

SECOND QUARTER BRIEF REPORT OF FINANCIAL RESULTS
 [under Japanese GAAP] (Consolidated)
 (Year ending March 31, 2018)

November 8, 2017

Registered
 Company Name: MINEBEA MITSUMI Inc. Common Stock Listings: Tokyo and Nagoya
 Code No: 6479 URL: <http://www.minebeamitsumi.com/>
 Representative: Yoshihisa Kainuma Representative Director, CEO & COO
 Contact: Satoshi Yoneda Executive Officer, General Manager of Accounting Department
 Quarterly report filing date: November 13, 2017 Phone: (03) 6758-6711
 Expected date of payment for dividends: December 4, 2017
 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, 2017 through September 30, 2017)

(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, 2017 | 429,027 | 55.9 | 41,951 | 125.6 | 42,162 | 122.9 |
| Six months ended Sep 30, 2016 | 275,133 | (6.9) | 18,594 | (32.2) | 18,915 | (18.9) |

| | 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, 2017 | 34,276 | 168.9 | 81.17 | 79.27 |
| Six months ended Sep 30, 2016 | 12,745 | (28.2) | 34.01 | 33.26 |

(Notes) Comprehensive income: Six months ended September 30, 2017: 45,503 million yen — %
 Six months ended September 30, 2016: (14,181) million yen — %

(2) Consolidated Financial Position

| | Total assets (millions of yen) | Net assets (millions of yen) | Equity ratio (%) | Net assets per share (yen) |
|--------------------------|-----------------------------------|---------------------------------|---------------------|-------------------------------|
| As of September 30, 2017 | 743,146 | 363,457 | 47.9 | 849.28 |
| As of March 31, 2017 | 643,312 | 326,218 | 50.0 | 759.15 |

(Reference) Shareholders' equity: As of September 30, 2017: 355,879 million yen
 As of March 31, 2017: 321,364 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, 2017 | — | 7.00 | — | 7.00 | 14.00 |
| Year ending March 31, 2018 | — | 13.00 | | | |
| Year ending March 31, 2018 (Forecast) | | | — | 13.00 | 26.00 |

(Notes) Changes from the latest dividend forecast: Yes

3. Prospect for consolidated forecast for the fiscal year (April 1, 2017 through March 31, 2018)

(%: 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 ending March 31, 2018 | 810,000 | 26.8 | 73,000 | 48.9 | 72,000 | 48.8 |

| | Income attributable to owners of the parent (millions of yen) | % Change | Net income per share (yen) |
|----------------------------|---------------------------------------------------------------------|-------------|-------------------------------|
| Year ending March 31, 2018 | 57,000 | 38.5 | 135.51 |

(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: None

2. Change in accounting policy other than 1: None

3. Changes in accounting estimates: None

4. Restatements: None

(4) Number of shares outstanding (Common stock)

1. Number of shares outstanding at end of period (Including treasury stock)

As of September 30, 2017: 427,080,606 shares

As of March 31, 2017: 427,080,606 shares

2. Number of treasury shares at end of period

As of September 30, 2017: 8,044,985 shares

As of March 31, 2017: 3,758,595 shares

3. Average number of shares (Quarterly cumulative period)

Six months ended September 30, 2017: 422,260,926 shares

Six months ended September 30, 2016: 374,718,371 shares

* Quarterly Brief Report of Financial Results is not subject to the quarterly review.

* 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 our corporate website (<http://www.minebeamitsumi.com/>) on Wednesday, November 8, 2017.

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

(1) Explanation of Operating Results

The Japanese economy continued on a gradual upward trajectory during the first half of the fiscal year (April 1, 2017 to September 30, 2017) as the growth in compensation of employees along with other factors boosted consumer spending and corporate earnings picked up. The U.S. economy remained healthy thanks to the robust job market as well as strong domestic and international demand despite a temporary downturn in consumer spending and corporate production in the wake of massive hurricanes that hit the country from late August through early September. The European economy remained upbeat as the growth in compensation of employees drove consumer spending up and corporate capital expenditures gradually recovered in step with increasing eurozone exports. In Asia, the Chinese economy slowly lost steam due primarily to reduced investments in infrastructure and real estate development despite growing consumer spending.

