

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

February 3, 2016

Registered

Company Name: MINEBEA CO., LTD. Common Stock Listings: Tokyo and Nagoya

Code No: 6479 URL: <http://www.minebea.co.jp/>

Representative: Yoshihisa Kainuma Representative Director, President and Chief Executive Officer

Contact: Satoshi Yoneda Executive Officer, General Manager of Accounting Department

Quarterly report filing date: February 12, 2016

Phone: (03) 6758-6711

Expected date of payment for dividends: —

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 December 31, 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
Nine months ended Dec. 31, 2015	474,215	31.0	42,901	(2.1)	38,446	(11.1)
Nine months ended Dec. 31, 2014	361,961	30.2	43,842	88.0	43,235	114.9

	Net income attributable to owners of the parent (millions of yen)	% Change	Net income per share (yen)	Diluted net income per share (yen)
Nine months ended Dec. 31, 2015	29,584	(4.5)	79.10	75.10
Nine months ended Dec. 31, 2014	30,980	95.1	82.91	78.70

(Notes) Comprehensive Income: Nine months ended Dec. 31, 2015: 17,166 million yen (73.7)%

Nine months ended Dec. 31, 2014: 65,258 million yen 110.8%

(2) Consolidated Financial Position

	Total assets (millions of yen)	Net assets (millions of yen)	Equity ratio (%)	Net assets per share (yen)
As of December 31, 2015	530,055	245,390	44.9	635.73
As of March 31, 2015	490,043	233,679	46.1	604.83

(Reference) Shareholders' equity: As of December 31 2015: 237,910 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: None

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	635,000	26.8	55,000	(8.5)	50,000	(16.9)

	Net income attributable to owners of the parent (millions of yen)	% Change	Net income per share (yen)
Year ended March 31, 2016	40,000	0.3	106.93

(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 December 31, 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 December 31, 2015: 24,933,334 shares

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

3. Average number of shares (Quarterly cumulative period)

Nine months ended December 31, 2015: 374,026,222 shares

Nine months ended December 31, 2014: 373,679,390 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 Wednesday, February 3, 2016.

Index

1. Qualitative information related to the financial results for the quarter.....	4
(1) Explanation of Operating Results	4
(2) Explanation of Financial Position.....	5
(3) Explanation of Consolidated Forecast and Other Forecasts	5
2. Other summary information	6
(1) Summary of changes to major subsidiaries during the quarter	6
(2) Changes in accounting policy, changes in accounting estimates, and restatements	6
3. Quarterly Consolidated Financial Statements	7
(1) Quarterly Consolidated Balance Sheets	7
(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income	9
(Quarterly Consolidated Statements of Income) (Nine months ended December 31, 2015).....	9
(Quarterly Consolidated Statements of Comprehensive Income) (Nine months ended December 31, 2015).....	10
(3) Quarterly Consolidated Statements of Cash Flows	11
(4) Notes on Quarterly Consolidated Financial Statements.....	13
(Notes on Going Concern Assumptions).....	13
(Notes for Significant Change in the Amount of Net Assets)	13
(Segment Information etc.)	13
4. Supplementary information	15
Supplementary Financial Data for the Third Quarter of Fiscal Year ending March 31, 2016.....	15

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

(1) Explanation of Operating Results

The Japanese economy was initially expected to undergo high growth during the first nine months of the fiscal year (April 1, 2015 to December 31, 2015) backed the weak yen, high share prices and low oil prices. However, consumer spending, capital expenditures and exports were stagnant during the period from spring to summer, and a growing sense of uncertainty was created in the second half of the fiscal year by the slowdown of emerging economies centered on China and the significant decline in resource prices. The U.S. economy continued to grow mainly in the household sector. This was underpinned by robust performance in the service industry and improvement in the employment environment. Fueled by local consumption, the European economy remained on a moderate upward trajectory despite declining exports to non-EU countries. Furthermore, a picture of economic uncertainty came into focus in Asia as the excessive equipment and slowing of real estate development investment in China gradually became evident. 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 creating high-value-added products, developing new technologies, enhancing its marketing approach, and cutting costs to boost profitability further.

