

SECOND QUARTER BRIEF REPORT OF FINANCIAL RESULTS
[under Japanese GAAP] (Consolidated)
(Year ending March 31, 2016)

November 5, 2015

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

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Quarterly report filing date: November 12, 2015

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Expected date of payment for dividends: December 4, 2015

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, 2015 through September 30, 2015)

(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, 2015	295,554	36.5	27,417	10.7	23,326	(5.3)
Six months ended Sep 30, 2014	216,557	19.8	24,761	90.4	24,635	109.6

	Net income attributable to owners of the parent (millions of yen)	% Change	Net income per share (yen)	Diluted net income per share (yen)
Six months ended Sep 30, 2015	17,758	(0.3)	47.49	45.09
Six months ended Sep 30, 2014	17,817	103.1	47.69	45.27

(Notes) Comprehensive Income: Six months ended September 30, 2015: 5,018 million yen (84.5)%
Six months ended September 30, 2014: 32,363 million yen 199.6 %

(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, 2015	538,542	236,764	42.5	611.88
As of March 31, 2015	490,043	233,679	46.1	604.83

(Reference) Shareholders' equity: As of September 30, 2015: 228,872 million yen
As of March 31, 2015: 226,138 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, 2015	—	6.00	—	6.00	12.00
Year ended March 31, 2016	—	10.00	—	—	—
Year ended March 31, 2016 (Forecast)	—	—	—	10.00	20.00

(Notes) Changes from the latest dividend forecast: Yes

3. Prospect for consolidated forecast for the fiscal year (April 1, 2015 through March 31, 2016)

(%: 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, 2016	680,000	35.8	66,000	9.8	62,500	3.9

	Net income attributable to owners of the parent (millions of yen)	% Change	Net income per share (yen)
Year ended March 31, 2016	48,000	20.3	128.34

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

* 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: Yes

3. Changes in accounting estimates: Yes

4. Restatements: None

(Notes) Changes subject to Article 10 (5) of the Ordinance on Terminology, Forms and Preparation Methods of Quarterly Consolidated Financial Statements. 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, 2015: 399,167,695 shares

As of March 31, 2015: 399,167,695 shares

2. Number of treasury shares at end of period

As of September 30, 2015: 25,119,755 shares

As of March 31, 2015: 25,281,915 shares

3. Average number of shares (Quarterly cumulative period)

Six months ended September 30, 2015: 373,969,057 shares

Six months ended September 30, 2014: 373,635,119 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 this 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 Thursday, November 5, 2015.

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

(1) Explanation of Operating Results

The Japanese economy continued to stagnate during the first half of the fiscal year (April 1, 2015 to September 30, 2015). Despite signs of improved consumer spending, both manufacturing and exports remained flat as corporations took a cautious approach to making capital investments. At the same time the U.S. economy continued to grow, mainly in the household sector. The robust non-manufacturing sector increased employment and income opportunities while the manufacturing industry lost steam. Fueled by local consumption, the European economy remained on an upward trajectory despite declining exports to non-EU countries. In Asia, although China's GDP didn't drop, a picture of economic uncertainty came into focus as manufacturing companies with excess production capacity and real estate developers put the brakes on investing. Despite the fact that ASEAN countries, whose economies rely largely on China, didn't see exports to China grow, they enjoyed moderate economic recoveries as exports to the U.S. and Europe as well as domestic demand picked up.

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

As a result, net sales were up 78,997 million yen (36.5%) year on year to total 295,554 million yen for a first half record high. Operating income also grew 2,656 million yen (10.7%) year on year to reach 27,417 million yen for another first half record high. Ordinary income was down 1,309 million yen (-5.3%) year on year at 23,326 million yen due to foreign currency exchange losses. Net income attributable to owners of the parent totaled 17,758 million yen for a 59 million yen (-0.3%) year-on-year drop.

Performance by segment was as follows:

Commencing with the first quarter 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's first six-month period is disclosed using the new classification for reportable business segments implemented subsequent to the structural reorganization.

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. Growing demand in all major markets fueled sales of ball bearings. Sales were particularly robust in the automobile market where demand for energy-efficient models equipped with safety devices soared. Sales of rod-end bearings used in aircraft were also upbeat. Pivot assembly sales dipped slightly in the face of the shrinking HDD market, but improved production efficiency drove operating income up.

