Minebea
Passion to Exceed Precision

FASF MEMBERSHIP

SECOND QUARTER BRIEF REPORT OF FINANCIAL RESULTS
〔under Japanese GAAP〕 (Consolidated)
(Year ending March 31 , 2015)

November 5, 2014

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
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Quarterly report filing date: November 12, 2014
Expected date of payment for dividends: December 4, 2014
Preparation of supplementary explanation material for quarterly financial results : Yes
Holding of presentation meeting for quarterly financial results : Yes (For Analyst)

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

1. Business performance (April 1, 2014 through September 30, 2014)

(1) Consolidated Results of Operations (Year-to-date) (%: 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, 2014	216,557	19.8	24,761	90.4	24,635	109.6
Six months ended Sep. 30, 2013	180,799	30.0	13,003	68.9	11,751	69.3

	Net income (millions of yen)	% Change	Net income per share (yen)	Fully diluted net income per share (yen)
Six months ended Sep. 30, 2014	17,817	103.1	47.69	45.27
Six months ended Sep. 30, 2013	8,772	135.8	23.52	22.35

(Notes) Comprehensive Income: Six months ended September 30, 2014: 32,363 million yen 199.6%
Six months ended September 30, 2013: 10,803 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 September 30, 2014	435,529	194,350	43.2	503.89
As of March 31, 2014	381,278	163,463	41.4	422.62

(Reference) Shareholders' equity: As of September 30, 2014: 188,312 million yen
As of March 31, 2014: 157,862 million yen

2. Dividends

	Annual dividends				
	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, 2014	—	3.00	—	5.00	8.00
Year ended March 31, 2015	—	6.00			
Year ended March 31, 2015 (Forecast)			—	6.00	12.00

(Notes) Changes from the latest dividend forecast: Yes

3. Prospect for consolidated forecast for the fiscal year (April 1, 2014 through March 31, 2015)

(%: 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
Year ended March 31, 2015	460,000	23.8	50,000	55.3	48,000	71.0

	Net income (millions of yen)	% Change	Net income per share (yen)
Year ended March 31, 2015	31,000	48.5	82.96

(Notes) Changes from the latest consolidated results forecast: None

* Notes

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

(2) Application of accounting peculiar to preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policy, changes in accounting estimates, and restatements

1. Changes in accounting policy associated with revision of accounting standards, etc: Yes
2. Change in accounting policy other than 1: None
3. Changes in accounting estimates: Yes
4. Restatements: None

(Notes) For details, please refer to "(2) Changes in accounting policy, changes in accounting estimates, and restatements" under "2. Other summary information" on page 6.

(4) Number of shares outstanding (Common stock)

1. Number of shares outstanding at end of period (Including treasury stock)
   As of September 30, 2014: 399,167,695 shares
   As of March 31, 2014: 399,167,695 shares
2. Number of treasury shares at end of period
   As of September 30, 2014: 25,447,830 shares
   As of March 31, 2014: 25,637,546 shares
3. Average number of shares (Quarterly cumulative period)
   Six months ended September 30, 2014: 373,635,119 shares
   Six months ended September 30, 2013: 373,016,667 shares

* Explanation for implementation of the quarterly review presentations

When disclosing this Quarter Brief Report of Financial Results, the review procedures for quarterly financial statements under the Financial Instruments and Exchange Law have not been brought to completion.

* 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. Qualitative information related to the financial results for the quarter," "(3) Explanation of Consolidated Forecast and Other Forecasts") on page 5 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 Wednesday, November 5, 2014.

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1. Qualitative information related to the financial results for the quarter

(1) Explanation of Operating Results

The Japanese economy remained on a gradual recovery track during the first half of the fiscal year (April 1, 2014 to September 30, 2014) as government initiatives coupled with the weak yen boosted corporate earnings, capital expenditures, and employment although the consumption tax hike put a damper on consumer spending. Fueled by increased capital expenditures and improved employment that went hand in hand with higher corporate earnings, the U.S. economy continued to gradually pick up steam. The European economy remained at a standstill due to the lagging sovereign debt crisis as well as the Ukrainian political crisis that led to a decline in exports. The Asian economy continued to lose steam as a sluggish housing market in China weighed down on the country's slowing economic growth rate. All ASEAN countries enjoyed moderate economic recoveries with the exception of Thailand whose economy was hurt by political upheaval there.