As a result, net sales increased by 112,254 million yen (31.0%) year on year to reach the record level of 474,215 million yen. Operating income fell 941 million yen (-2.1%) year on year to total 42,901 million yen, and ordinary income was down 4,789 million yen (-11.1%) year on year at 38,446 million yen. Quarterly net income attributable to owners of the parent decreased 1,396 million yen (-4.5%) year on year to reach 29,584 million yen.

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 nine-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 anchor product, 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 both sales and profits of ball bearings. Sales and profits of aircraft rod-end bearings rose on the wings of soaring sales in the civil aviation market where demand was particularly strong for energy-efficient planes. Pivot assembly sales dipped slightly in the face of the shrinking HDD market, but improved production efficiency drove operating income up.

All these factors combined brought net sales for the first nine-month period up 10,140 million yen (8.9%) year on year to total 124,013 million yen. Operating income also jumped 1,363 million yen (4.6%) year on year to total 30,781 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. Minebea's LED backlights for LCDs have the technological edge when it comes to making thinner products and with more components commanded a higher price. However, although sales increased substantially year on year, they fell short of our initial forecasts due to the unexpectedly large gap between the volume initially requested by major customers and the volume actually sold in the second half of the fiscal year. This resulted in a decline in income year on year. 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 nine-month period up 101,849 million yen (41.1%) year on year to total 349,814 million yen. Operating income was down 2,190 million yen (-9.9%) year on year, to 19,967 million yen.

First nine-month period net sales in our Other business segment, which includes machines produced in-house, were up 265 million yen (217.2%) year-on-year to total 387 million yen. The segment posted an operating loss of 35 million yen, a deterioration of 136 million yen year on year.

In addition to the figures noted above, 7,811 million yen in corporate expenses, etc. not belonging to any particular segment has been recorded as adjustments. Adjustments for the first nine-month period of last fiscal year amounted to 7,834 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. While we aim for efficient asset management and reducing capital expenditure along with interest-bearing debts, over the past few years we have been making aggressive capital investments to enhance our business performance.

Total assets at the end of the third quarter amounted to 530,055 million yen, up 40,012 million yen compared to the end of the previous fiscal year. The main reasons for this uptick include increases in inventories as well as notes and accounts receivable. Total liabilities amounted to 284,665 million yen, up 28,302 million yen over what it was at the end of the previous fiscal year. This is primarily due to increases in short-term loans as well as notes and accounts payable. Net assets totaled 245,390 million yen, up 11,711 million yen over what it was at the end of the previous fiscal year. The equity ratio dropped 1.2 percentage points below what it was at the end of the last fiscal year to 44.9%.

(Cash flow)

The balance of cash and cash equivalents at the end of the third quarter was 30,438 million yen, down 5,698 million yen from what it was at the end of the previous fiscal year and down 6,592 million yen on a year-on-year basis.

Cash flows from various business activities for the first three quarters and other relevant factors are as follows:

Net cash provided by operating activities amounted to 16,697 million yen, down 15,796 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, along with depreciation and amortization costs, etc. Net cash used for investment activities increased 19,635 million yen year on year to total 36,513 million yen due primarily to the acquisition of tangible fixed assets and intangible fixed assets, along with transfers to time deposits. Net cash from financing activities was up 24,774 million yen year on year due to a cash inflow of 14,968 million yen resulting from short-term loans and dividend payments, etc.

(3) Explanation of Consolidated Forecast and Other Forecasts

While the business environment became increasingly severe during the first nine-month period, machined components such as ball bearings, measuring components and motors were generally steady. However, despite our expectation for significant growth in LED backlights for LCDs during the second half of the period, we were unable to increase sales to the extent initially expected due to the unexpectedly large gap between the volume initially requested by major smartphone customers and the volume actually sold. We believe that these conditions will continue in the upcoming fourth quarter, and we have decided to revise our consolidated forecast for this fiscal year based on our best estimate of the total impact current market factors will have on our operations.

	<u>Full year</u> <u>announced on February 3, 2016</u>		<u>Full year</u> <u>announced on November 5, 2015</u>	
Net sales	635,000 million yen	(126.8%)	680,000 million yen	(135.8%)
Operating income	55,000 million yen	(91.5%)	66,000 million yen	(109.8%)
Ordinary income	50,000 million yen	(83.1%)	62,500 million yen	(103.9%)
Net income attributable to owners of the parent	40,000 million yen	(100.3%)	48,000 million yen	(120.3%)
(%): 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 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 nine-month period and the previous fiscal year presented herein.