In the end, net sales for the first six-month period were up 9,560 million yen (13.0%) year on year to total 83,247 million yen. Operating income was also up 845 million yen (4.4%) year on year, totaling out at 20,175 million yen.

The core products of our Electronic devices and components business include electronic devices (LED backlights for LCDs and 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. The Company's LED backlights for LCDs have the technological edge when it comes to making thinner products and with more components command a higher price. Sales 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 increased despite a continually shrinking HDD market while sales of stepping motors and other motors grew mainly in the office automation equipment and automobile markets.

All these factors combined brought net sales for the first six-month period up 69,272 million yen (48.5%) year on year to total 212,064 million yen. Operating income was also up 1,915 million yen (18.4%) year on year, reaching 12,349 million yen.

First half net sales in our Other business segment, which includes machines produced in-house, rose 165 million yen (212.5%) year on year to total 242 million yen. The segment posted an operating income total of 24 million yen for a year-on-year decrease of 94 million yen (-79.6%).

In addition to the figures noted above, 5,130 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 5,121 million yen.

(2) Explanation of Financial Position

The Minebea Group sees “strengthening our financial position” as a top priority and is taking various steps toward that end. We have been reducing total assets and interest-bearing debts as well as cutting back on 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 first half amounted to 538,542 million yen, up 48,499 million yen compared to the end of the previous fiscal year. The main reasons for this uptick include increases in notes and accounts receivable as well as inventories. Total liabilities amounted to 301,778 million yen, up 45,415 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 236,764 million yen for a 3,085 million yen gain over what it was at the end of the previous fiscal year. The equity ratio was 42.5% , down 3.6 percentage points from what it was at the end of the last fiscal year.

(Cash flow)

The balance of cash and cash equivalents at the end of the second quarter was 30,771 million yen. That’s down 5,366 million yen from what it was at the end of the previous fiscal year but up 1,588 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 13,214 million yen. That figure is down 5,913 million yen year on year due to increases in income before income taxes, notes and accounts receivable, notes and accounts payable, as well as inventories, and depreciation and amortization costs. Net cash used for investment activities increased 17,289 million yen year on year to total 27,150 million yen due primarily to the acquisition of tangible fixed assets and transfers to time deposits. Net cash from financing activities was up 18,786 million yen year on year due to a cash inflow of 8,967 million yen for increase in short-term loans, and dividend payments, etc.

(3) Explanation of Consolidated Forecast and Other Forecasts

The U.S. and European economies are likely to remain on an upward trajectory for the rest of this fiscal year while robust corporate earnings, driven by the weak yen and low crude oil prices, are expected to prevent the Japanese economy from worsening. Yet looming risks, like China’s slowing economic growth rate and a possible interest-rate hike in the U.S., still cast a shadow of uncertainty over the global economy.

Given this backdrop, we have decided to revise our consolidated forecast for the entire fiscal year based on our performance in the first half of the current fiscal year and recent business environment.

Net sales	680,000 million yen	(135.8%)
Operating income	66,000 million yen	(109.8%)
Ordinary income	62,500 million yen	(103.9%)
Net income attributable to owners of the parent	48,000 million yen	(120.3%)
(%): Year-on-year change		

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 consideration of performance projections for this fiscal year, we have increased the interim and year-end dividends by 4 yen each to make the annual dividend 20 yen per share.

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 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 first quarter of the fiscal year ending 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 the first quarter, 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 quarterly consolidated financial statements for the period 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's first six-month period and the previous fiscal year presented herein.

In quarterly consolidated statements of cash flows for the first half of the current fiscal year, cash flows from costs in relation 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 the first quarter 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.

There are very minor impacts of the said changes on the profit and loss of the current quarterly consolidated statement of operations.

(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 first quarter 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 quarterly 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 the first quarter of the 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 the change, depreciation and amortization costs decreased in the first half of the current fiscal year, while quarterly operating income, ordinary income and income before income taxes increased 182 million yen, respectively, as compared with the corresponding quarter of the previous fiscal year.

