

September 29, 2016

Company Name:	Minebea Co., Ltd
Representative:	Yoshihisa Kainuma Representative Director, President and Chief Executive Officer (Code No. 6479, TSE Div. No. 1)
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Notice Regarding Business and Capital Alliance with Iwasaki Electric Co., Ltd.

Minebea Co., Ltd. (“Minebea” or “we”) hereby announces that the board of directors today resolved a business and capital alliance with Iwasaki Electric Co., Ltd. (Head office: Chuo-ku, Tokyo; President and Representative Director: Yoshitake Ito) (“Iwasaki”) (the “Business and Capital Alliance”) and that Minebea and Iwasaki have entered into a business and capital alliance agreement today.

1. Background and purpose

Minebea has been laying out its objective of expanding its sale of lighting-appliance-related products, and as part of it, since 2014, Minebea has been developing LED lighting appliances with wireless function together with Iwasaki. In 2015, Minebea was selected as a project partner for the introduction of high-efficiency street lights utilizing wireless network technology in Cambodia under a “Financing Programme for JCM (Joint Crediting Mechanism) Model Projects” by the Ministry of the Environment of Japan, whereby Minebea has been supplying to Cambodia high-efficiency LED street lights with wireless function that Minebea jointly developed with Iwasaki.

Based on the background above, Minebea believes that we can develop next-generation products and services which have high added value and offer competitive prices by mutually linking, more closely than ever before, Minebea’s optical technology, circuit technology and know-how regarding overseas manufacturing with Iwasaki’s development technology and design technology relating to street lighting appliances. With this in mind, Minebea has been holding discussions with Iwasaki regarding the business alliance. As a result of these discussions, we have determined that through the two companies’ business alliance, it would be possible to develop next-generation street lighting appliances that are compatible with IoT, such as “Smart Cities”, as well as to provide such appliances across a large geographical area through Minebea’s sales networks centered in Southeast Asia and Iwasaki’s nationwide sales channels across Japan, which would lead to enhancements in the corporate values of both companies, and that is why Minebea decided to enter into the Business and Capital Alliance.

Under the Business and Capital Alliance, Minebea will acquire 3,000,000 common shares of Iwasaki at the price of 423,000,000 Yen through Iwasaki's disposal of its treasury shares to Minebea, by way of a third party allocation of shares (the "Treasury Share Disposal") (after the Treasury Share Disposal, Minebea's shareholding ratio relative to the total number of issued and outstanding shares of Iwasaki will be 3.83%), and this will result in Minebea becoming Iwasaki's largest shareholder.

2. Outline of Business and Capital Alliance

(1) Business alliance

Today, Minebea and Iwasaki agreed to conduct the following items through mutual cooperation:

- (a) outsource of the manufacture of street lighting appliances, as designated based upon an agreement between both companies, to Minebea's overseas factories; and
- (b) (i) joint development of next-generation street lighting appliances and (ii) manufacture in Minebea's overseas factories, and sale through overseas sales networks of both companies, of such jointly developed next-generation street lighting appliances.

(2) Capital alliance

It is agreed that Minebea will acquire 3,000,000 common shares of Iwasaki that are owned by Iwasaki at the price of 423,000,000 Yen through the Treasury Share Disposal (after the Treasury Share Disposal, Minebea's shareholding ratio relative to the total number of issued and outstanding shares of Iwasaki will be 3.83%).

3. Summary of Iwasaki

(1) Corporate name	Iwasaki Electric Co., Ltd.
(2) Place of business	Bakurocho-daiichi Bldg. 1-4-16, Nihonbashi-bakurocho, Chuo-ku, Tokyo, Japan
(3) Position and name of representative	President and Representative Director, Yoshitake Ito
(4) Line of business	Manufacture and sale of various light sources, lighting appliances, optical environment devices (ultraviolet, infrared and electron beam applications) and so forth
(5) Capital	8,640 million yen
(6) Date of incorporation	August 18, 1944
(7) Number of employees	989 (Non-consolidated) (as of March 31, 2016) 2,038 (Consolidated) (as of March 31, 2016)

(8) Relationship with Minebea	There is no capital relationship, personal relationships, etc.
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4. Future outlook

At present, impacts on Minebea's business for the current fiscal term are little. If any matter that is required to be publicly announced arises, we will make an announcement in a timely manner.

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