In quarterly consolidated statements of cash flows for the first nine-month period 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 nine-month period of the current fiscal year, while quarterly operating income, ordinary income and income before income taxes increased 265 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 December 31, 2015
ASSETS		
Current assets	265,185	310,206
Cash and cash equivalents	45,327	41,141
Notes and accounts receivable.....	110,518	122,802
Marketable securities.....	1,487	1,492
Finished goods.....	36,900	51,096
Work in process	22,620	33,342
Raw materials	17,381	26,338
Supplies.....	5,162	5,428
Goods in transit.....	10,097	10,477
Deferred tax assets.....	3,631	4,119
Other.....	12,233	14,160
Allowance for doubtful receivables	(175)	(193)
Fixed assets	224,834	219,835
Tangible fixed assets	192,597	186,685
Buildings and structures	149,865	151,084
Machinery and transportation equipment	329,876	325,283
Tools, furniture and fixtures	55,742	53,092
Land	26,586	25,811
Leased assets.....	881	400
Construction in progress.....	9,035	5,484
Accumulated depreciation.....	(379,389)	(374,472)
Intangible fixed assets	12,152	13,357
Goodwill.....	6,539	6,095
Other	5,613	7,262
Investments and other assets.....	20,083	19,793
Investments in securities.....	10,929	10,429
Long-term loans receivable.....	330	243
Deferred tax assets	6,666	6,925
Other	2,893	2,219
Allowance for doubtful receivables.....	(735)	(23)
Deferred charges.....	23	13
Total assets.....	490,043	530,055

(Amount: millions of yen)

	As of March 31, 2015	As of December 31, 2015
LIABILITIES		
Current liabilities	167,620	210,690
Notes and accounts payable	59,906	73,064
Short-term loans payable	46,656	68,445
Current portion of bonds	—	10,000
Current portion of long-term loans payable	20,100	20,202
Lease obligations	172	75
Accrued income taxes	8,219	6,197
Accrued bonuses	6,251	3,412
Allowance for bonuses to directors	201	135
Allowance for after-care of products	345	308
Allowance for environmental remediation expenses	410	570
Allowance for business restructuring losses	587	186
Other	24,768	28,093
Long-term liabilities	88,743	73,974
Bonds	10,000	—
Convertible bond-type bonds with subscription rights to shares	7,700	7,700
Long-term loans payable	54,005	51,127
Lease obligations	205	55
Allowance for retirement benefits to executive officers	182	176
Allowance for environmental remediation expenses	650	255
Net defined benefit liability	12,975	11,948
Other	3,024	2,710
Total liabilities	256,363	284,665
NET ASSETS		
Shareholders' equity	248,820	272,962
Common stock	68,258	68,258
Capital surplus	95,237	95,672
Retained earnings	94,730	118,331
Treasury stock	(9,406)	(9,300)
Total accumulated other comprehensive income ..	(22,682)	(35,051)
Difference on revaluation of available-for-sale securities	1,677	1,575
Deferred gains or losses on hedges	(2)	(43)
Foreign currency translation adjustments	(21,144)	(34,376)
Remeasurements of defined benefit plans	(3,213)	(2,206)
Subscription rights to shares	127	127
Non-controlling interests	7,413	7,351
Total net assets	233,679	245,390
Total liabilities and net assets	490,043	530,055

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income
(Quarterly Consolidated Statements of Income)
(Nine months ended December 31, 2015)

