MinebeaMitsumi
Passion to Create Value through Difference

FASF MEMBERSHIP

Brief Report of Financial Results
for the six months ended September 30, 2024 [IFRS] (Consolidated)

November 6, 2024

Registered
Company Name: MINEBEA MITSUMI Inc. Common Stock Listings: Tokyo
Code No: 6479 URL: https://www.minebeamitsumi.com/
Representative: Yoshihisa Kainuma Representative Director, Chairman CEO
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Interim report filing date: November 14, 2024
Expected date of payment for dividends: November 28, 2024
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 rounded.)

1. Business Performance (April 1, 2024 through September 30, 2024)

(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	Profit before income taxes (millions of yen)	% Change
Six months ended Sep. 30, 2024	778,237	15.8	48,171	69.1	37,387	18.6
Six months ended Sep. 30, 2023	672,117	15.7	28,490	(29.8)	31,529	(25.6)

	Profit for the period (millions of yen)	% Change	Profit for the period attributable to owners of the parent (millions of yen)	% Change	Comprehensive income for the period (millions of yen)	% Change
Six months ended Sep. 30, 2024	26,142	24.1	26,048	27.1	22,320	(61.9)
Six months ended Sep. 30, 2023	21,074	(31.5)	20,496	(33.4)	58,588	4.2

	Earnings per share, basic (yen)	Earnings per share, diluted (yen)
Six months ended Sep. 30, 2024	64.46	64.46
Six months ended Sep. 30, 2023	50.25	50.25

(Notes) During the fiscal year ended March 31, 2024, the provisional accounting treatment for business combinations has been finalized. For the figures for the six months ended September 30, 2023, the contents of finalization of the provisional accounting treatment have been reflected.

(2) Consolidated Financial Position

	Total assets (millions of yen)	Total equity (millions of yen)	Total equity attributable to owners of the parent (millions of yen)	Equity ratio attributable to owners of the parent (%)
As of Sep. 30, 2024	1,519,044	724,958	714,047	47.0
As of Mar. 31, 2024	1,416,122	715,724	704,139	49.7

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 Mar. 31, 2024	—	20.00	—	20.00	40.00
Year ending Mar. 31, 2025	—	20.00			
Year ending Mar. 31, 2025 (Forecast)			—	—	—

(Notes) Changes from the latest dividend forecast: Yes
Regarding the annual dividends for the fiscal year ending March 31, 2025, we will determine the dividend payout of around 20% on a consolidated basis.

3. Prospect for Consolidated Forecast for the Fiscal Year (April 1, 2024 through March 31, 2025)

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

	Net sales (millions of yen)	% Change	Operating income (millions of yen)	% Change
Year ending Mar. 31, 2025	1,560,000	11.3	103,000	40.1

	Profit for the period attributable to owners of the parent (millions of yen)	% Change	Earnings per share, basic (yen)
Year ending Mar. 31, 2025	66,000	22.1	163.59

(Notes) Changes from the latest consolidated results forecast: Yes

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes
Anew: 1 company Minebea Power Semiconductor Device Inc. , Excluded: None

(2) Changes in accounting policies, or changes in accounting estimates
1. Changes in accounting policies required by IFRS: Yes
2. Changes in accounting policies other than 1: None
3. Changes in accounting estimates: None

(3) Number of shares outstanding (Common stock)
1. Number of shares outstanding at the end of each period (Including treasury shares)
As of September 30, 2024: 427,080,606 shares
As of March 31, 2024: 427,080,606 shares
2. Number of treasury shares at the end of each period
As of September 30, 2024: 24,289,706 shares
As of March 31, 2024: 22,694,269 shares
3. Average number of shares (cumulative from the beginning of the fiscal year)
Six months ended September 30, 2024: 404,085,303 shares
Six months ended September 30, 2023: 407,875,617 shares

* These interim financial results reports are not subject to review procedures by Certified Public Accountants or audit firm.

* 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, (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 our corporate website (https://www.minebeamitsumi.com/) on Wednesday, November 6, 2024.