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

As a result, net sales increased by 35,758 million yen (19.8%) year on year to reach 216,557 million yen. Operating income rose 11,758 million yen (90.4%) year on year to total 24,761 million yen, and ordinary income was up 12,884 million yen (109.6%) year on year at 24,635 million yen. Net income for the quarter also increased by 9,045 million yen (103.1%) year on year to reach 17,817 million yen.

Performance by segment was as follows:

Products in our Machined components business segment include our mainstay, ball bearings, in addition to mechanical components such as rod-end bearings used primarily in aircraft and hard disk drive (HDD) pivot assemblies, etc., as well as fasteners for automobiles and aircraft. Ball bearings saw increases in both sales and profits as demand grew in major markets. Sales to the automobile industry were particularly robust, with the sales volume hitting a record high in September. Sales of rod-end bearings used in aircraft were also upbeat, especially in the civil aviation market. Sales of pivot assemblies were up in the HDD market, mainly for game console applications, as were sales of products used for PCs due to software updates. Sales were also healthy for high-end products used in data centers, etc. due partly to the completion of inventory adjustments in the HDD market. These factors combined brought overall sales and profits of pivot assemblies up.

In the end, net sales for the first six-month period increased by 4,997 million yen (7.3%) year on year to total 73,687 million yen. Operating income was also up 3,903 million yen (25.3%) year on year, totaling out at 19,330 million yen.

The core products of our Electronic devices and components business include electronic devices (liquid crystal display backlights and measuring components, etc.), HDD spindle motors, information motors (stepping motors, DC brushless motors, DC brush motors, and fan motors), precision motors, and special devices. Sales and profits of liquid crystal display (LCD) backlights soared. This increase resulted from surging sales of Minebea products boasting both a technological and supply edge in the growing market for high-end smartphones. Sales of rotary components like HDD spindle motors, information motors, etc. also rose. The information motor business, in particular, saw increases in both sales and profits thanks to growing sales to the office automation, automobile, and other markets. Reduced costs resulting from the transfer of manufacturing operations to our Cambodian plant as well as improved quality and production efficiency also contributed to the better performance.

All these factors combined brought net sales for the first fiscal half up 30,732 million yen (27.5%) year on year to total 142,360 million yen. Operating income soared by 6,793 million yen (219.6%) year on year to reach 9,886 million yen.

Net sales for the first fiscal half in our Other business segment, which includes dies and parts produced in-house, were up 28 million yen (5.9%) year on year to total 508 million yen. Operating income also increased by 241 million yen (59.8%) year on year to total 643 million yen.

In addition to the figures noted above, 5,098 million yen in corporate expenses, etc. not belonging to any particular segment has been recorded as adjustments. Adjustments for the first half of last fiscal year amounted to 5,919 million yen.

(2) Explanation of Financial Position

The Minebea Group sees "strengthening its financial standing" as a top priority and is taking various steps toward that end, including reducing total assets and interest-bearing debts as well as cutting back capital investments. Over the past few years, however, we have been making aggressive capital investments to enhance our business performance.

Total assets at the end of the current second quarter amounted to 435,529 million yen, up 54,251 million yen compared to the end of the previous fiscal year. The main reasons for this uptick include increases in notes and accounts receivable, inventories, as well as tangible fixed assets. Total liabilities amounted to 241,178 million yen, up 23,364 million yen over what it was at the end of the previous fiscal year. This jump was primarily due to increases in notes and accounts payable. Net assets totaled 194,350 million yen, up 30,887 million yen over what it was at the end of the previous fiscal year. Equity ratio rose 1.8 percentage points above what it was at the end of the last fiscal year to reach 43.2%.

(Cash flow)

The balance of cash and cash equivalents at the end of the second quarter of the current fiscal year totaled 29,183 million yen, up 151 million yen compared with the end of the previous fiscal year and up 2,438 million yen on a year-on-year basis.

Cash flows from various business activities during the first fiscal half and relevant factors are as follows:

Net cash provided by operating activities amounted to 19,127 million yen, down 3,840 million yen year on year due to increases in income before income taxes and minority interests, notes and accounts receivable, notes and accounts payable, as well as inventories along with depreciation and amortization, etc. Net cash used for investment activities declined 4,098 million yen year on year, to total 9,861 million yen due to the acquisition of tangible and intangible fixed assets as well as the sales of shares of subsidiaries and affiliates, etc. Net cash used for financing activities fell off by 1,626 million yen year on year due to a cash outflow of 9,819 million yen for the repayment of short-term loans as well as a dividend payment, etc.

