of the adjustments in increased tangible fixed assets and intangible fixed assets is capital investments in equipment related to the administrative division, which does not belong to the reportable segments.

*3. Segment income or loss is adjusted with operating income in the Consolidated Financial Statements.

(Per Share Data)

	Year ended March 31, 2015	Year ended March 31, 2016
Net assets per share (yen)	604.83	616.43
Net income per share (yen)	106.73	97.26
Diluted net income per share (yen)	101.32	92.35

(Notes) 1. The following are the basis for calculating net assets per share.

	As of March 31, 2015	As of March 31, 2016
Total net assets (millions of yen)	233,679	237,973
Deduction from total net assets (millions of yen)	7,541	7,188
(Non-controlling interests)	(7,413)	(7,058)
(Subscription rights to shares)	(127)	(130)
Year-end net assets related to common stock (millions of yen)	226,138	230,785
Year-end common stock used for the calculation of net assets per share (shares)	373,885,780	374,392,602

2. The following are the basis for calculating net income per share and diluted net income per share.

	Year ended March 31, 2015	Year ended March 31, 2016
Net income attributable to owners of the parent (millions of yen)	39,887	36,386
Amount not available for common stock (millions of yen)	—	—
Net income attributable to owners of the parent related to common stock (millions of yen)	39,887	36,386
Average shares of common stock outstanding (shares)	373,727,342	374,106,139
Diluted net income per share		
Net income attributable to owners of the parent adjustments (millions of yen)	29	30
(Interest expense (after tax equivalents) (millions of yen))	(29)	(30)
Increased shares of common stock (shares)	20,244,441	20,237,945
(Convertible bond-type bonds with subscription rights to shares (shares))	(20,157,000)	(20,157,000)
(Subscription rights to shares (shares))	(87,441)	(80,945)
Outline of the residual shares not included in the calculation of diluted net income per share due to no dilution effects	Subscription rights to shares issued by consolidated subsidiaries: 2 types (the number of subscription rights to shares: 14 units)	Subscription rights to shares issued by consolidated subsidiaries: 2 types (the number of subscription rights to shares: 14 units)

3.The number of shares owned by the Employee Stock Holding Partnership Exclusive Trust Account is deducted from the total number of shares outstanding at the end of the fiscal year with regard to the calculation of "net assets per share" (4,267,000 shares for the previous fiscal year, and 3,754,000 shares for the current fiscal year).

Furthermore, the number of shares owned by the said Trust Account is included that of treasury shares, the number of which is deducted from that of average shares of common stock outstanding in relation to "the number of shares of common stock outstanding at year end used to calculate net assets per share" and "average shares of common stock outstanding" (4,419,652 shares for the previous fiscal year, and 4,043,423 shares for the current fiscal year).

(Subsequent Events)

〔Investigations by Singaporean competition authorities〕

Upon investigations made by competition authorities in Singapore against Minebea and its subsidiary, we have fully cooperated with the authorities. We received a notice dated as of May 4, 2016 from the Singaporean competition authorities that the investigations had been completed. There shall be no impact expected on our consolidated earnings.

6. Others

(1) Amounts of Production, Orders Received, Sales

(a) Production (Amount: millions of yen)

Business segments	Year ended March 31, 2016	Year - on - year
Machined components business	158,551	101.8%
Electronic devices and components business	451,455	130.9%
Other	401	—
Total	610,407	121.9%

(Notes) Amounts are provided on the basis of their sales prices, after offsetting and eliminating transactions between the two business segments and do not include consumption taxes.

(b) Orders Received (Amount: millions of yen)

Business segments	Orders received	Year - on – year	Order backlog	Year - on - year
Machined components business	162,872	96.9%	60,812	98.5%
Electronic devices and components business	445,814	125.7%	45,006	100.8%
Other	536	421.1%	45	99.3%
Total	609,222	116.5%	105,863	99.4%

(Notes) Amounts are provided after offsetting and eliminating transactions between the two business segments and do not include consumption taxes.

(c) Sales (Amount: millions of yen)

Business segments	Year ended March 31, 2016	Year - on - year
Machined components business	163,811	105.2%
Electronic devices and components business	445,467	129.2%
Other	536	322.5%
Total	609,814	121.8%

(Notes) Amounts are provided after offsetting and eliminating transactions between the two business segments and do not include consumption taxes.