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1. Analysis of Operating Performance and Financial Position

(1) Analysis of Operating Performance for the six months ended September 30, 2024

During the six months ended September 30, 2024, the Japanese economy showed a gradual recovery trend, supported by capital investment and domestic demand, as well as a continued upward trend in inbound demand. The U.S. economy remained firm due to an increase in personal consumption such as automobiles and healthcare, although the manufacturing industry stagnated against the backdrop of the impact of the cumulative monetary tightening to date. In Europe, while the stagnation of the manufacturing industry in Germany weighed on, the economy recovered moderately as personal consumption increased due to a recovery in real income accompanying the easing of inflationary pressures. In the Chinese economy, although exports increased in IT related products and automobile sales, investment in real estate development remained sluggish. In Southeast Asia, the economy was firm as exports also picked up amid a continued recovery in inbound demand.

Working against this backdrop, the MinebeaMitsumi Group (our "Group") concentrated 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 were up 106,120 million yen (15.8%) year on year to 778,237 million yen. Operating income was up 19,681 million yen (69.1%) year on year to 48,171 million yen, profit before income taxes was up 5,858 million yen (18.6%) to 37,387 million yen, and profit for the period attributable to owners of the parent was up 5,552 million yen (27.1%) to 26,048 million yen.

The above includes the profit and loss of Minebea Power Semiconductor Device Inc., (former Hitachi Power Semiconductor Device, Ltd.) acquired on May 2, 2024.

In addition, during the previous consolidated fiscal year, the provisional accounting treatment for the business combination has been finalized. For the Consolidated Financial Statements for the first six months of the previous year, the contents of finalization of the provisional accounting treatment have been reflected.

Performance by segment was as follows:

In addition, some classification in “Semiconductor & Electronics segment”, “Access Solutions segment”, and "Adjustments" have changed from the first six months of the fiscal year. The segment information disclosed for the first six months of the previous year has been prepared based on the classification of reporting segments after the corporate organization change.

The main products in Precision Technologies segment include our Group's anchor product line, 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 aircraft. Sales of ball bearings, our Group's mainstay product, increased due to steady demand for use in automobiles and aircraft. In addition, sales of pivot assemblies increased due to a rebound in demand for use in HDD. Sales of rod-end bearings increased due to an increase in aircraft-related demand.

As a result, net sales were up 28,200 million yen (28.4%) year on year to 127,561 million yen, and operating income was up 10,444 million yen (60.5%) to 27,694 million yen.

The main products of Motor, Lighting & Sensing segment include electronic devices (devices such as LED backlights for LCDs, sensing devices (measuring components), etc.), HDD spindle motors, stepping motors, DC motors, fan motors, automotive motors, and special devices. Sales increased mainly due to a recovery in demand for spindle motors for HDD.

As a result, net sales were up 25,028 million yen (13.9%) year on year to 205,497 million yen, and operating income was up 6,455 million yen (118.5%) to 11,900 million yen.

The main products in Semiconductor & Electronics segment are semiconductor devices, optical devices, mechanical components, power supply components, and smart products. Although sales of mechanical components declined, sales increased due to steady sales of optical devices and acquisition of Minebea Power Semiconductor Device Inc.

As a result, net sales were up 41,141 million yen (17.2%) year on year to 279,944 million yen, and operating income was up 840 million yen (6.3%) to 14,033 million yen.

The main products of Access Solutions segment are key sets, door latches, door handles, and other automotive components as well as industrial equipment components. Sales increased due to an increase in demand for automotive antennas.

As a result, net sales were up 12,322 million yen (8.1%) year on year to 163,539 million yen, and operating income was up 4,596 million yen (237.6%) to 6,534 million yen.

Software design, development, and machines produced in-house are the main products in our Other business segment. Net sales were down 571 million yen (-25.2%) year on year to 1,696 million yen, and the operating loss increased 351 million yen to 545 million yen.

In addition to the figures noted above, 11,445 million yen in corporate expenses, etc. not belonging to any particular segment is indicated as adjustments. The total amount of adjustments was 9,142 million yen for the same period of the previous fiscal year.

(2) Analysis of Financial Position for the six months ended September 30, 2024

1. Basic approach to financial strategy and capital policy

Our Group sees “strengthening our financial position” as a top priority and is taking various steps, such as efficient controlling of capital investments, asset management, and reducing interest-bearing debt. We will reform our portfolio to increase the weight of our highly profitable core businesses and engage in highly effective M&A, promoting an appropriate and flexible financial strategy.