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

(Amount: millions of yen)

	As of March 31, 2015	As of September 30, 2015
ASSETS		
Current assets	265,185	318,944
Cash and cash equivalents	45,327	42,092
Notes and accounts receivable	110,518	138,727
Marketable securities	1,487	1,797
Finished goods	36,900	43,993
Work in process	22,620	30,426
Raw materials	17,381	22,637
Supplies	5,162	5,209
Goods in transit	10,097	15,875
Deferred tax assets	3,631	4,982
Other	12,233	13,387
Allowance for doubtful receivables	(175)	(185)
Fixed assets	224,834	219,581
Tangible fixed assets	192,597	187,403
Buildings and structures	149,865	149,281
Machinery and transportation equipment	329,876	319,040
Tools, furniture and fixtures	55,742	52,366
Land	26,586	25,875
Leased assets	881	519
Construction in progress	9,035	5,690
Accumulated depreciation	(379,389)	(365,371)
Intangible fixed assets	12,152	13,208
Goodwill	6,539	6,416
Other	5,613	6,792
Investments and other assets	20,083	18,969
Investments in securities	10,929	10,028
Long-term loans receivable	330	270
Deferred tax assets	6,666	6,474
Other	2,893	2,219
Allowance for doubtful receivables	(735)	(24)
Deferred charges	23	16
Total assets	490,043	538,542

(Amount: millions of yen)

	As of March 31, 2015	As of September 30, 2015
LIABILITIES		
Current liabilities.....	167,620	216,452
Notes and accounts payable.....	59,906	93,102
Short-term loans payable.....	46,656	58,099
Current portion of long-term loans payable.....	20,100	19,682
Lease obligations.....	172	97
Accrued income taxes.....	8,219	8,183
Accrued bonuses.....	6,251	9,060
Allowance for bonuses to directors.....	201	90
Allowance for after-care of products.....	345	314
Allowance for environmental remediation expenses.....	410	814
Allowance for business restructuring losses.....	587	155
Other.....	24,768	26,853
Long-term liabilities.....	88,743	85,325
Bonds.....	10,000	10,000
Convertible bond-type bonds with subscription rights to shares.....	7,700	7,700
Long-term loans payable.....	54,005	52,325
Lease obligations.....	205	95
Allowance for retirement benefits to executive officers.....	182	164
Allowance for environmental remediation expenses.....	650	293
Net defined benefit liability.....	12,975	11,939
Other.....	3,024	2,807
Total liabilities.....	256,363	301,778
NET ASSETS		
Shareholders' equity.....	248,820	264,646
Common stock.....	68,258	68,258
Capital surplus.....	95,237	95,500
Retained earnings.....	94,730	110,246
Treasury stock.....	(9,406)	(9,358)
Total accumulated other comprehensive income..	(22,682)	(35,774)
Difference on revaluation of available-for-sale securities.....	1,677	1,492
Deferred gains or losses on hedges.....	(2)	(14)
Foreign currency translation adjustments.....	(21,144)	(34,903)
Remeasurements of defined benefit plans.....	(3,213)	(2,348)
Subscription rights to shares.....	127	135
Non-controlling interests.....	7,413	7,756
Total net assets.....	233,679	236,764
Total liabilities and net assets.....	490,043	538,542

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income
(Quarterly Consolidated Statements of Income)
(Six months ended September 30, 2015)

(Amount: millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Net sales.....	216,557	295,554
Cost of sales.....	163,106	232,866
Gross profit.....	53,450	62,687
Selling, general and administrative expenses.....	28,688	35,269
Operating income.....	24,761	27,417
Other income.....	1,435	949
Interest income.....	279	299
Dividends income.....	82	69
Foreign currency exchange gains.....	202	—
Dividends income of insurance.....	218	206
Other.....	652	373
Other expenses.....	1,561	5,041
Interest expenses.....	757	569
Foreign currency exchange losses.....	—	3,434
Other.....	803	1,037
Ordinary income.....	24,635	23,326
Extraordinary income.....	187	1,577
Gain on sales of fixed assets.....	17	15
Insurance income.....	50	504
Government subsidy.....	—	973
Gain on liquidation of affiliates.....	—	83
Gain on sales of subsidiaries and affiliates' stocks.....	119	—
Extraordinary loss.....	2,424	1,661
Loss on sales of fixed assets.....	13	13
Loss on disposal of fixed assets.....	105	62
Loss on reduction of fixed assets.....	—	928
Impairment loss.....	67	—
Loss on disaster.....	5	137
Loss on sales of subsidiaries and affiliates' stocks.....	1,261	—
Business restructuring losses.....	721	61
Loss on abolishment of retirement benefit plan ...	215	50
Loss for after-care of products.....	—	220
Allowance for environmental remediation expenses.....	35	187
Income before income taxes.....	22,398	23,241
Income taxes		
Income taxes (including enterprise tax).....	3,724	6,869
Adjustment of income taxes.....	886	(1,653)
Total income taxes.....	4,610	5,215
Net income.....	17,787	18,026
Net income (loss) attributable to non-controlling interests.....	(29)	267
Net income attributable to owners of the parent.....	17,817	17,758

