



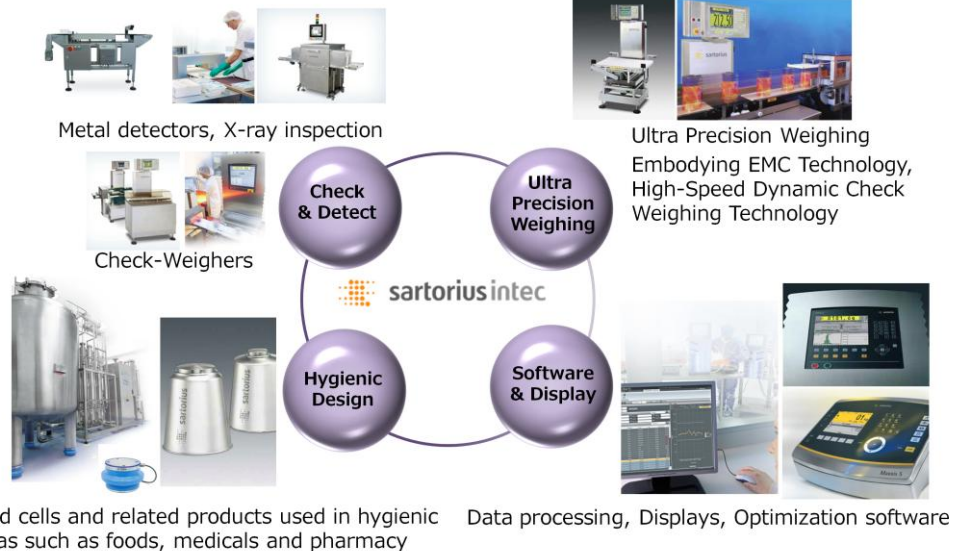
# Sartorius Intec Acquisition

December 24, 2014  
Minebea Co., Ltd.



I would now like to talk about the acquisition of Sartorius Intec.

## About Sartorius Intec



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Sartorius Intec's technologies can be divided into four core areas. If you look at the lower left corner of the slide, you will see the first includes technology solutions related to tank & hopper scales and peripherals, as well as load cells, which are used in the food, health care, and pharmacy industries for hygienic applications. Sartorius Intec delivers technologically sophisticated products, like waterproof load cells, designed to withstand high-pressure water cleaning. The second core area consists of technologies related to inspection as shown in the top left corner of the slide. These products include foreign body detectors and metal detectors that are incorporated into food production lines. I'll talk more about checkweighing packaged food later. The third area is related to ultra-precision weighing as shown in the upper right corner of the slide. This technology employs ultra-precision sensors to instantly weigh food and other types of products as they move along a high-speed production line (high-speed dynamic checkweighing technology). The fourth area involves software technology that integrates and manages inspection machines, like those pictured in the lower right corner of the slide.

## Business areas of Sartorius Intec

Highly-competitive in high-end markets of business segments shown below.  
A Swiss company is ranked number 1, and Sartorius Intec is ranked number 2 or 3.



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Looking at Sartorius Intec's position in the market, we see that it excels in advanced technologies related to ultra-precision, high-rigidity inspection equipment, weighing techniques, etc. and caters to the high-end product market. That's why the company is recognized as a top-notch brand in the industry. Our Measuring Components Business Unit's load cells are positioned somewhere in the middle. Combining ours with Sartorius Intec's technologies will generate economies of scale across the mid- to high-end product category ranges.

## Outline of Sartorius Intec

(1) Company name	Sartorius Mechatronics T&H GmbH
(2) Location of head office	Meiendorfer Straße205,22145 Hamburg, Germany
(3) Representatives	Peter Grimley, Bodo Krebs , Wolf Dieter Schultze
(4) Year of establishment	1993
(5) Paid-in capital	Issued Capital: €4.7MM (as at September 30, 2014)
(6) Principal lines of business	Intec Group: Manufacturing tank & hopper, industrial scales, inspection equipment. Providing modifications & adjustments, repair, process optimization services
(7) Number of employees	701 (as at September 30, 2014)
(8) Overseas operations	Production Sites: Germany, India and China Sales Operations: Various European countries, US, India, China, Japan
(9) Ownership	Sartorius Aktiengesellschaft (Sartorius AG)100%
(10) Net Sales	€102.0MM (for the period ending December 31, 2013)