(3) Explanation of Consolidated Forecast and Other Forecasts

The first half of this fiscal year saw the Japanese economy continue to recover despite the impact of the consumption tax increase. The U.S. economy also enjoyed a gradual recovery. Both factors had a positive effect on our operations these past two quarters. While the Japanese economy and the U.S. economy are expected to remain on an upward trajectory for the rest of this fiscal year, there remain various risk factors. These include concerns over the slowing European economy, the outbreak of the Ebola virus, international instabilities arising from the Ukrainian political and Islamic State crises, etc. Working against this backdrop and in light of our projection that steady orders will keep our overall performance up during the second fiscal half, we have decided to revise our consolidated forecast for the fiscal year based on our best estimate of the total impact market factors will have on our operations. The revised consolidated forecast for the fiscal year ending March 31, 2015 is as shown below.

Our dividend forecast is based on our basic dividend policy that gives priority to enhancing equity efficiency and improving returns to our shareholders. Dividends are calculated to reflect performance in light of the overall business environment as we aim to maintain a stable and continuous distribution of profits. Working in line with our basic policy and in light of good performance projections for this fiscal year, we have revised our forecast for the annual dividend from 10 yen per share to 12 yen per share, increasing the interim and year-end dividends by 1 yen each.

	Full year announced on October 28, 2014		Full year announced on July 31, 2014	
Net sales	460,000 million yen	(123.8%)	408,000 million yen	(109.8%)
Operating income	50,000 million yen	(155.3%)	40,000 million yen	(124.2%)
Ordinary income	48,000 million yen	(171.0%)	38,000 million yen	(135.4%)
Net income	31,000 million yen	(148.5%)	26,000 million yen	(124.5%)

(%): Year-on-year change

2. Other summary information

(1) Summary of changes to major subsidiaries during the quarter

Not applicable.

(2) Changes in accounting policy, changes in accounting estimates, and restatements

(Changes in accounting policy)

(Adoption of accounting standard for retirement benefits, etc.)

The Accounting Standard for Retirement Benefits (ASBJ Statement No. 26, May 17, 2012) and the Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, May 17, 2012) have been adopted with regard to the provisions set forth in Article 35 of the Accounting Standard for Retirement Benefits and Article 67 of the Guidance on Accounting Standard for Retirement Benefits in the preparation of consolidated financial statements since the first quarter of the fiscal year. Accordingly, the method to calculate retirement benefit obligations and service costs has been revised, and the method to attribute expected retirement benefits to each period has been changed from the straight-line basis to the benefit formula basis. In addition, the determination of the discount rate has been changed from a single discount rate based on the average number of years approximating the residual terms of all employees to plural discount rates that have been set forth based on the expected benefit payments attributed to periods of service of relevant employees.

In accordance with transitional accounting as stipulated in Article 37 of the Accounting Standard for Retirement Benefits, the effect of the changes in accounting policies arising from the revision of liabilities for retirement benefits and service costs is recognized in retained earnings on a consolidated basis at the beginning of the first quarter of the fiscal year.

As a result of these adjustments, liabilities for retirement benefits have increased by 368 million yen, and retained earnings have decreased by 237 million yen at the beginning of the first quarter of the fiscal year. The effect of these adjustments on consolidated operating income, ordinary income and income before income taxes and minority interests for the second quarter of the current fiscal year is immaterial.

(Application of practical solution on transactions of delivering the Company's own stock to employees etc. through trusts)

Practical Solution on Transactions of Delivering the Company's Own Stock to Employees etc. through Trusts (ASBJ Practical Issues Task Force (PITF) No. 30, issued on Dec 25, 2013), have been applied since the first quarter of the fiscal year. The accounting for those transactions has been conducted according to the conventional method which had been put into practice previously.

(Change in accounting estimates)

(Change in the useful life of fixed assets)

After taking a comprehensive and more realistic look at the product life cycle of certain machinery used for manufacturing LCD backlight products, some of our consolidated subsidiaries changed their useful life estimate from 5 to 10 years to 2 years beginning with the first quarter of the fiscal year.