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

As a result, net sales increased 153,894 million yen (55.9%) year on year to total 429,027 million yen for a first half record high. Operating income was up 23,357 million yen (125.6%) year on year to total 41,951 million yen, and ordinary income rose 23,247 million yen (122.9%) year on year to reach 42,162 million yen. Income attributable to owners of the parent increased 21,531 million yen (168.9%) year on year to hit 34,276 million yen. Operating income, ordinary income, and income attributable to owners of the parent were the highest ever for any first half.

Performance by segment was as follows:

Products in our Machined components segment include our mainstay product, ball bearings, 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. Sales of ball bearings to external customers hit a record monthly high in September as demand for products designed for automobile fuel-saving and safety devices as well as fan motors soared. Although the volume of pivot assembly sales declined due to the shrinking HDD market, sales revenues were up due to currency fluctuations as well as other factors. Rod-end bearing sales increased due to foreign currency effects as well as other factors despite declining production of large models in the civil aircraft market.

As a result, net sales for the first six-month period were up 5,907 million yen (7.7%) year on year to total 82,374 million yen while operating income increased 1,698 million yen (8.7%) year on year to total 21,223 million yen.

The core products of our Electronic devices and components segment include electronic devices (LED backlights for LCDs, sensing devices (measuring components), etc.), HDD spindle motors, stepping motors, DC motors, air movers (fan motors), precision motors, and special devices. Demand for our LED backlights for LCDs that offer a technological advantage in thin smartphones continued to soar. Sales of stepping motors and other motors grew mainly in the automobile market.

As a result, net sales rose 39,099 million yen (19.7%) year on year to total 237,453 million yen, and operating income increased 11,408 million yen (166.5%) year on year to total 18,260 million yen.

The main products in the MITSUMI business segment are semiconductor devices, optical devices, mechanical components, high frequency components and power supply components. Camera actuators, game console mechanism components, switches, products for smartphones such as protection IC, antennas, communication modules and connectors all performed well.

In the end, net sales for the first six-month period came to 108,834 million yen and operating income totaled 10,351 million yen.

Net sales in our Other business segment, which includes machines produced in-house, were up 54 million yen (17.3%) year on year to total 365 million yen. Operating losses increased 132 million yen year on year to total 185 million yen.

In addition to the figures noted above, 7,699 million yen in corporate expenses, etc. not belonging to any particular segment is indicated as adjustments. Adjustments for the same period last year totaled 7,730 million yen.

(2) Explanation of Financial Position

Our Group sees “strengthening its financial position” as a top priority and is taking various steps, such as efficient asset management, controlling capital investments, and reducing interest-bearing debt.

Total assets at the end of the second quarter amounted to 743,146 million yen, up 99,834 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 at the end of the second quarter amounted to 379,688 million yen, up 62,595 million yen compared to the end of the previous fiscal year. This jump was primarily due to an increase in notes and accounts payable. Net assets amounted to 363,457 million yen, resulting in an equity ratio of 47.9%, down 2.1 percentage points from what it was at the end of the previous fiscal year.

(Cash flow)

The balance of cash and cash equivalents at the end of the second quarter was 80,309 million yen, up 1,476 million yen from what it was at the end of the previous fiscal year. Furthermore, this was up 42,080 million yen compared to the end of the same period of the previous fiscal year because there was an increase of 32,472 million yen arising from the consolidation of MITSUMI ELECTRIC CO., LTD. and its subsidiaries.

Cash flows during the first fiscal half and relevant factors are as follows:

Net cash provided by operating activities amounted to 35,250 million yen (an inflow of 25,167 million yen in the same period of the previous year). This is due to increases and decreases in income before income taxes, notes and accounts payable, inventories, as well as notes and accounts receivable, etc. Net cash used for investment activities totaled 23,777 million yen (an outflow of 25,314 million yen in the same period of the previous year). This is mainly due to the purchase of tangible fixed assets and purchase of investments in subsidiaries resulting in change in scope of consolidation. Net cash used in financing activities amounted to 11,826 million yen (an inflow of 12,409 million yen in the same period of the previous year). This is due to purchase of treasury stock, etc.

(3) Explanation of Consolidated Forecast and Other Forecasts

It's difficult to get a clear picture of where the global economy is headed for the remainder of this fiscal year considering policy trends in the U.S. and other countries, geopolitical risks, fluctuating exchange rates, and other factors.