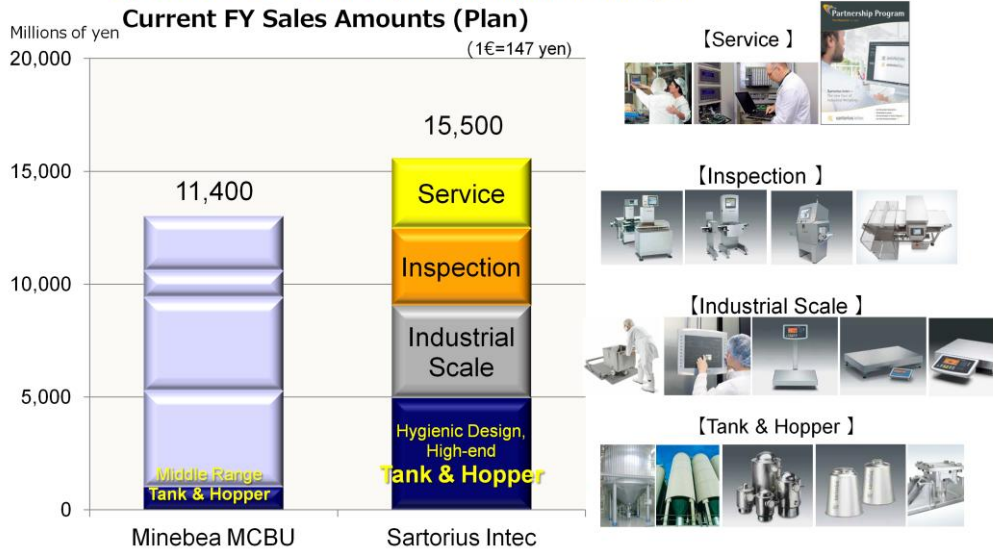
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Now for a brief outline of Sartorius Intec. The company's official trade name is Sartorius Mechatronics T&H GmbH. It is headed by three executives, Peter Grimley, Bodo Krebs, and Wolf Dieter Schultze. Mr. Grimley is in charge of sales, Mr. Krebs oversees engineering, and Mr. Schultze heads up accounting. They are all outstanding leaders. Sartorius AG was founded in 1870. Sartorius Intec focuses on manufacturing and sales of tank & hopper scales, industrial scales, as well as inspection equipment. It also provides modifications/adjustments, repair, process optimization services, which generates about 3 billion yen in sales. It employs 701 people (as of September 30, 2014) and operates production sites in Germany, India, and China, along with sales offices in Germany and other major European countries, the U.S., India, China, and Japan. Net sales for the fiscal year that ended in December 2013 totaled 102 million euro (approx. 15 billion yen).

## Sales of the two operations

Expected to become 27 billion yen in total in current fiscal year



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Let's look at the business scales of our Measuring Components Business Unit and Sartorius Intec. The area where the two compete against each other is small, and our Measuring Components Business Unit's operations do not overlap with Sartorius Intec's tank & hopper, industrial scale, and inspection businesses, so they can both boost sales in their respective business areas.

## Expected Synergies of the combination ---- 1

### ● Entering into the global tank & hopper market

Becoming a global player by offering **optimal measuring solutions** to customers in the European, North American and Asian markets.



Hygienic (foods, medicals and pharmacy)



Truck Scales

- System accuracy proposal
- Information utilizing individual load distribution and nominal loads
- Immediate warning when load cells have failed
- Enhanced service functions

Digital process control

Design load cells



Japanese red bean paste processing machine

Rice-ball Processing machine

Minebea's Measuring Component business unit has been supplying components to Japanese machinery manufacturing companies.

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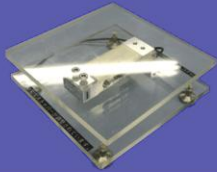
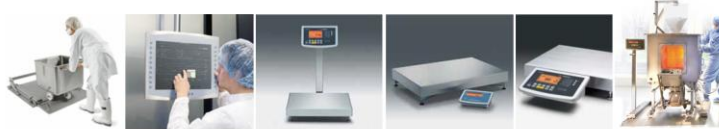
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Our Measuring Components Business Unit supplies load cells, sensors, etc. to Japanese equipment manufacturers. Combining our products with Sartorius Intec's product lines, including tank & hopper and truck scales, will create substantial synergy.

## Expected Synergies of the combination ---- 2

- Entering into the ultra-precision weighing scale market

Becoming a player for **ultra-precision weighing scales** embodying load cells design and manufacturing capabilities



Minebea's Measuring Component business unit has been supplying load cells which are used in various kinds of scales.

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Our Measuring Components Business Unit manufactures and sells weighing scales used in the retail industry as well as load cells for many types of scales. Integration with Sartorius Intec, which specializes in scales, will yield all kinds of added value in the development of parts, and more. We can also leverage Sartorius Intec's ultra-precision, high-speed weighing technology to create synergy between each other.