As a result, depreciation and amortization costs for the second quarter of the current fiscal year increased while operating income, ordinary income, and income before income taxes and minority interests decreased by 665 million yen respectively.

(3) Additional Information

(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) Aforementioned transactions have been carried out in accordance with the Trust Agreement that had been entered into before the beginning of the first quarter of the fiscal year. As such, the accounting for those transactions has been conducted according to the conventional method.

(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, 2014: 1,491 million yen
   As of September 30, 2014: 1,428 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, 2014: 4,619,000 shares
   As of September 30, 2014: 4,424,000 shares
   Average number of shares owned by the Trust
   Six months ended September 30, 2013: 5,136,027 shares
   Six months ended September 30, 2014: 4,510,896 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.

3. Quarterly Consolidated Financial Statements
(1) Quarterly Consolidated Balance Sheets

(Amount: millions of yen)

	As of March 31, 2014	As of September 30, 2014
ASSETS		
Current assets	189,637	234,878
Cash and cash equivalents	38,615	35,816
Notes and accounts receivable	74,340	103,021
Marketable securities	1,284	2,833
Finished goods	23,697	27,673
Work in process	17,157	22,655
Raw materials	11,046	13,957
Supplies	4,581	4,914
Goods in transit	7,169	8,906
Deferred tax assets	4,198	3,977
Other	7,735	11,319
Allowance for doubtful receivables	(188)	(195)
Fixed assets	191,602	200,620
Tangible fixed assets	166,899	176,083
Buildings and structures	132,084	139,471
Machinery and transportation equipment	280,366	300,714
Tools, furniture and fixtures	50,402	52,778
Land	24,893	25,588
Leased assets	972	931
Construction in progress	2,811	3,183
Accumulated depreciation	(324,631)	(346,583)
Intangible fixed assets	5,529	6,869
Goodwill	2,998	2,780
Other	2,530	4,089
Investments and other assets	19,173	17,667
Investments in securities	10,947	8,971
Long-term loans receivable	368	403
Deferred tax assets	5,965	5,939
Other	2,521	3,023
Allowance for doubtful receivables	(630)	(671)
Deferred charges	37	30
Total assets	381,278	435,529

(Amount: millions of yen)

	As of March 31, 2014	As of September 30, 2014
LIABILITIES		
Current liabilities	120,937	145,212
Notes and accounts payable	29,898	51,783
Short-term loans payable	48,794	42,120
Current portion of long-term loans payable	15,250	16,550
Lease obligations	201	192
Accrued income taxes	3,189	4,077
Accrued bonuses	4,923	8,333
Allowance for bonuses to directors	193	60
Allowance for environmental remediation expenses	356	249
Allowance for business restructuring losses	265	717
Other	17,864	21,126
Long-term liabilities	96,877	95,966
Bonds	10,000	10,000
Convertible bond-type bonds with subscription rights to shares	7,700	7,700
Long-term loans payable	66,754	64,716
Lease obligations	255	237
Allowance for retirement benefits to executive officers	165	161
Allowance for environmental remediation expenses	848	751
Net defined benefit liability	8,850	9,569
Other	2,303	2,829
Total liabilities	217,814	241,178
NET ASSETS		
Shareholders' equity	212,818	228,739
Common stock	68,258	68,258
Capital surplus	94,874	95,026
Retained earnings	59,190	74,902
Treasury stock	(9,505)	(9,448)
Total accumulated other comprehensive income	(54,955)	(40,426)
Difference on revaluation of available-for-sale securities	1,153	1,243
Deferred gains or losses on hedges	(7)	2
Foreign currency translation adjustments	(52,365)	(38,315)
Remeasurements of defined benefit plans	(3,737)	(3,356)
Subscription rights to shares	116	108
Minority interests in consolidated subsidiaries	5,483	5,928
Total net assets	163,463	194,350
Total liabilities and net assets	381,278	435,529

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

(Quarterly Consolidated Statements of Income)

(Six months ended September 30, 2014)