(Quarterly Consolidated Statements of Comprehensive Income)
(Six months ended September 30, 2015)

(Amount: millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Net income.....	17,787	18,026
Other comprehensive income:		
Difference on revaluation of available-for-sale securities.....	123	(191)
Deferred gains or losses on hedges	9	(12)
Foreign currency translation adjustments	14,180	(13,678)
Remeasurements of defined benefit plans.....	380	864
Share of other comprehensive income of associates accounted for using equity method	(118)	10
Total other comprehensive income	14,575	(13,007)
Total comprehensive income	32,363	5,018
Comprehensive income attributable to:		
Owners of the parent.....	32,346	4,666
Non-controlling interests.....	16	351

(3) Quarterly Consolidated Statements of Cash Flows

(Amount: millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
1. Cash flows from operating activities:		
Income before income taxes	22,398	23,241
Depreciation and amortization	12,135	16,431
Impairment loss	76	—
Amortization of goodwill	289	461
Loss on disaster	5	137
Loss on abolishment of retirement benefit plan	215	50
Insurance income	(50)	(504)
Government subsidy	—	(973)
Interest and dividends income.....	(361)	(369)
Interest expenses.....	757	569
Loss (gain) on sales of fixed assets	(3)	(1)
Loss on disposal of fixed assets.....	105	62
Loss on reduction of fixed assets	—	928
Loss (gain) on sales of stocks of subsidiaries and affiliates.....	1,141	—
Loss (gain) on liquidation of affiliates	—	(83)
Decrease (increase) in notes and accounts receivable	(25,477)	(31,045)
Decrease (increase) in inventories.....	(11,641)	(31,464)
Increase (decrease) in notes and accounts payable	20,074	37,080
Increase (decrease) in allowance for doubtful receivables.....	4	(708)
Increase (decrease) in accrued bonuses.....	3,136	3,224
Increase (decrease) in allowance for bonuses to directors.....	(133)	(111)
Increase (decrease) in net defined benefit liability.....	34	(38)
Increase (decrease) in net defined benefit asset	(423)	—
Increase (decrease) in allowance for retirement benefits to executive officers	(4)	(18)
Increase (decrease) in allowance for after-care of products	—	(31)
Increase (decrease) in allowance for environmental remediation expenses	(262)	49
Increase (decrease) in allowance for business restructuring losses	424	(434)
Other.....	208	5,885
Sub-total	22,648	22,337
Interest and dividends received.....	349	357
Interest paid	(749)	(552)
Income taxes paid.....	(3,121)	(7,063)
Proceeds from income taxes refund.....	—	197
Payments related to Anti-Monopoly Act	—	(2,164)
Proceeds from insurance income	—	101
Net cash provided by operating activities	19,127	13,214

(Amount: millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
2. Cash flows from investing activities:		
Payments into time deposits.....	(3,749)	(9,694)
Proceeds from withdrawal of time deposits	7,078	7,284
Purchase of marketable securities	(100)	—
Proceeds from sales of marketable securities	100	34
Purchase of tangible fixed assets.....	(13,973)	(23,902)
Proceeds from sales of tangible fixed assets	282	271
Purchase of intangible fixed assets	(1,612)	(473)
Purchase of investments in securities.....	(172)	(883)
Proceeds from sales of investments in securities.....	39	1
Proceeds from redemption of investment securities.....	—	690
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(22)	(257)
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	49	—
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	1,261	—
Proceeds from sales of stocks of subsidiaries and affiliates	977	—
Payments for loans provided	(100)	(186)
Proceeds from collection of loans receivables.....	69	75
Other.....	10	(110)
Net cash used in investing activities	(9,861)	(27,150)
3. Cash flows from financing activities:		
Net increase (decrease) in short-term loans payable.....	(7,318)	13,117
Repayment of long-term loans.....	(732)	(2,138)
Purchase of treasury stock.....	(5)	(5)
Proceeds from disposal of treasury stock	214	315
Cash dividends paid	(1,867)	(2,243)
Repayment of lease obligations	(109)	(78)
Net cash used in financing activities	(9,819)	8,967
4. Effect of exchange rate changes on cash and cash equivalents	705	(398)
5. Net increase (decrease) in cash and cash equivalents	151	(5,366)
6. Cash and cash equivalents at beginning of period	29,031	36,137
7. Cash and cash equivalents at end of period	29,183	30,771