Given this backdrop, we have reviewed our consolidated full-year forecast and made the following revisions based on our best estimate of current market conditions as well as our performance during the first six-month period.

| | | |
|---------------------------------------------|---------------------|----------|
| Net sales | 810,000 million yen | (126.8%) |
| Operating income | 73,000 million yen | (148.9%) |
| Ordinary income | 72,000 million yen | (148.8%) |
| Income attributable to owners of the parent | 57,000 million yen | (138.5%) |

(%): Year-on-year change

Sharing profits with our shareholders is job one at MinebeaMitsumi. That's why our 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.

Working in line with our basic policy, we have increased the interim dividend by 6 yen from what it was last fiscal year to make it 13 yen per share. While we plan to increase the year-end dividend 6 yen over what it was last fiscal year and make it 13 yen per share, we will finalize the amount in light of our performance for this fiscal year with the aim of achieving a consolidated-basis dividend payout ratio of around 20%.

2. Quarterly Consolidated Financial Statements and Major Notes
(1) Quarterly Consolidated Balance Sheets

(Amount: millions of yen)

| | As of March 31, 2017 | As of September 30, 2017 |
|----------------------------------------------|----------------------|--------------------------|
| ASSETS | | |
| Current assets | 405,574 | 488,680 |
| Cash and deposits | 93,125 | 96,065 |
| Notes and accounts receivable..... | 171,190 | 208,183 |
| Marketable securities..... | 1,840 | 1,649 |
| Finished goods..... | 33,394 | 43,527 |
| Work in process | 32,961 | 45,418 |
| Raw materials | 36,166 | 55,051 |
| Supplies..... | 7,566 | 6,215 |
| Goods in transit..... | 10,351 | 13,000 |
| Deferred tax assets..... | 5,846 | 6,531 |
| Other..... | 13,783 | 13,725 |
| Allowance for doubtful receivables | (654) | (689) |
| Fixed assets | 237,426 | 254,170 |
| Tangible fixed assets | 199,584 | 214,468 |
| Buildings and structures | 157,284 | 162,583 |
| Machinery and transportation equipment | 326,758 | 345,882 |
| Tools, furniture and fixtures | 55,670 | 60,820 |
| Land | 34,296 | 35,111 |
| Leased assets..... | 261 | 371 |
| Construction in progress..... | 7,314 | 12,000 |
| Accumulated depreciation..... | (382,003) | (402,300) |
| Intangible assets | 13,403 | 15,275 |
| Goodwill..... | 4,714 | 6,698 |
| Other | 8,689 | 8,577 |
| Investments and other assets..... | 24,438 | 24,425 |
| Investment securities | 8,970 | 9,006 |
| Long-term loans receivable..... | 300 | 340 |
| Deferred tax assets | 9,249 | 9,225 |
| Other | 6,340 | 6,276 |
| Allowance for doubtful receivables..... | (421) | (423) |
| Deferred asset..... | 311 | 295 |
| Total assets..... | 643,312 | 743,146 |

(Amount: millions of yen)

| | As of March 31, 2017 | As of September 30, 2017 |
|-------------------------------------------------------------------------|----------------------|--------------------------|
| LIABILITIES | | |
| Current liabilities | 200,128 | 268,333 |
| Notes and accounts payable | 86,570 | 135,165 |
| Short-term debt | 49,660 | 53,986 |
| Current portion of long-term debt | 17,916 | 19,805 |
| Lease obligations | 69 | 86 |
| Asset retirement obligations | 2 | — |
| Accrued income taxes | 4,621 | 6,947 |
| Accrued bonuses | 7,879 | 12,550 |
| Accrued bonuses for directors | 180 | 147 |
| Provision for after-care of products | 34 | 105 |
| Provision for environmental remediation expenses | 407 | 197 |
| Provision for business restructuring losses | 80 | 24 |
| Other | 32,706 | 39,315 |
| Long-term liabilities | 116,965 | 111,355 |
| Bonds | 15,000 | 15,000 |
| Convertible bond-type bonds with subscription rights to shares | 20,501 | 20,453 |
| Long-term debt | 60,933 | 54,172 |
| Lease obligations | 84 | 129 |
| Asset retirement obligations | 52 | 70 |
| Provision for retirement benefits for executive officers | 175 | 163 |
| Provision for environmental remediation expenses | 364 | 477 |
| Net defined benefit liability | 15,683 | 16,241 |
| Other | 4,169 | 4,645 |
| Total liabilities | 317,093 | 379,688 |
| NET ASSETS | | |
| Shareholders' equity | 371,043 | 394,629 |
| Common stock | 68,258 | 68,258 |
| Capital surplus | 144,218 | 144,730 |
| Retained earnings | 159,910 | 191,224 |
| Treasury stock | (1,345) | (9,584) |
| Accumulated other comprehensive income | (49,678) | (38,750) |
| Difference on revaluation of available-for-sale securities | 1,233 | 1,448 |
| Deferred gains or losses on hedges | 1,031 | 857 |
| Foreign currency translation adjustments | (50,290) | (39,552) |
| Remeasurements of defined benefit plans | (1,653) | (1,504) |
| Subscription rights to shares | 30 | 18 |
| Non-controlling interests | 4,823 | 7,559 |
| Total net assets | 326,218 | 363,457 |
| Total liabilities and net assets | 643,312 | 743,146 |