2. Assets, liabilities and equity

Total assets at the end of the six months were 1,519,044 million yen, up 102,922 million yen from the end of the previous fiscal year. The main reason for this was an increase in inventories, trade and other receivables, and goodwill.

Total liabilities at the end of the six months were 794,086 million yen, up 93,688 million yen from the end of the previous fiscal year. The main reason for this was an increase in bonds and borrowings, and trade and other payables.

Equity came to 724,958 million yen, bringing the equity ratio attributable to owners of the parent down 2.7 percentage points from the end of the previous fiscal year to 47.0%.

3. Cash flows

Cash and cash equivalents at the end of the six months were 151,334 million yen, up 4,670 million yen from the end of the previous fiscal year.

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

Net cash provided in operating activities came to 53,910 million yen (compared to 26,599 million yen in the same period of the previous year). This was primarily due to changes in profit before income taxes, depreciation and amortization, inventories, trade and other payables. Net cash used in investing activities came to 82,460 million yen (compared to 46,304 million yen in the same period of the previous year). This was primarily due to purchase of property, plant and equipment and purchase of investments in subsidiaries resulting in change in scope of consolidation. Net cash provided by financing activities came to 35,896 million yen (compared to 7,984 million yen in the same period of the previous year). This was primarily due to changes in short-term borrowings.

(3) Explanation of Consolidated Forecast and Other Forecasts

We have reviewed the full-year consolidated forecast according to currently available information and revised it as shown below based on the results from the fiscal half-year ended September 30, 2024 and the most recent situation.

Full-year consolidated business forecast for the fiscal year ending March 31, 2025

（From April 1, 2024 to March 31, 2025）

	Net sales (millions of yen)	Operating income (millions of yen)	Profit for the period attributable to owners of the parent (millions of yen)
Previous forecast (A) (announced on August 2, 2024)	1,560,000	103,000	73,000
Revised forecast (B)	**1,560,000**	**103,000**	**66,000**
Difference (B－A)	—	—	(7,000)

(4) Basic Policy for Profit Sharing and Dividend for the Current Fiscal Year

Sharing profits with our Group's shareholders is first priority for MinebeaMitsumi. That is why its 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.

Based on the basic policy above, the interim dividend for the current fiscal year will be 20 yen per share. The year-end dividend is undecided, and while considering the results this fiscal year, the dividends payout ratio will be set at around 20%.

2. Condensed Interim Consolidated Financial Statements and Major Notes
(1) Condensed Interim Consolidated Statements of Financial Position

(Amount: millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and cash equivalents	146,664	151,334
Trade and other receivables	308,420	327,278
Inventories	294,921	335,847
Other financial assets	9,706	16,673
Other current assets	32,595	39,794
Total current assets	792,306	870,926
Non-current assets		
Property, plant and equipment	497,870	505,476
Goodwill	47,722	63,960
Intangible assets	19,042	19,691
Other financial assets	34,116	33,208
Deferred tax assets	17,952	16,793
Other non-current assets	7,114	8,990
Total non-current assets	623,816	648,118
Total assets	1,416,122	1,519,044

(Continued)

(Amount: millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	196,542	226,708
Bonds and borrowings	147,238	207,402
Other financial liabilities	12,840	11,651
Income taxes payable	7,981	10,318
Provisions	3,959	2,470
Other current liabilities	65,324	71,528
Total current liabilities	433,884	530,077
Non-current liabilities		
Bonds and borrowings	215,145	211,650
Other financial liabilities	16,391	16,622
Net defined benefit liabilities	24,784	27,142
Provisions	850	713
Deferred tax liabilities	3,310	1,826
Other non-current liabilities	6,034	6,056
Total non-current liabilities	266,514	264,009
Total liabilities	700,398	794,086
Equity		
Common stock	68,259	68,259
Capital surplus	141,135	141,424
Treasury shares	(51,860)	(56,577)
Retained earnings	415,318	433,149
Other components of equity	131,287	127,792
Total equity attributable to owners of the Company	704,139	714,047
Non-controlling interests	11,585	10,911
Total equity	715,724	724,958
Total liabilities and equity	1,416,122	1,519,044