(Amount: millions of yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Net sales	361,961	474,215
Cost of sales	274,020	377,678
Gross profit	87,940	96,536
Selling, general and administrative expenses	44,098	53,634
Operating income	43,842	42,901
Other income.....	1,882	1,382
Interest income.....	422	425
Dividends income	152	124
Foreign currency exchange gains.....	334	—
Share of profit of entities accounted for using equity method.....	—	48
Dividends income of insurance	218	206
Other	755	576
Other expenses.....	2,489	5,837
Interest expenses.....	1,133	874
Foreign currency exchange losses.....	—	3,085
Share of loss of entities accounted for using equity method.....	70	—
Other	1,285	1,877
Ordinary income.....	43,235	38,446
Extraordinary income	296	1,597
Gain on sales of fixed assets	82	35
Insurance income.....	50	504
Government subsidy.....	—	973
Gain on liquidation of affiliates	—	83
Gain on sales of subsidiaries and affiliates' stocks	163	—
Extraordinary loss	3,834	1,955
Loss on sales of fixed assets.....	20	19
Loss on disposal of fixed assets.....	242	90
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	945	229
Loss on abolishment of retirement benefit plan....	280	94
Loss for after-care of products	417	220
Loss related to Anti-Monopoly Act.....	527	17
Allowance for environmental remediation expenses.....	67	218
Income before income taxes	39,698	38,088
Income taxes		
Income taxes (including enterprise tax).....	7,606	9,683
Adjustment of income taxes	1,223	(1,554)
Total income taxes.....	8,830	8,128
Net income	30,868	29,959
Net income (loss) attributable to non-controlling interests	(112)	375
Net income attributable to owners of the parent.....	30,980	29,584

(Quarterly Consolidated Statements of Comprehensive Income)
(Nine months ended December 31, 2015)

(Amount: millions of yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Net income	30,868	29,959
Other comprehensive income:		
Difference on revaluation of available-for-sale securities	186	(104)
Deferred gains or losses on hedges	1	(41)
Foreign currency translation adjustments	33,743	(13,559)
Remeasurements of defined benefit plans	585	1,006
Share of other comprehensive income of associates accounted for using equity method	(127)	(94)
Total other comprehensive income	34,389	(12,793)
Total comprehensive income	65,258	17,166
Comprehensive income attributable to:		
Owners of the parent	65,141	17,215
Non-controlling interests	117	(49)

(3) Quarterly Consolidated Statements of Cash Flows

(Amount: millions of yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
1. Cash flows from operating activities:		
Income before income taxes	39,698	38,088
Depreciation and amortization	20,628	26,018
Impairment loss	76	—
Amortization of goodwill	435	717
Loss on disaster	5	137
Business restructuring losses	188	—
Loss on abolishment of retirement benefit plan	280	94
Loss related to Anti-Monopoly Act	527	17
Share of (profit) loss of entities accounted for using equity method	70	(48)
Insurance income	(50)	(504)
Government subsidy	—	(973)
Interest and dividends income	(574)	(550)
Interest expenses	1,133	874
Loss (gain) on sales of fixed assets	(62)	(16)
Loss on disposal of fixed assets	242	90
Loss on reduction of fixed assets	—	928
Loss (gain) on sales of stocks of subsidiaries and affiliates	1,097	—
Loss (gain) on liquidation of affiliates	—	(83)
Decrease (increase) in notes and accounts receivable	(36,684)	(14,865)
Decrease (increase) in inventories	(16,520)	(39,559)
Increase (decrease) in notes and accounts payable	31,673	16,489
Increase (decrease) in allowance for doubtful receivables	30	(698)
Increase (decrease) in accrued bonuses	(2,530)	(2,506)
Increase (decrease) in allowance for bonuses to directors	(43)	(66)
Increase (decrease) in net defined benefit liability	102	(42)
Decrease (increase) in net defined benefit asset	(605)	—
Increase (decrease) in allowance for retirement benefits to executive officers	6	(5)
Increase (decrease) in allowance for after-care of products	417	(37)
Increase (decrease) in allowance for environmental remediation expenses	(289)	(239)
Increase (decrease) in allowance for business restructuring losses	163	(403)
Other	441	7,889
Sub-total	39,856	30,743
Interest and dividends received	557	532
Interest paid	(1,032)	(783)
Income taxes paid	(6,888)	(11,941)
Proceeds from income taxes refund	—	209
Payments related to Anti-Monopoly Act	—	(2,164)
Proceeds from insurance income	—	101
Net cash provided by operating activities	32,493	16,697