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income
(Quarterly Consolidated Statements of Income)
(Six months ended September 30, 2017)

(Amount: millions of yen)

| | Six months ended September 30, 2016 | Six months ended September 30, 2017 |
|----------------------------------------------------------|----------------------------------------|----------------------------------------|
| Net sales | 275,133 | 429,027 |
| Cost of sales | 220,417 | 337,924 |
| Gross profit | 54,716 | 91,103 |
| Selling, general and administrative expenses | 36,121 | 49,151 |
| Operating income | 18,594 | 41,951 |
| Other income..... | 1,435 | 1,542 |
| Interest income..... | 210 | 489 |
| Dividends income | 68 | 93 |
| Foreign exchange gains | 538 | — |
| Dividends income of insurance | 199 | 219 |
| Other | 418 | 739 |
| Other expenses..... | 1,114 | 1,331 |
| Interest expenses..... | 421 | 325 |
| Foreign exchange losses..... | — | 420 |
| Other | 693 | 585 |
| Ordinary income..... | 18,915 | 42,162 |
| Extraordinary gain | 102 | 93 |
| Gain on sales of fixed assets | 36 | 93 |
| Gain on sales of affiliates..... | 66 | — |
| Extraordinary loss | 542 | 157 |
| Loss on sales of fixed assets..... | 152 | 4 |
| Loss on disposal of fixed assets..... | 28 | 133 |
| Loss on liquidation of affiliates..... | 266 | — |
| Business restructuring losses | 9 | — |
| Loss for after-care of products | 12 | — |
| Provision for environmental remediation expenses..... | 72 | 20 |
| Income before income taxes | 18,474 | 42,098 |
| Income taxes | | |
| Current income taxes (including enterprise tax)... | 4,905 | 7,677 |
| Income taxes for prior periods..... | 1,302 | — |
| Deferred income taxes | (515) | 54 |
| Total income taxes..... | 5,692 | 7,731 |
| Net income | 12,782 | 34,366 |
| Income attributable to non-controlling interests | 37 | 89 |
| Income attributable to owners of the parent | 12,745 | 34,276 |

(Quarterly Consolidated Statements of Comprehensive Income)
(Six months ended September 30, 2017)

(Amount: millions of yen)

| | Six months ended September 30, 2016 | Six months ended September 30, 2017 |
|-----------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| Net income | 12,782 | 34,366 |
| Other comprehensive income: | | |
| Difference on revaluation of available-for-sale securities | (31) | 215 |
| Deferred gains or losses on hedges | 333 | (174) |
| Foreign currency translation adjustments | (27,683) | 10,947 |
| Remeasurements of defined benefit plans | 548 | 149 |
| Share of other comprehensive income of associates accounted for using the equity method | (130) | — |
| Total other comprehensive income | (26,963) | 11,137 |
| Comprehensive income | (14,181) | 45,503 |
| Comprehensive income attributable to: | | |
| Owners of the parent | (13,121) | 45,204 |
| Non-controlling interests | (1,059) | 299 |