May 10, 2016

Minebea Co., Ltd.

Supplementary Financial Data for the Fiscal Year ended March 31, 2016

1. Consolidated Results of Operations

	Fiscal year ended Mar. '15			Fiscal year ended Mar. '16			%Change Y/Y	
(Millions of yen)	1st Half	2nd Half	Full Year	1st Half	**2nd Half**	**Full Year**	2nd Half *1	Full Year *2
Net sales	216,557	284,119	500,676	295,554	**314,260**	**609,814**	+10.6%	+21.8%
Operating income	24,761	35,340	60,101	27,417	**24,021**	**51,438**	-32.0%	-14.4%
Ordinary income	24,635	35,505	60,140	23,326	**23,335**	**46,661**	-34.3%	-22.4%
Net income attributable to owners of the parent	17,817	22,070	39,887	17,758	**18,628**	**36,386**	-15.6%	-8.8%
Net income per share (yen)	47.69	59.04	106.73	47.49	**49.77**	**97.26**	-15.7%	-8.9%
Diluted net income per share (yen)	45.27	56.05	101.32	45.09	**47.26**	**92.35**	-15.7%	-8.9%

	Fiscal year ended Mar. '15				Fiscal year ended Mar. '16				4Q %Change	
(Millions of yen)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	**4Q**	Q/Q *3	Y/Y *4
Net sales	99,531	117,025	145,403	138,715	127,391	168,162	178,661	**135,599**	-24.1%	-2.2%
Operating income	10,524	14,237	19,080	16,259	12,512	14,905	15,484	**8,536**	-44.9%	-47.5%
Ordinary income	10,473	14,162	18,599	16,905	12,872	10,453	15,120	**8,215**	-45.7%	-51.4%
Net income attributable to owners of the parent	6,831	10,985	13,163	8,906	10,058	7,700	11,825	**6,802**	-42.5%	-23.6%
Net income per share (yen)	18.29	29.40	35.22	23.82	26.90	20.59	31.61	**18.17**	-42.5%	-23.7%
Diluted net income per share (yen)	17.37	27.90	33.43	22.62	25.54	19.55	30.01	**17.26**	-42.5%	-23.7%

2. Consolidated Sales and Operating Income by Segments

	Fiscal year ended Mar. '15			Fiscal year ended Mar. '16			%Change Y/Y	
(Millions of yen)	1st Half *5	2nd Half *5	Full Year *5	1st Half	**2nd Half**	**Full Year**	2nd Half *1	Full Year *2
Machined components	73,687	82,097	155,785	83,247	**80,564**	**163,811**	-1.9%	+5.2%
Electronic devices and components	142,792	201,932	344,724	212,064	**233,403**	**445,467**	+15.6%	+29.2%
Other	77	88	166	242	**294**	**536**	+234.1%	+222.5%
Adjustment	-	-	-	-	**-**	**-**	-	-
Total sales	216,557	284,119	500,676	295,554	**314,260**	**609,814**	+10.6%	+21.8%
Machined components	19,330	20,392	39,722	20,175	**20,679**	**40,854**	+1.4%	+2.9%
Electronic devices and components	10,434	20,313	30,747	12,349	**9,987**	**22,336**	-50.8%	-27.4%
Other	118	-146	-28	24	**-148**	**-124**	-	-
Adjustment	-5,121	-5,218	-10,340	-5,130	**-6,497**	**-11,627**	-	-
Total operating income	24,761	35,340	60,101	27,417	**24,021**	**51,438**	-32.0%	-14.4%