(Amount: millions of yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
2. Cash flows from investing activities:		
Payments into time deposits.....	(5,602)	(12,770)
Proceeds from withdrawal of time deposits	9,588	10,705
Purchase of marketable securities.....	(100)	—
Proceeds from sales of marketable securities.....	204	34
Purchase of tangible fixed assets.....	(21,657)	(32,319)
Proceeds from sales of tangible fixed assets.....	500	478
Purchase of intangible fixed assets.....	(2,459)	(1,974)
Purchase of investments in securities.....	(370)	(1,517)
Proceeds from sales of investments in securities	68	1
Proceeds from redemption of investment securities.....	1,089	1,315
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	—
Purchase of investments in subsidiaries.....	(400)	—
Proceeds from sales of stocks of subsidiaries and affiliates	1,314	—
Payments for loans provided.....	(107)	(200)
Proceeds from collection of loans receivables.....	136	93
Other	(373)	(104)
Net cash used in investing activities	(16,878)	(36,513)
3. Cash flows from financing activities:		
Net increase (decrease) in short-term loans payable	(4,913)	23,324
Proceeds from long-term loans.....	850	—
Repayment of long-term loans	(1,832)	(2,812)
Purchase of treasury stock.....	(11)	(8)
Proceeds from disposal of treasury stock	372	548
Cash dividends paid	(4,109)	(5,983)
Repayment of lease obligations.....	(160)	(100)
Net cash used in financing activities	(9,806)	14,968
4. Effect of exchange rate changes on cash and cash equivalents	2,190	(852)
5. Net increase (decrease) in cash and cash equivalents	7,998	(5,698)
6. Cash and cash equivalents at beginning of period	29,031	36,137
7. Cash and cash equivalents at end of period	37,030	30,438

(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 Nine months ended December 31, 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	113,873	247,965	361,839	122	361,961	—	361,961
(2) Sales to other segment	2,851	3,636	6,487	1,099	7,587	(7,587)	—
Total	116,724	251,601	368,326	1,221	369,548	(7,587)	361,961
Segment income	29,418	22,157	51,575	101	51,676	(7,834)	43,842

(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 -435 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 -7,398 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 Nine months ended December 31, 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	124,013	349,814	473,827	387	474,215	—	474,215
(2) Sales to other segment	3,338	3,327	6,666	936	7,603	(7,603)	—
Total	127,352	353,141	480,494	1,324	481,818	(7,603)	474,215
Segment income (loss)	30,781	19,967	50,748	(35)	50,712	(7,811)	42,901

(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 or loss are amortization of goodwill -717 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 -7,093 million yen.

*3. Segment income or loss 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 nine-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 nine-month period 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 22, 76, and 166 million yen, respectively.

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

1. Consolidated Results of Operations

(Millions of yen)	Fiscal year ended Mar. '15					Fiscal year ending Mar. '16			3Q %Change	
	1Q	2Q	3Q	4Q	Full Year	1Q	2Q	3Q	Q/Q*1	Y/Y*2
Net sales	99,531	117,025	145,403	138,715	500,676	127,391	168,162	178,661	+6.2%	+22.9%
Operating income	10,524	14,237	19,080	16,259	60,101	12,512	14,905	15,484	+3.9%	-18.8%
Ordinary income	10,473	14,162	18,599	16,905	60,140	12,872	10,453	15,120	+44.6%	-18.7%
Net income attributable to owners of the parent	6,831	10,985	13,163	8,906	39,887	10,058	7,700	11,825	+53.6%	-10.2%
Net income per share (yen)	18.29	29.40	35.22	23.82	106.73	26.90	20.59	31.61	+53.5%	-10.2%
Diluted net income per share (yen)	17.37	27.90	33.43	22.62	101.32	25.54	19.55	30.01	+53.5%	-10.2%