(3) Quarterly Consolidated Statements of Cash Flows

(Amount: millions of yen)

| | Six months ended September 30, 2016 | Six months ended September 30, 2017 |
|-----------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| 1. Cash flows from operating activities: | | |
| Income before income taxes | 18,474 | 42,098 |
| Depreciation and amortization | 14,243 | 14,871 |
| Amortization of goodwill..... | 502 | 516 |
| Interest and dividends income..... | (278) | (583) |
| Interest expenses..... | 421 | 325 |
| Loss (gain) on sales of fixed assets..... | 116 | (89) |
| Loss on disposal of fixed assets..... | 28 | 133 |
| Loss (gain) on sales of affiliates | (66) | — |
| Loss (gain) on liquidation of affiliates..... | 266 | — |
| Decrease (increase) in notes and accounts receivable | (48,044) | (32,828) |
| Decrease (increase) in inventories | (2,221) | (36,891) |
| Increase (decrease) in notes and accounts payable | 46,870 | 46,359 |
| Increase (decrease) in allowance for doubtful receivables..... | 466 | (8) |
| Increase (decrease) in accrued bonuses | 3,148 | 4,454 |
| Increase (decrease) in accrued bonuses for directors | (90) | (32) |
| Increase (decrease) in net defined benefit liability..... | (241) | 168 |
| Increase (decrease) in provision for retirement benefits for executive officers..... | (36) | (11) |
| Increase (decrease) in provision for after-care of products..... | (302) | 71 |
| Increase (decrease) in provision for environmental remediation expenses | (357) | (99) |
| Increase (decrease) in provision for business restructuring losses..... | (96) | (67) |
| Other | (454) | 2,341 |
| Sub-total | 32,351 | 40,728 |
| Interest and dividends received..... | 266 | 531 |
| Interest paid..... | (415) | (411) |
| Income taxes paid..... | (7,036) | (5,752) |
| Proceeds from income taxes refund | — | 155 |
| Net cash provided by operating activities | 25,167 | 35,250 |
| 2. Cash flows from investing activities: | | |
| Payments into time deposits..... | (6,022) | (9,922) |
| Proceeds from withdrawal of time deposits | 6,275 | 8,968 |
| Purchase of marketable securities..... | (13,896) | — |
| Proceeds from sales of marketable securities..... | 29 | — |
| Purchase of tangible fixed assets..... | (10,832) | (18,739) |
| Proceeds from sales of tangible fixed assets..... | 1,012 | 721 |
| Purchase of intangible assets | (1,007) | (387) |
| Purchase of investment securities | (1,107) | (710) |
| Proceeds from sales of investment securities..... | — | 5 |
| Proceeds from redemption of investment securities..... | 928 | 682 |
| Purchase of investments in subsidiaries resulting in change in scope of consolidation..... | (1,032) | (4,392) |
| Proceeds from sales of affiliates..... | 474 | — |
| Payments for loans provided..... | (37) | (35) |
| Proceeds from collection of loans receivables..... | 35 | 72 |
| Other | (134) | (40) |
| Net cash used in investing activities | (25,314) | (23,777) |

(Amount: millions of yen)

| | Six months ended September 30, 2016 | Six months ended September 30, 2017 |
|----------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| 3. Cash flows from financing activities: | | |
| Net increase (decrease) in short-term debt | 17,157 | 4,111 |
| Proceeds from long-term debt | 98 | — |
| Repayment of long-term debt | (1,456) | (5,158) |
| Purchase of treasury stock | (0) | (8,363) |
| Proceeds from disposal of treasury stock | 452 | 623 |
| Cash dividends paid | (3,743) | (2,963) |
| Dividends paid to non-controlling interests | (62) | (23) |
| Repayment of lease obligations | (35) | (50) |
| Other | 0 | (2) |
| Net cash used in financing activities | 12,409 | (11,826) |
| 4. Effect of exchange rate changes on cash and cash equivalents | (3,173) | 1,643 |
| 5. Net increase (decrease) in cash and cash equivalents | 9,087 | 1,289 |
| 6. Cash and cash equivalents at beginning of period | 29,141 | 78,832 |
| 7. Increase in cash and cash equivalents from newly consolidated subsidiaries | — | 186 |
| 8. Cash and cash equivalents at end of period | 38,229 | 80,309 |

- (4) Notes on Quarterly Consolidated Financial Statements
 (Notes on Going Concern Assumptions)
 Not applicable.

(Notes on Significant Changes in Shareholders' Equity)

On September 22, 2017, the Company completed its own shares in accordance with resolution of the Board of Directors meeting held on February 13, 2017. 8,351 million yen increase resulting from this share buyback is reflected in the quarterly consolidated financial statements. A decrease of 115 million yen as a result of the disposal of our own shares via the Employee Stock Holding Exclusive Trust Account, etc. are accounted for in the 9,584 million yen total amount of our own shares as of the end of the second quarter consolidated financial period.