(Amount: millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Net sales	180,799	216,557
Cost of sales	141,624	163,106
Gross profit	39,175	53,450
Selling, general and administrative expenses	26,171	28,688
Operating income	13,003	24,761
Other income	902	1,435
Interest income	253	279
Dividends income	79	82
Foreign currency exchange gains	—	202
Dividends income of insurance	189	218
Other	379	652
Other expenses	2,154	1,561
Interest expenses	1,157	757
Foreign currency exchange losses	24	—
Other	971	803
Ordinary income	11,751	24,635
Extraordinary income	79	187
Gain on sales of fixed assets	25	17
Insurance income	—	50
Gain on sales of subsidiaries and affiliates' stocks	—	119
Gain on sales of investments in securities	53	—
Extraordinary loss	1,180	2,424
Loss on sales of fixed assets	22	13
Loss on disposal of fixed assets	24	105
Impairment loss	963	67
Loss on disaster	—	5
Loss on sales of subsidiaries and affiliates' stocks	—	1,261
Business restructuring losses	157	721
Loss on abolishment of retirement benefit plan	—	215
Allowance for environmental remediation expenses	12	35
Income before income taxes and minority interests	10,650	22,398
Income taxes		
Income taxes (including enterprise tax)	1,889	3,724
Adjustment of income taxes	290	886
Total income taxes	2,179	4,610
Income before minority interests	8,471	17,787
Minority interests in loss	(301)	(29)
Net income	8,772	17,817

(Quarterly Consolidated Statements of Comprehensive Income)
(Six months ended September 30, 2014)

(Amount: millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Income before minority interests	8,471	17,787
Other comprehensive income:		
Difference on revaluation of available-for-sale securities	248	123
Deferred gains or losses on hedges	3	9
Foreign currency translation adjustments	1,919	14,180
Unfunded retirement benefit obligation of foreign subsidiaries	160	—
Remeasurements of defined benefit plans	—	380
Share of other comprehensive income of associates accounted for using equity method	—	(118)
Total other comprehensive income	2,332	14,575
Total comprehensive income	10,803	32,363
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	10,660	32,346
Comprehensive income attributable to minority interests	143	16

(3) Quarterly Consolidated Statements of Cash Flows

(Amount: millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
1. Cash flows from operating activities:		
Income before income taxes and minority interests	10,650	22,398
Depreciation and amortization	11,730	12,135
Impairment loss	963	76
Amortization of goodwill	303	289
Loss on disaster	—	5
Business restructuring losses	53	—
Loss on abolishment of retirement benefit plan	—	215
Insurance income	—	(50)
Interest and dividends income	(333)	(361)
Interest expenses	1,157	757
Loss (gain) on sales of fixed assets	(3)	(3)
Loss on disposal of fixed assets	24	105
Loss (gain) on sales of shares of subsidiaries and affiliates	—	1,141
Loss (gain) on sales of investments in securities	(53)	—
Decrease (increase) in notes and accounts receivable	(13,245)	(25,477)
Decrease (increase) in inventories	(243)	(11,641)
Increase (decrease) in notes and accounts payable	11,718	20,074
Increase (decrease) in allowance for doubtful receivables	18	4
Increase (decrease) in accrued bonuses	2,605	3,136
Increase (decrease) in allowance for bonuses to directors	60	(133)
Increase (decrease) in net defined benefit liability	—	34
Increase (decrease) in net defined benefit asset	—	(423)
Increase (decrease) in allowance for retirement benefits	(502)	—
Decrease (increase) in prepaid pension cost	500	—
Increase (decrease) in allowance for retirement benefits to executive officers	(34)	(4)
Increase (decrease) in allowance for environmental remediation expenses	(105)	(262)
Increase (decrease) in allowance for business restructuring losses	(447)	424
Other	(407)	208
Sub-total	24,408	22,648
Interest and dividends received	321	349
Interest paid	(1,148)	(749)
Income taxes paid	(951)	(3,121)
Proceeds from income taxes refund	336	—
Net cash provided by operating activities	22,967	19,127
2. Cash flows from investing activities:		
Payments into time deposits	(7,931)	(3,749)
Proceeds from withdrawal of time deposits	6,135	7,078
Purchase of marketable securities	(103)	(100)
Proceeds from sales of marketable securities	27	100
Purchase of tangible fixed assets	(9,488)	(13,973)
Proceeds from sales of tangible fixed assets	464	282
Purchase of intangible fixed assets	(471)	(1,612)
Purchase of investments in securities	(498)	(172)
Proceeds from sales of investments in securities	154	39
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(1,888)	(22)
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
Proceeds from sales of shares in subsidiaries and affiliates	—	977
Payments for loans provided	(30)	(100)
Proceeds from collection of loans receivables	43	69
Other	(371)	10
Net cash used in investing activities	(13,959)	(9,861)