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

(Amount: millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	672,117	778,237
Cost of sales	565,970	641,936
Gross profit	106,147	136,301
Selling, general and administrative expenses	78,037	89,037
Other income	1,471	1,603
Other expenses	1,091	696
Operating income	28,490	48,171
Finance income	5,271	1,945
Finance expenses	2,232	12,729
Profit before income taxes	31,529	37,387
Income taxes	10,455	11,245
Profit for the period	21,074	26,142
Profit for the period attributable to:		
Owners of the Company	20,496	26,048
Non-controlling interests	578	94
Profit for the period	21,074	26,142
Earnings per share (EPS)		
Basic (Yen)	50.25	64.46
Diluted (Yen)	50.25	64.46

(Condensed Interim Consolidated Statements of Comprehensive Income)

(Amount: millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit for the period	21,074	26,142
Other comprehensive income		
Components of other comprehensive income that will not be reclassified to profit or loss, net of tax:		
Net changes in revaluation of equity instruments measured at fair value through other comprehensive income	1,665	(79)
Remeasurement of defined benefit plans	(19)	(130)
Sub-total	1,646	(209)
Components of other comprehensive income that will be reclassified to profit or loss, net of tax:		
Foreign exchange differences on translation of foreign operations	41,739	(7,628)
Cash flow hedges	(5,871)	4,015
Sub-total	35,868	(3,613)
Other comprehensive income, net of tax	37,514	(3,822)
Comprehensive income for the period	58,588	22,320
Comprehensive income attributable to:		
Owners of the Company	57,684	22,423
Non-controlling interests	904	(103)
Comprehensive income for the period	58,588	22,320

(3) Condensed Interim Consolidated Statements of Changes in Equity

(Amount: millions of yen)

	Equity attributable to owners of the Company					
					Other components of equity	
	Common stock	Capital surplus	Treasury shares	Retained earnings	Foreign currency translation	Cash flow hedge
Balance as of April 1, 2023	68,259	141,165	(42,226)	378,805	75,318	3,176
Profit for the period	—	—	—	20,496	—	—
Other comprehensive income	—	—	—	—	41,413	(5,871)
Comprehensive income for the period	—	—	—	20,496	41,413	(5,871)
Purchase of treasury shares	—	(1)	(5,188)	—	—	—
Disposal of treasury shares	—	0	12	—	—	—
Dividends	—	—	—	(8,168)	—	—
Transfer to retained earnings	—	—	—	(19)	—	—
Total transactions with owners	—	(1)	(5,176)	(8,187)	—	—
Balance as of September 30, 2023	68,259	141,164	(47,402)	391,114	116,731	(2,695)

	Equity attributable to owners of the Company					
	Other components of equity					
	Net changes in revaluation of equity instruments measured at fair value through other comprehensive income	Remeasurement of defined benefit plans	Subtotal	Total	Non-controlling interests	Total equity
Balance as of April 1, 2023	4,628	—	83,122	629,125	9,993	639,118
Profit for the period	—	—	—	20,496	578	21,074
Other comprehensive income	1,665	(19)	37,188	37,188	326	37,514
Comprehensive income for the period	1,665	(19)	37,188	57,684	904	58,588
Purchase of treasury shares	—	—	—	(5,189)	—	(5,189)
Disposal of treasury shares	—	—	—	12	—	12
Dividends	—	—	—	(8,168)	(362)	(8,530)
Transfer to retained earnings	—	19	19	—	—	—
Total transactions with owners	—	19	19	(13,345)	(362)	(13,707)
Balance as of September 30, 2023	6,293	—	120,329	673,464	10,535	683,999

(Amount: millions of yen)

	Equity attributable to owners of the Company					
					Other components of equity	
	Common stock	Capital surplus	Treasury shares	Retained earnings	Foreign currency translation	Cash flow hedge
Balance as of April 1, 2024	68,259	141,135	(51,860)	415,318	126,489	(1,482)
Profit for the period	—	—	—	26,048	—	—
Other comprehensive income	—	—	—	—	(7,431)	4,015
Comprehensive income for the period	—	—	—	26,048	(7,431)	4,015
Purchase of treasury shares	—	(1)	(5,280)	—	—	—
Disposal of treasury shares	—	290	563	—	—	—
Dividends	—	—	—	(8,087)	—	—
Transfer to retained earnings	—	—	—	(130)	—	—
Total transactions with owners	—	(289)	(4,717)	(8,217)	—	—
Balance as of September 30, 2024	68,259	141,424	(56,577)	433,149	119,058	2,533