(Additional Information)

(Adoption of consolidated tax accounting system)

The Company and some of its domestic consolidated subsidiaries have adopted the consolidated taxation system, with MINEBEA MITSUMI Inc. as the consolidated taxable parent company, starting from the first quarter of the current fiscal year ending March 31, 2018.

(Segment Information etc.)

I Six months ended September 30, 2016

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 | Electronic devices and components | MITSUMI business | Total | | | | |
| Total sales | | | | | | | | |
| (1) Sales to customers | 76,467 | 198,354 | — | 274,821 | 311 | 275,133 | — | 275,133 |
| (2) Sales to other segment | 1,835 | 1,894 | — | 3,730 | 432 | 4,162 | (4,162) | — |
| Total | 78,302 | 200,248 | — | 278,551 | 744 | 279,296 | (4,162) | 275,133 |
| Segment income (loss) | 19,525 | 6,852 | — | 26,378 | (53) | 26,325 | (7,730) | 18,594 |

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

*2. Adjustments to segment income (loss) are amortization of goodwill -502 million yen, and corporate expenses such as general and administrative expenses in addition to research and development expenses that do not belong to the reportable segments -7,227 million yen.

*3. Segment income (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.

II Six months ended September 30, 2017

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 | Electronic devices and components | MITSUMI business | Total | | | | |
| Total sales | | | | | | | | |
| (1) Sales to customers | 82,374 | 237,453 | 108,834 | 428,661 | 365 | 429,027 | — | 429,027 |
| (2) Sales to other segment | 4,188 | 2,766 | 612 | 7,568 | 764 | 8,333 | (8,333) | — |
| Total | 86,563 | 240,219 | 109,447 | 436,229 | 1,130 | 437,360 | (8,333) | 429,027 |
| Segment income (loss) | 21,223 | 18,260 | 10,351 | 49,835 | (185) | 49,650 | (7,699) | 41,951 |

(Notes) *1. The classification of “Other” refers to business units not included in the reportable segments.

Their products are mainly machines made in-house.

*2. Adjustments to segment income (loss) are amortization of goodwill -516 million yen, and corporate expenses such as general and administrative expenses in addition to research and development expenses that do not belong to the reportable segments -7,182 million yen.

*3. Segment income (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.

**Supplementary Financial Data
for the Second Quarter of Fiscal Year Ending March 31, 2018**

1. Consolidated Results of Operations

| (Millions of yen) | Fiscal year ended Mar. '17 | | | FY ending Mar. '18 | %Change Y/Y |
|---------------------------------------------|----------------------------|-------------|--------------|--------------------|-------------|
| | 1st Half | 2nd Half *4 | Full Year *4 | 1st Half | 1st Half *1 |
| Net sales | 275,133 | 363,793 | 638,926 | 429,027 | +55.9% |
| Operating income | 18,594 | 30,421 | 49,015 | 41,951 | +125.6% |
| Ordinary income | 18,915 | 29,478 | 48,393 | 42,162 | +122.9% |
| Income attributable to owners of the parent | 12,745 | 28,401 | 41,146 | 34,276 | +168.9% |
| Net income per share (yen) | 34.01 | 73.32 | 107.33 | 81.17 | +138.7% |
| Diluted net income per share (yen) | 33.26 | 72.38 | 105.64 | 79.27 | +138.3% |

| (Millions of yen) | Fiscal year ended Mar. '17 | | | | FY ending Mar. '18 | | 2Q %Change | |
|---------------------------------------------|----------------------------|---------|---------|---------|--------------------|----------------|------------|---------|
| | 1Q | 2Q | 3Q | 4Q *4 | 1Q | 2Q | Q/Q *2 | Y/Y *3 |
| Net sales | 120,288 | 154,844 | 167,375 | 196,418 | 193,204 | 235,823 | +22.1% | +52.3% |
| Operating income | 6,971 | 11,623 | 16,120 | 14,300 | 17,062 | 24,889 | +45.9% | +114.1% |
| Ordinary income | 7,255 | 11,659 | 15,857 | 13,621 | 17,372 | 24,789 | +42.7% | +112.6% |
| Income attributable to owners of the parent | 3,176 | 9,568 | 12,167 | 16,233 | 14,181 | 20,095 | +41.7% | +110.0% |
| Net income per share (yen) | 8.48 | 25.52 | 32.44 | 39.65 | 33.49 | 47.72 | +42.5% | +87.0% |
| Diluted net income per share (yen) | 8.12 | 24.94 | 31.94 | 38.15 | 32.70 | 47.68 | +45.8% | +91.2% |