(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, 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	142,792	216,479	77	216,557	—	216,557
(2) Sales to other segment	1,792	2,251	4,043	622	4,665	(4,665)	—
Total	75,479	145,043	220,522	700	221,223	(4,665)	216,557
Segment income	19,330	10,434	29,764	118	29,883	(5,121)	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 machine made 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 -4,831 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.

II Six months ended September 30, 2015

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	83,247	212,064	295,311	242	295,554	—	295,554
(2) Sales to other segment	2,110	2,380	4,490	765	5,255	(5,255)	—
Total	85,357	214,444	299,801	1,008	300,810	(5,255)	295,554
Segment income	20,175	12,349	32,524	24	32,548	(5,130)	27,417

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

*2. Adjustments to segment income are amortization of goodwill -461 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 -4,669 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

Not applicable.

3. Information related to changes reportable segments, etc.

Commencing with the first quarter 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’s first six-month period is disclosed using the new classification for reportable business segments implemented subsequent to the structural reorganization.

(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 the first quarter of the 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 the first half of the 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 14, 51, and 116 million yen, respectively.

**Supplementary Financial Data
for the Second Quarter of Fiscal Year ending March 31, 2016**

1. Consolidated Results of Operations

(Millions of yen)	Fiscal year ended Mar. '15			FY ending Mar. '16	%Change Y/Y
	1st Half	2nd Half	Full Year	1st Half	1st Half *1
Net sales	216,557	284,119	500,676	295,554	+36.5%
Operating income	24,761	35,340	60,101	27,417	+10.7%
Ordinary income	24,635	35,505	60,140	23,326	-5.3%
Net income attributable to owners of the parent	17,817	22,070	39,887	17,758	-0.3%
Net income per share (yen)	47.69	59.04	106.73	47.49	-0.4%
Diluted net income per share (yen)	45.27	56.05	101.32	45.09	-0.4%

(Millions of yen)	Fiscal year ended Mar. '15				FY ending Mar. '16		2Q %Change	
	1Q	2Q	3Q	4Q	1Q	2Q	Q/Q *2	Y/Y *3
Net sales	99,531	117,025	145,403	138,715	127,391	168,162	+32.0%	+43.7%
Operating income	10,524	14,237	19,080	16,259	12,512	14,905	+19.1%	+4.7%
Ordinary income	10,473	14,162	18,599	16,905	12,872	10,453	-18.8%	-26.2%
Net income attributable to owners of the parent	6,831	10,985	13,163	8,906	10,058	7,700	-23.4%	-29.9%
Net income per share (yen)	18.29	29.40	35.22	23.82	26.90	20.59	-23.5%	-30.0%
Diluted net income per share (yen)	17.37	27.90	33.43	22.62	25.54	19.55	-23.5%	-29.9%

2. Consolidated Sales and Operating Income by Segments

(Millions of yen)	Fiscal year ended Mar. '15			FY ending Mar. '16	%Change Y/Y
	1st Half *4	2nd Half *4	Full Year *4	1st Half	1st Half *1
Machined components	73,687	82,097	155,785	83,247	+13.0%
Electronic devices and components	142,792	201,932	344,724	212,064	+48.5%
Other	77	88	166	242	+212.5%
Adjustment	-	-	-	-	-
Total sales	216,557	284,119	500,676	295,554	+36.5%
Machined components	19,330	20,392	39,722	20,175	+4.4%
Electronic devices and components	10,434	20,313	30,747	12,349	+18.4%
Other	118	-146	-28	24	-79.6%
Adjustment	-5,121	-5,218	-10,340	-5,130	-
Total operating income	24,761	35,340	60,101	27,417	+10.7%