	Fiscal year ended Mar. '15				Fiscal year ended Mar. '16				4Q %Change	
(Millions of yen)	1Q *5	2Q *5	3Q *5	4Q *5	1Q	2Q	3Q	**4Q**	Q/Q *3	Y/Y *4
Machined components	36,602	37,085	40,185	41,911	40,974	42,272	40,766	**39,797**	-2.4%	-5.0%
Electronic devices and components	62,892	79,899	105,173	96,759	86,311	125,753	137,750	**95,653**	-30.6%	-1.1%
Other	36	41	44	44	105	137	144	**148**	+2.8%	+236.4%
Adjustment	-	-	-	-	-	-	-	**-**	-	-
Total sales	99,531	117,025	145,403	138,715	127,391	168,162	178,661	**135,599**	-24.1%	-2.2%
Machined components	9,554	9,776	10,088	10,303	9,956	10,218	10,605	**10,073**	-5.0%	-2.2%
Electronic devices and components	3,238	7,195	11,723	8,590	5,608	6,740	7,618	**2,368**	-68.9%	-72.4%
Other	66	52	-17	-129	-41	65	-59	**-89**	-	-
Adjustment	-2,334	-2,786	-2,713	-2,505	-3,010	-2,120	-2,680	**-3,816**	-	-
Total operating income	10,524	14,237	19,080	16,259	12,512	14,905	15,484	**8,536**	-44.9%	-47.5%

3. Forecast for the Fiscal Year ending March 31, 2017

	Fiscal year ending Mar. '17			Full Year %Change Y/Y
(Millions of yen)	1st Half	2nd Half	Full Year	
Net sales	260,000	300,000	560,000	-8.2%
Operating income	18,300	26,700	45,000	-12.5%
Ordinary income	17,800	26,200	44,000	-5.7%
Net income attributable to owners of the parent	12,100	18,900	31,000	-14.8%
Net income per share (yen)	32.32	50.48	82.80	-14.9%

4. Forecast for the Consolidated Sales and Operating Income by Segments

(Millions of yen)	Fiscal year ending Mar. '17			Full Year %Change Y/Y
	1st Half	2nd Half	Full Year	
Machined components	75,100	76,100	151,200	-7.7%
Electronic devices and components	184,700	223,700	408,400	-8.3%
Other	200	200	400	-25.4%
Adjustment	-	-	-	-
Total sales	260,000	300,000	560,000	-8.2%
Machined components	18,200	19,900	38,100	-6.7%
Electronic devices and components	7,100	14,200	21,300	-4.6%
Other	-200	-200	-400	-
Adjustment	-6,800	-7,200	-14,000	-
Total operating income	18,300	26,700	45,000	-12.5%

5. Capital Expenditure, Depreciation and Amortization, Research and Development Expenses

(Millions of yen)	FY ended Mar. '15	Fiscal year ended Mar. '16					Forecast for the FY ending Mar. '17
		1Q	2Q	3Q	**4Q**	**Full Year**	
Capital expenditure	37,557	13,787	13,182	9,258	**7,649**	**43,878**	29,200
Depreciation and amortization	28,775	7,494	8,937	9,586	**8,769**	**34,787**	30,000
Research and development expenses	8,972	2,284	2,273	2,501	**2,622**	**9,680**	10,000

6. Exchange Rates

	(Yen)	FY ended Mar. '15	Fiscal year ended Mar. '16					Assumption for the FY ending Mar. '17
			1Q	2Q	3Q	**4Q**	**Full Year**	
US$	PL	109.19	120.97	122.56	121.23	**118.37**	**120.78**	105.00
	BS	120.17	122.45	119.96	120.61	**112.68**	**112.68**	105.00
EURO	PL	139.38	132.74	136.35	132.56	**129.35**	**132.75**	122.00
	BS	130.32	137.23	134.97	131.77	**127.70**	**127.70**	122.00
THAI BAHT	PL	3.37	3.66	3.51	3.37	**3.30**	**3.46**	3.00
	BS	3.70	3.62	3.29	3.34	**3.19**	**3.19**	3.00
RMB	PL	17.60	19.49	19.55	19.02	**18.06**	**19.03**	16.20
	BS	19.34	19.72	18.85	18.56	**17.40**	**17.40**	16.20

*1 2nd Half % change Y/Y : 2nd half in comparison with the 2nd half of the previous fiscal year

*2 Full Year % change Y/Y : Full year in comparison with the previous full year

*3 4Q % change Q/Q : 4Q in comparison with 3Q

*4 4Q % change Y/Y : 4Q in comparison with 4Q of the previous fiscal year

*5 Due to some organizational changes, including incorporating its in-house manufacturing division into the Electronic devices and components manufacturing headquarters from FY 3/16, business segment classification is changed, and FY 3/15 numbers are also adjusted for comparison.