	Equity attributable to owners of the Company					
	Other components of equity					
	Net changes in revaluation of equity instruments measured at fair value through other comprehensive income	Remeasurement of defined benefit plans	Subtotal	Total	Non-controlling interests	Total equity
Balance as of April 1, 2024	6,280	—	131,287	704,139	11,585	715,724
Profit for the period	—	—	—	26,048	94	26,142
Other comprehensive income	(79)	(130)	(3,625)	(3,625)	(197)	(3,822)
Comprehensive income for the period	(79)	(130)	(3,625)	22,423	(103)	22,320
Purchase of treasury shares	—	—	—	(5,281)	—	(5,281)
Disposal of treasury shares	—	—	—	853	—	853
Dividends	—	—	—	(8,087)	(571)	(8,658)
Transfer to retained earnings	—	130	130	—	—	—
Total transactions with owners	—	130	130	(12,515)	(571)	(13,086)
Balance as of September 30, 2024	6,201	—	127,792	714,047	10,911	724,958

(4) Condensed Interim Consolidated Statements of Cash Flows

(Amount: millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities:		
Profit before income taxes	31,529	37,387
Depreciation and amortization	28,689	31,716
Interest income and dividends income	(1,249)	(1,767)
Interest expenses	2,196	2,573
Net loss (gain) on sale and disposal of property, plant and equipment	22	151
Decrease (increase) in trade and other receivables	(26,235)	(5,863)
Decrease (increase) in inventories	(21,664)	(29,203)
Increase (decrease) in trade and other payables	30,690	31,992
Other	(8,819)	(2,023)
Sub-total	35,159	64,963
Interest received	1,035	1,650
Dividends received	144	166
Interest paid	(2,317)	(2,631)
Income taxes paid	(7,422)	(10,238)
Net cash flows provided by operating activities	26,599	53,910
Cash flows from investing activities:		
Net decrease (increase) in time deposits	1,288	(258)
Purchase of property, plant and equipment	(40,092)	(42,386)
Proceeds from sale of property, plant and equipment	927	326
Purchase of intangible assets	(1,063)	(2,403)
Purchase of securities	(11,036)	(1,028)
Proceeds from sale and redemption of securities	839	1,112
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	2,956	101
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(160)	(38,025)
Other	37	101
Net cash flows used in investing activities	(46,304)	(82,460)

(Continued)

(Amount: millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from financing activities:		
Net increase (decrease) in short-term borrowings	(19,684)	55,984
Proceeds from long-term borrowings	51,000	—
Repayments of long-term borrowings	(6,044)	(3,427)
Repayments of bonds	(26)	—
Proceeds from disposal of treasury shares	0	853
Purchase of treasury shares	(5,189)	(5,281)
Dividends paid	(8,168)	(8,087)
Dividends paid to non-controlling interests	(362)	(571)
Repayments of lease liabilities	(3,543)	(3,575)
Net cash flows provided by (used in) financing activities	7,984	35,896
Effect of exchange rate changes on cash and cash equivalents	7,483	(2,676)
Net increase (decrease) in cash and cash equivalents	(4,238)	4,670
Cash and cash equivalents at beginning of period	144,671	146,664
Cash and cash equivalents at end of period	140,433	151,334

(5) Notes on Condensed Interim Consolidated Financial Statements

(Notes on Going Concern Assumptions)

Not applicable.

(Change in Accounting Policy)

The accounting policies applied in the condensed interim consolidated financial statements are the same as the accounting policies applied in the consolidated financial statements for the previous fiscal year, except for the following:

IFRS		Outline of new standards and amendments
IAS 1	Presentation of Financial Statements	Clarified requirements for classification of liabilities as current or non-current Amendments requiring disclosure of information on long-term debt with special provisions
IAS 7 IFRS 7	Statements of Cash Flows Financial Instruments: Disclosure	Amendments requiring disclosure to enhance transparency of supplier finance arrangements
IFRS 16	Lease	Clarified accounting treatment for sale-leaseback transactions

The impact of the adoption of the aforementioned standards on the condensed interim consolidated financial statements is immaterial.