(Millions of yen)	Fiscal year ended Mar. '15				FY ending Mar. '16		2Q %Change	
	1Q *4	2Q *4	3Q *4	4Q *4	1Q	2Q	Q/Q *2	Y/Y *3
Machined components	36,602	37,085	40,185	41,911	40,974	42,272	+3.2%	+14.0%
Electronic devices and components	62,892	79,899	105,173	96,759	86,311	125,753	+45.7%	+57.4%
Other	36	41	44	44	105	137	+30.5%	+234.1%
Adjustment	-	-	-	-	-	-	-	-
Total sales	99,531	117,025	145,403	138,715	127,391	168,162	+32.0%	+43.7%
Machined components	9,554	9,776	10,088	10,303	9,956	10,218	+2.6%	+4.5%
Electronic devices and components	3,238	7,195	11,723	8,590	5,608	6,740	+20.2%	-6.3%
Other	66	52	-17	-129	-41	65	-	+25.0%
Adjustment	-2,334	-2,786	-2,713	-2,505	-3,010	-2,120	-	-
Total operating income	10,524	14,237	19,080	16,259	12,512	14,905	+19.1%	+4.7%

3. Forecast for the Full Year and Second Half for the Fiscal Year Ending March 31, 2016

(Millions of yen)	Fiscal year ending Mar. '16			Full Year ended Mar. '15	%Change Y/Y Full Year	Forecast for the 2H ending Mar. '16
	Previous f'cast (A)	New f'cast (B)	New vs. previous (B/A)			
Net sales	650,000	680,000	+4.6%	500,676	+35.8%	384,446
Operating income	67,500	66,000	-2.2%	60,101	+9.8%	38,583
Ordinary income	66,500	62,500	-6.0%	60,140	+3.9%	39,174
Net income attributable to owners of the parent	50,000	48,000	-4.0%	39,887	+20.3%	30,242
Net income per share (yen)	133.72	128.34	-4.0%	106.73	+20.2%	80.85

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

(Millions of yen)	Fiscal year ending Mar. '16			Full Year ended Mar. '15 *4	%Change Y/Y Full Year	Forecast for the 2H ending Mar. '16
	Previous f'cast (A)	New f'cast (B)	New vs. previous (B/A)			
Machined components	170,000	168,000	-1.2%	155,785	+7.8%	84,753
Electronic devices and components	479,300	511,300	+6.7%	344,724	+48.3%	299,236
Other	700	700	+0.0%	166	+321.7%	458
Adjustment	-	-	-	-	-	-
Total sales	650,000	680,000	+4.6%	500,676	+35.8%	384,446
Machined components	42,600	42,000	-1.4%	39,722	+5.7%	21,825
Electronic devices and components	36,600	35,000	-4.4%	30,747	+13.8%	22,651
Other	-500	-200	-	-28	-	-224
Adjustment	-11,200	-10,800	-	-10,340	-	-5,670
Total operating income	67,500	66,000	-2.2%	60,101	+9.8%	38,583

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

(Millions of yen)	Fiscal year ended Mar. '15			Fiscal year ending Mar. '16				
	1st Half	2nd Half	Full Year	1Q	2Q	1st Half	Forecast of 2nd Half	Forecast of Full Year
Capital expenditure	15,732	21,825	37,557	13,787	13,182	26,969	8,581	35,550
Depreciation and amortization	12,135	16,640	28,775	7,494	8,937	16,431	20,569	37,000
Research and development expenses	4,368	4,604	8,972	2,284	2,273	4,557	4,443	9,000

6. Exchange Rates

(Yen)		Fiscal year ended Mar. '15			Fiscal year ending Mar. '16				
		1st Half	2nd Half	Full Year	1Q	2Q	1st Half	Assumption of 2nd Half	Assumption of Full Year
US\$	PL	102.53	115.85	109.19	120.97	122.56	121.77	121.00	121.39
	BS	109.45	120.17	120.17	122.45	119.96	119.96	121.00	121.00
EURO	PL	139.10	139.66	139.38	132.74	136.35	134.55	136.00	135.28
	BS	138.87	130.32	130.32	137.23	134.97	134.97	136.00	136.00
THAI BAHT	PL	3.18	3.56	3.37	3.66	3.51	3.59	3.38	3.49
	BS	3.38	3.70	3.70	3.62	3.29	3.29	3.38	3.38
RMB	PL	16.50	18.71	17.60	19.49	19.55	19.52	19.00	19.26
	BS	17.78	19.34	19.34	19.72	18.85	18.85	19.00	19.00

*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 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.