(Amount: millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
3. Cash flows from financing activities:		
Net increase (decrease) in short-term loans payable	(9,108)	(7,318)
Proceeds from long-term loans	5,000	—
Repayment of long-term loans	(5,407)	(732)
Payment for redemption of bonds with subscription rights to shares	(247)	—
Purchase of treasury stock	(256)	(5)
Proceeds from disposal of treasury stock	204	214
Cash dividends paid	(1,493)	(1,867)
Repayment of lease obligations	(136)	(109)
Other	0	—
Net cash used in financing activities	(11,445)	(9,819)
4. Effect of exchange rate changes on cash and cash equivalents	959	705
5. Net increase (decrease) in cash and cash equivalents	(1,477)	151
6. Cash and cash equivalents at beginning of period	28,223	29,031
7. Cash and cash equivalents at end of period	26,745	29,183

(4) Notes on Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumptions)

Not applicable.

(Notes for Significant Change in the Amount of Net Assets)

Not applicable.

(Segment Information etc.)

I Six months ended September 30, 2013

1. Information related to sales and income (loss) by reportable segments

(Amount: millions of yen)

	Reportable segments			Other *1	Total	Adjustment *2	Quarterly Consolidated Statements of Income amount *3
	Machined components business	Electronic devices and components business	Total				
Total sales							
(1) Sales to customers	68,690	111,628	180,318	480	180,799	—	180,799
(2) Sales to other segment	1,834	661	2,495	11,766	14,261	(14,261)	—
Total	70,524	112,289	182,813	12,247	195,061	(14,261)	180,799
Segment income	15,427	3,093	18,520	402	18,923	(5,919)	13,003

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

*2. Adjustments to segment income are amortization of goodwill -303 million yen as well as corporate expenses such as general and administrative expenses in addition to research and development expenses that do not belong to the reportable segments -5,616 million yen.

*3. Segment income is reconciled to operating income in the quarterly consolidated statements of income.

2. Information related to impairment loss of fixed assets or goodwill, etc. by reportable segments

(Significant impairment loss of fixed assets)

(Amount: millions of yen)

	Reportable segments			Other	All companies	Total
	Machined components business	Electronic devices and components business	Total			
Impairment loss	—	963	963	—	—	963

(Significant change in the amount of goodwill)

Not applicable.

(Significant gain on negative goodwill)

Not applicable.

Ⅱ Six months ended September 30, 2014

1. Information related to sales and income (loss) by reportable segments

(Amount: millions of yen)

	Reportable segments			Other *1	Total	Adjustment *2	Quarterly Consolidated Statements of Income amount *3
	Machined components business	Electronic devices and components business	Total				
Total sales							
(1) Sales to customers	73,687	142,360	216,048	508	216,557	—	216,557
(2) Sales to other segment	1,792	978	2,770	13,663	16,433	(16,433)	—
Total	75,479	143,339	218,819	14,172	232,991	(16,433)	216,557
Segment income	19,330	9,886	29,216	643	29,860	(5,098)	24,761

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

*2. Adjustments to segment income are amortization of goodwill -289 million yen as well as corporate expenses such as general and administrative expenses in addition to research and development expenses that do not belong to the reportable segments -4,809 million yen.

*3. Segment income is reconciled to operating income in the quarterly consolidated statements of income.

2. Information related to impairment loss of fixed assets or goodwill, etc. by reportable segments

(Significant impairment loss of fixed assets)

(Amount: millions of yen)

	Reportable segments			Other	All companies	Total
	Machined components business	Electronic devices and components business	Total			
Impairment loss	—	9	9	—	67	76

(Significant change in the amount of goodwill)

Not applicable.

(Significant gain on negative goodwill)

Not applicable.

3. Information related to changes reportable segments, etc.

(Adoption of accounting standard for retirement benefits, etc.)