(Segment Information)

(1) Summary of reportable segments

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

The Company established business divisions by product in key business centers, therein Precision Technologies Headquarters supervises the production of machined components, while Motor, Lighting & Sensing Headquarters oversees the manufacture of small-sized motors, electronic devices and components, and optical products, etc., Semiconductor & Electronics Headquarters is responsible for the production of semiconductor devices, optical devices, mechanical components, etc., and Access Solutions Headquarters is responsible for the production of automotive components and industrial equipment components and formulates comprehensive business strategies to be implemented for both domestic and foreign operations. Therefore, our Group have four reportable segments consisting of "Precision Technologies", "Motor, Lighting & Sensing", "Semiconductors & Electronics" and "Access Solutions". There are no reportable segments that aggregate business segments.

Our Group's core products in the "Precision Technologies segment" are mechanical parts, such as ball bearings, rod-end bearings, pivot assemblies of HDDs, etc. as well as fasteners for aircraft. The main products of "Motor, Lighting & Sensing segment" include electronic devices (devices such as LED backlights for LCDs, sensing devices (measuring components), etc.), HDD spindle motors, stepping motors, DC motors, fan motors, automotive motors, and special devices. The staple products of "Semiconductor & Electronics segment" include semiconductor devices, optical devices, mechanical parts, power supply components, smart product, etc. The main products of "Access Solutions segment" are automotive components, such as key sets, door latches, door handles, etc. as well as industrial equipment components.

The products of Minebea Power Semiconductor Device Inc. (former Hitachi Power Semiconductor Device, Ltd.), which was acquired on May 2, 2024, are included in "Semiconductor & Electronics segment".

In addition, some classification in "Semiconductor & Electronics segment", "Access Solutions segment", and "Adjustments" have changed from the first six months of the fiscal year. The segment information disclosed for the first six months of the previous year has been prepared based on the classification of reporting segments after the corporate organization change.

(2) Reportable segments information

Reportable segment earnings are operating income-based figures.

Net sales to other segment are calculated based on invoice prices－the comprehensive judgment made after having considered factors including market prices and manufacturing costs.

(Six months ended September 30, 2023) (Amount: millions of yen)

	Reportable segment				Other *1	Adjustments *2	Consolidated
	Precision Technologies	Motor, Lighting & Sensing	Semiconductors & Electronics	Access Solutions			
Net sales							
Net sales to customers	99,361	180,469	238,803	151,217	2,267	—	672,117
Net sales to other segment	3,281	4,103	11,239	62	1,993	(20,678)	—
Total	102,642	184,572	250,042	151,279	4,260	(20,678)	672,117
Segment profit (loss)	17,250	5,445	13,193	1,938	(194)	(9,142)	28,490
Finance income	—	—	—	—	—	—	5,271
Finance expenses	—	—	—	—	—	—	2,232
Profit before income taxes	—	—	—	—	—	—	31,529

(Six months ended September 30, 2024) (Amount: millions of yen)

	Reportable segment				Other *1	Adjustments *2	Consolidated
	Precision Technologies	Motor, Lighting & Sensing	Semiconductors & Electronics	Access Solutions			
Net sales							
Net sales to customers	127,561	205,497	279,944	163,539	1,696	—	778,237
Net sales to other segment	4,111	5,183	11,905	175	811	(22,185)	—
Total	131,672	210,680	291,849	163,714	2,507	(22,185)	778,237
Segment profit (loss)	27,694	11,900	14,033	6,534	(545)	(11,445)	48,171
Finance income	—	—	—	—	—	—	1,945
Finance expenses	—	—	—	—	—	—	12,729
Profit before income taxes	—	—	—	—	—	—	37,387

(Notes) *1. The classification of "Other" refers to business units not included in the reportable segments. Their products are mainly software design, development, and machines made in-house.

*2. Adjustments to segment income (loss) include corporate expenses such as selling, general & administrative expenses in addition to research and development costs that do not belong to the reportable segments.

*3. During the previous consolidated fiscal year, the provisional accounting treatment for the business combination has been finalized. For the figures related to the six months of the previous consolidated fiscal year, the contents of finalization of the provisional accounting treatment have been reflected.