2. Consolidated Sales and Operating Income by Segments

| (Millions of yen) | Fiscal year ended Mar. '17 | | | FY ending Mar. '18 | %Change Y/Y |
|-----------------------------------|----------------------------|-------------|--------------|--------------------|-------------|
| | 1st Half | 2nd Half *4 | Full Year *4 | 1st Half | 1st Half *1 |
| Machined components | 76,467 | 79,843 | 156,310 | 82,374 | +7.7% |
| Electronic devices and components | 198,354 | 243,261 | 441,615 | 237,453 | +19.7% |
| MITSUMI business | - | 40,342 | 40,342 | 108,834 | - |
| Other | 311 | 347 | 658 | 365 | +17.3% |
| Adjustment | - | - | - | - | - |
| Total sales | 275,133 | 363,793 | 638,926 | 429,027 | +55.9% |
| Machined components | 19,525 | 19,622 | 39,147 | 21,223 | +8.7% |
| Electronic devices and components | 6,852 | 15,046 | 21,898 | 18,260 | +166.5% |
| MITSUMI business | - | 2,315 | 2,315 | 10,351 | - |
| Other | -53 | -67 | -120 | -185 | - |
| Adjustment | -7,730 | -6,493 | -14,223 | -7,699 | - |
| Total operating income | 18,594 | 30,421 | 49,015 | 41,951 | +125.6% |

| (Millions of yen) | Fiscal year ended Mar. '17 | | | | FY ending Mar. '18 | | 2Q %Change | |
|-----------------------------------|----------------------------|---------|---------|---------|--------------------|----------------|------------|---------|
| | 1Q | 2Q | 3Q | 4Q *4 | 1Q | 2Q | Q/Q *2 | Y/Y *3 |
| Machined components | 39,207 | 37,259 | 38,523 | 41,319 | 40,626 | 41,747 | +2.8% | +12.0% |
| Electronic devices and components | 80,911 | 117,442 | 128,653 | 114,607 | 104,362 | 133,090 | +27.5% | +13.3% |
| MITSUMI business | - | - | - | 40,342 | 48,050 | 60,784 | +26.5% | - |
| Other | 169 | 142 | 198 | 147 | 164 | 201 | +22.6% | +41.5% |
| Adjustment | - | - | - | - | - | - | - | - |
| Total sales | 120,288 | 154,844 | 167,375 | 196,418 | 193,204 | 235,823 | +22.1% | +52.3% |
| Machined components | 10,401 | 9,123 | 9,509 | 10,112 | 10,398 | 10,824 | +4.1% | +18.6% |
| Electronic devices and components | 432 | 6,420 | 9,439 | 5,605 | 6,847 | 11,412 | +66.7% | +77.8% |
| MITSUMI business | - | - | - | 2,315 | 3,800 | 6,551 | +72.4% | - |
| Other | -16 | -36 | -50 | -17 | -183 | -1 | - | - |
| Adjustment | -3,846 | -3,884 | -2,778 | -3,715 | -3,801 | -3,898 | - | - |
| Total operating income | 6,971 | 11,623 | 16,120 | 14,300 | 17,062 | 24,889 | +45.9% | +114.1% |

3. Forecast for the Full Year and Second Half for the Fiscal Year Ending March 31, 2018

| (Millions of yen) | Fiscal year ending Mar. '18 | | | Full Year ended Mar. '17 | %Change Y/Y Full Year | Forecast for the 2H ending Mar. '18 |
|---------------------------------------------|-----------------------------|----------------|------------------------|--------------------------|-----------------------|-------------------------------------|
| | Previous f'cast (A) | New f'cast (B) | New vs. previous (B/A) | | | |
| Net sales | 810,000 | 810,000 | - | 638,926 | +26.8% | 380,973 |
| Operating income | 67,000 | 73,000 | +9.0% | 49,015 | +48.9% | 31,049 |
| Ordinary income | 66,000 | 72,000 | +9.1% | 48,393 | +48.8% | 29,838 |
| Income attributable to owners of the parent | 50,800 | 57,000 | +12.2% | 41,146 | +38.5% | 22,724 |
| Net income per share (yen) | 119.97 | 135.51 | - | 107.33 | +26.3% | 54.34 |