The Accounting Standard for Retirement Benefits (ASBJ Statement No. 26, May 17, 2012) and the Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, May 17, 2012) have been adopted with regard to the provisions set forth in Article 35 of the Accounting Standard for Retirement Benefits and Article 67 of the Guidance on Accounting Standard for Retirement Benefits in the preparation of consolidated financial statements since the first quarter of the fiscal year. Accordingly, the method to calculate retirement benefit obligations and service costs has been revised, and the method to attribute expected retirement benefits to each period has been changed from the straight-line basis to the benefit formula basis. In addition, the determination of the discount rate has been changed from a single discount rate based on the average number of years approximating the residual terms of all employees to plural discount rates that have been set forth based on the expected benefit payments attributed to periods of service of relevant employees.

As a result, the effect of this change on segment income for the second quarter of the current fiscal year is immaterial.

(Change in the useful life of fixed assets)

After taking a comprehensive and more realistic look at the product life cycle of certain machinery used for manufacturing LCD backlight products, some of our consolidated subsidiaries changed their useful life estimate from 5 to 10 years to 2 years beginning with the first quarter of the fiscal year.

Due to this change, depreciation and amortization costs for the second quarter of the current fiscal year rose while segment income for Electronic devices and components business fell 665 million yen.

November 5, 2014
Minebea Co., Ltd.

Supplementary Financial Data
for the Second Quarter of Fiscal Year ending March 31, 2015

1. Consolidated Results of Operations

(Millions of yen)	Fiscal year ended Mar. '14			FY ending Mar. '15	%Change Y/Y
	1st Half	2nd Half	Full Year	**1st Half**	1st Half *1
Net sales	180,799	190,744	371,543	**216,557**	+19.8%
Operating income	13,003	19,196	32,199	**24,761**	+90.4%
Ordinary income	11,751	16,314	28,065	**24,635**	+109.6%
Net income	8,772	12,106	20,878	**17,817**	+103.1%
Net income per share (yen)	23.52	32.42	55.94	**47.69**	+102.8%
Fully diluted net income per share (yen)	22.35	30.79	53.14	**45.27**	+102.6%

(Millions of yen)	Fiscal year ended Mar. '14				FY ending Mar. '15		2Q %Change	
	1Q	2Q	3Q	4Q	1Q	**2Q**	Q/Q *2	Y/Y *3
Net sales	85,317	95,482	97,135	93,608	99,531	**117,025**	+17.6%	+22.6%
Operating income	3,538	9,465	10,312	8,883	10,524	**14,237**	+35.3%	+50.4%
Ordinary income	3,068	8,682	8,370	7,943	10,473	**14,162**	+35.2%	+63.1%
Net income	2,852	5,920	7,107	4,998	6,831	**10,985**	+60.8%	+85.6%
Net income per share (yen)	7.65	15.86	19.04	13.38	18.29	**29.40**	+60.7%	+85.4%
Fully diluted net income per share (yen)	7.27	15.08	18.08	12.71	17.37	**27.90**	+60.6%	+85.0%

2. Consolidated Sales and Operating Income by Segments

(Millions of yen)	Fiscal year ended Mar. '14			FY ending Mar. '15	%Change Y/Y
	1st Half	2nd Half	Full Year	**1st Half**	1st Half *1
Machined components	68,690	71,342	140,032	**73,687**	+7.3%
Electronic devices and components	111,628	118,886	230,514	**142,360**	+27.5%
Other	480	516	996	**508**	+5.9%
Adjustment	-	-	-	**-**	-
Total sales	180,799	190,744	371,543	**216,557**	+19.8%
Machined components	15,427	18,123	33,550	**19,330**	+25.3%
Electronic devices and components	3,093	6,488	9,581	**9,886**	+219.6%
Other	402	464	866	**643**	+59.8%
Adjustment	-5,919	-5,880	-11,799	**-5,098**	-
Total operating income	13,003	19,196	32,199	**24,761**	+90.4%

(Millions of yen)	Fiscal year ended Mar. '14				FY ending Mar. '15		2Q %Change	
	1Q	2Q	3Q	4Q	1Q	**2Q**	Q/Q *2	Y/Y *3
Machined components	34,092	34,597	34,795	36,547	36,602	**37,085**	+1.3%	+7.2%
Electronic devices and components	50,982	60,646	62,073	56,812	62,687	**79,672**	+27.1%	+31.4%
Other	242	238	267	248	241	**267**	+10.8%	+12.2%
Adjustment	-	-	-	-	-	**-**	-	-
Total sales	85,317	95,482	97,135	93,608	99,531	**117,025**	+17.6%	+22.6%
Machined components	6,889	8,537	8,622	9,500	9,554	**9,776**	+2.3%	+14.5%
Electronic devices and components	-327	3,420	4,235	2,252	2,984	**6,901**	+131.3%	+101.8%
Other	15	386	447	16	289	**354**	+22.5%	-8.3%
Adjustment	-3,040	-2,879	-2,993	-2,886	-2,303	**-2,794**	-	-
Total operating income	3,538	9,465	10,312	8,883	10,524	**14,237**	+35.3%	+50.4%