2. Consolidated Sales and Operating Income by Segments

(Millions of yen)	Fiscal year ended Mar. '15					Fiscal year ending Mar. '16			3Q %Change	
	1Q *3	2Q *3	3Q *3	4Q *3	Full Year *3	1Q	2Q	3Q	Q/Q*1	Y/Y*2
Machined components	36,602	37,085	40,185	41,911	155,785	40,974	42,272	40,766	-3.6%	+1.4%
Electronic devices and components	62,892	79,899	105,173	96,759	344,724	86,311	125,753	137,750	+9.5%	+31.0%
Other	36	41	44	44	166	105	137	144	+5.1%	+227.3%
Adjustment	—	—	—	—	—	—	—	—	—	—
Total sales	99,531	117,025	145,403	138,715	500,676	127,391	168,162	178,661	+6.2%	+22.9%
Machined components	9,554	9,776	10,088	10,303	39,722	9,956	10,218	10,605	+3.8%	+5.1%
Electronic devices and components	3,238	7,195	11,723	8,590	30,747	5,608	6,740	7,618	+13.0%	-35.0%
Other	66	52	-17	-129	-28	-41	65	-59	—	—
Adjustment	-2,334	-2,786	-2,713	-2,505	-10,340	-3,010	-2,120	-2,680	—	—
Total operating income	10,524	14,237	19,080	16,259	60,101	12,512	14,905	15,484	+3.9%	-18.8%

3. Forecast for the Full Year 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 4Q ending Mar. '16
	Previous f'cast (A)	New f'cast (B)	New vs. previous (B/A)			
Net sales	680,000	635,000	-6.6%	500,676	+26.8%	160,785
Operating income	66,000	55,000	-16.7%	60,101	-8.5%	12,099
Ordinary income	62,500	50,000	-20.0%	60,140	-16.9%	11,554
Net income attributable to owners of the parent	48,000	40,000	-16.7%	39,887	+0.3%	10,416
Net income per share (yen)	128.34	106.93	-16.7%	106.73	+0.2%	27.83

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

(Millions of yen)	Fiscal year ending Mar. '16			Full Year ended Mar. '15 *3	%Change Y/Y Full Year	Forecast for the 4Q ending Mar. '16
	Previous f'cast (A)	New f'cast (B)	New vs. previous (B/A)			
Machined components	168,000	165,000	-1.8%	155,785	+5.9%	40,987
Electronic devices and components	511,300	469,500	-8.2%	344,724	+36.2%	119,686
Other	700	500	-28.6%	166	+201.2%	113
Adjustment	—	—	—	—	—	—
Total sales	680,000	635,000	-6.6%	500,676	+26.8%	160,785
Machined components	42,000	41,800	-0.5%	39,722	+5.2%	11,019
Electronic devices and components	35,000	24,400	-30.3%	30,747	-20.6%	4,433
Other	-200	-200	—	-28	—	-165
Adjustment	-10,800	-11,000	—	-10,340	—	-3,189
Total operating income	66,000	55,000	-16.7%	60,101	-8.5%	12,099

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

(Millions of yen)	Fiscal year ended Mar. '15					Fiscal year ending Mar. '16			Forecast for the FY ending Mar. '16
	1Q	2Q	3Q	4Q	Full Year	1Q	2Q	3Q	
Capital expenditure	6,636	9,096	8,760	13,065	37,557	13,787	13,182	9,258	39,000
Depreciation and amortization	5,940	6,195	8,492	8,147	28,775	7,494	8,937	9,586	35,500
Research and development expenses	2,152	2,216	2,244	2,360	8,972	2,284	2,273	2,501	9,000

6. Exchange Rates

		Fiscal year ended Mar. '15					Fiscal year ending Mar. '16			Assumption for the FY ending Mar. '16
		1Q	2Q	3Q	4Q	Full Year	1Q	2Q	3Q	
US\$	PL	102.40	102.65	112.34	119.36	109.19	120.97	122.56	121.23	121.44
	BS	101.36	109.45	120.55	120.17	120.17	122.45	119.96	120.61	121.00
EURO	PL	140.57	137.62	141.29	138.02	139.38	132.74	136.35	132.56	134.41
	BS	138.31	138.87	146.54	130.32	130.32	137.23	134.97	131.77	136.00
THAI BAHT	PL	3.15	3.20	3.45	3.66	3.37	3.66	3.51	3.37	3.48
	BS	3.12	3.38	3.67	3.70	3.70	3.62	3.29	3.34	3.38
RMB	PL	16.40	16.60	18.30	19.11	17.60	19.49	19.55	19.02	19.27
	BS	16.29	17.78	19.36	19.34	19.34	19.72	18.85	18.56	19.00

*1 3Q % change Q/Q: 3Q in comparison with 2Q.

*2 3Q % change Y/Y: 3Q in comparison with 3Q of the previous fiscal year.

*3 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.