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

| (Millions of yen) | Fiscal year ending Mar. '18 | | | Full Year ended Mar. '17 | %Change Y/Y Full Year | Forecast for the 2H ending Mar. '18 |
|-----------------------------------|-----------------------------|----------------|------------------------|--------------------------|-----------------------|-------------------------------------|
| | Previous f'cast (A) | New f'cast (B) | New vs. previous (B/A) | | | |
| Machined components | 162,700 | 163,000 | +0.2% | 156,310 | +4.3% | 80,626 |
| Electronic devices and components | 440,000 | 418,000 | -5.0% | 441,615 | -5.3% | 180,547 |
| MITSUMI business | 206,600 | 228,400 | +10.6% | 40,342 | +466.2% | 119,566 |
| Other | 700 | 600 | -14.3% | 658 | -8.8% | 235 |
| Adjustment | - | - | - | - | - | - |
| Total sales | 810,000 | 810,000 | - | 638,926 | +26.8% | 380,973 |
| Machined components | 41,900 | 42,500 | +1.4% | 39,147 | +8.6% | 21,277 |
| Electronic devices and components | 27,300 | 27,500 | +0.7% | 21,898 | +25.6% | 9,240 |
| MITSUMI business | 14,600 | 20,000 | +37.0% | 2,315 | +763.9% | 9,649 |
| Other | -500 | -400 | - | -120 | - | -215 |
| Adjustment | -16,300 | -16,600 | - | -14,223 | - | -8,901 |
| Total operating income | 67,000 | 73,000 | +9.0% | 49,015 | +48.9% | 31,049 |

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

| (Millions of yen) | Fiscal year ended Mar. '17 | | | Fiscal year ending Mar. '18 | | | | |
|-----------------------------------|----------------------------|-------------|--------------|-----------------------------|---------------|---------------|-------------------------|--------------------------|
| | 1st Half | 2nd Half *4 | Full Year *4 | 1Q | 2Q | 1st Half | Forecast of 2nd Half *5 | Forecast of Full Year *5 |
| Capital expenditure | 12,243 | 19,604 | 31,847 | 10,651 | 11,688 | 22,339 | 21,661 | 48,000 |
| Depreciation and amortization | 14,243 | 13,921 | 28,164 | 7,218 | 7,652 | 14,871 | 18,129 | 33,000 |
| Research and development expenses | 5,294 | 7,053 | 12,347 | 5,498 | 5,634 | 11,133 | 10,867 | 22,000 |

6. Exchange Rates

| (Yen) | | Fiscal year ended Mar. '17 | | | Fiscal year ending Mar. '18 | | | | |
|-----------|----|----------------------------|----------|-----------|-----------------------------|---------------|---------------|---------------------------|-------------------------|
| | | 1st Half | 2nd Half | Full Year | 1Q | 2Q | 1st Half | Assumption of 2nd Half *6 | Assumption of Full Year |
| US\$ | PL | 107.31 | 110.21 | 108.76 | 111.48 | 110.92 | 111.20 | 105.00 | 108.10 |
| | BS | 101.12 | 112.19 | 112.19 | 112.00 | 112.73 | 112.73 | 105.00 | 105.00 |
| EURO | PL | 120.08 | 118.59 | 119.34 | 121.53 | 129.65 | 125.59 | 115.00 | 120.30 |
| | BS | 113.36 | 119.79 | 119.79 | 127.97 | 132.85 | 132.85 | 115.00 | 115.00 |
| THAI BAHT | PL | 3.06 | 3.13 | 3.09 | 3.24 | 3.31 | 3.28 | 3.06 | 3.17 |
| | BS | 2.91 | 3.26 | 3.26 | 3.29 | 3.38 | 3.38 | 3.06 | 3.06 |
| RMB | PL | 16.28 | 16.08 | 16.18 | 16.18 | 16.53 | 16.36 | 16.00 | 16.18 |
| | BS | 15.16 | 16.26 | 16.26 | 16.48 | 16.90 | 16.90 | 16.00 | 16.00 |

*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 We have started to consolidate MITSUMI ELECTRIC CO., LTD. from January 27, 2017.

*5 Forecasts for second half and full year were revised on November 8, 2017.

*6 Assumption for the second half is unchanged from the announcement on May 9, 2017.