3. Forecast for the Full Year and Second Half for the Fiscal Year Ending March 31, 2015

(Millions of yen)	Fiscal year ending Mar. '15			Full Year ended Mar. '14	%Change Y/Y Full Year	Forecast for the 2H ending Mar. '15
	Previous f'cast (A)	New f'cast (B)	New vs. previous (B/A)			
Net sales	408,000	460,000	+12.7%	371,543	+23.8%	243,443
Operating income	40,000	50,000	+25.0%	32,199	+55.3%	25,239
Ordinary income	38,000	48,000	+26.3%	28,065	+71.0%	23,365
Net income	26,000	31,000	+19.2%	20,878	+48.5%	13,183
Net income per share (yen)	69.60	82.96	+19.2%	55.94	+48.3%	35.27

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

(Millions of yen)	Fiscal year ending Mar. '15			Full Year ended Mar. '14	%Change Y/Y Full Year	Forecast for the 2H ending Mar. '15
	Previous f'cast (A)	New f'cast (B)	New vs. previous (B/A)			
Machined components	145,600	148,000	+1.6%	140,032	+5.7%	74,313
Electronic devices and components	261,400	310,000	+18.6%	230,514	+34.5%	167,640
Other	1,000	2,000	+100.0%	996	+100.8%	1,492
Adjustment	-	-	-	-	-	-
Total sales	408,000	460,000	+12.7%	371,543	+23.8%	243,443
Machined components	36,000	38,300	+6.4%	33,550	+14.2%	18,970
Electronic devices and components	12,900	21,200	+64.3%	9,581	+121.3%	11,314
Other	1,000	800	-20.0%	866	-7.6%	157
Adjustment	-9,900	-10,300	-	-11,799	-	-5,202
Total operating income	40,000	50,000	+25.0%	32,199	+55.3%	25,239

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

(Millions of yen)	Fiscal year ended Mar. '14			Fiscal year ending Mar. '15				
	1st Half	2nd Half	Full Year	1Q	**2Q**	**1st Half**	Forecast of 2nd Half	Forecast of Full Year
Capital expenditure	10,045	10,634	20,679	6,636	**9,096**	**15,732**	16,268	32,000
Depreciation	11,730	12,010	23,740	5,940	**6,195**	**12,135**	14,065	28,200
Research and development expenses	4,082	4,479	8,561	2,152	**2,216**	**4,368**	4,132	8,500

6. Exchange Rates

(Yen)		Fiscal year ended Mar. '14			Fiscal year ending Mar. '15				
		1st Half	2nd Half	Full Year	1Q	**2Q**	**1st Half**	Assumption of 2nd Half *4	Assumption of Full Year
US$	PL	98.03	101.48	99.76	102.40	**102.65**	**102.53**	102.00	102.27
	BS	97.75	102.92	102.92	101.36	**109.45**	**109.45**	102.00	102.00
EURO	PL	128.29	138.47	133.38	140.57	**137.62**	**139.10**	139.00	139.05
	BS	131.87	141.65	141.65	138.31	**138.87**	**138.87**	139.00	139.00
THAI BAHT	PL	3.21	3.16	3.18	3.15	**3.20**	**3.18**	3.20	3.19
	BS	3.11	3.17	3.17	3.12	**3.38**	**3.38**	3.20	3.20
RMB	PL	15.93	16.64	16.28	16.40	**16.60**	**16.50**	16.80	16.65
	BS	15.98	16.55	16.55	16.29	**17.78**	**17.78**	16.80	16.80

*1 First Half % change Y/Y : First half in comparison with the first half of the previous fiscal year
*2 2Q % change Q/Q : 2Q in comparison with 1Q
*3 2Q % change Y/Y : 2Q in comparison with 2Q of the previous fiscal year
*4 Assumption for the second half was announced on May 9, 2014.