## Expected Synergies of the combination ---- 3

### ● Entering into the process inspection equipment market

Becoming a player who can provide safety and security to customers in Hygienic Design areas such as foods\*<sup>\*)</sup>, medicals and pharmacy embodying know-how of **process inspections from incoming to shipment**



Minebea's Measuring Component business unit has been providing measuring and process inspection solutions to optimize production equipment

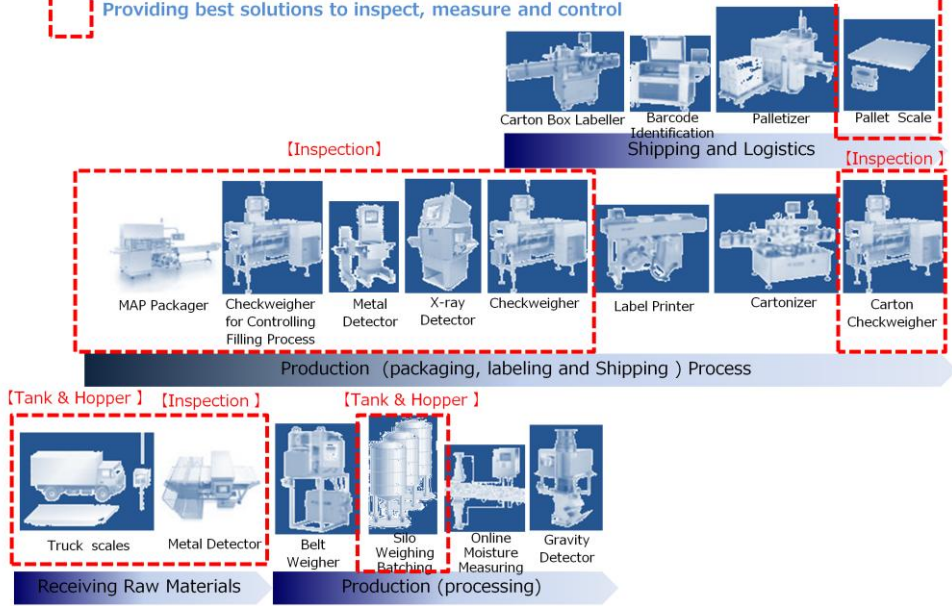
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Our Measuring Components Business Unit supplies Minebea load cells to equipment manufacturers for different uses, like measuring the tension of weaving machines. Combining our expertise with Sartorius Intec's inspection machine know-how will enable us to offer new solutions to our customers.



**\*) Sartorius Intec products in food processing** [Industrial Scale]  
Providing best solutions to inspect, measure and control



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Sartorius Intec offers extensive lines of inspection machines covering the entire processing spectrum, from receiving raw materials to shipping and logistics. It can provide customers with all the solutions they need from raw materials feeding to shipping. These include raw material scales, metal detectors, silo weighers for materials, as well as checkweighers for controlling the filling process, metal detectors, X-ray detectors, checkweighers, and carton checkweighers all used in the packaging process.

## Expected Synergies of the combination ---- 4

### ● Entering into the global service market

Becoming a global player to provide optimal user-support solutions to customers in **managing, controlling, maintaining and renewing production lines**



Minebea's Measuring Component business unit has been providing customer support in Japan.

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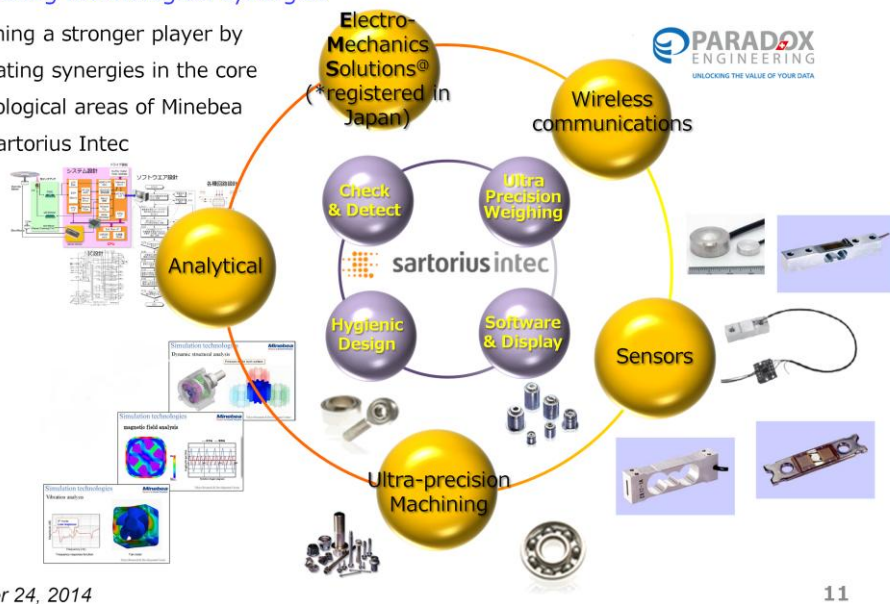
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Our Measuring Components Business Unit has been providing customer support in Japan. Now we can leverage Sartorius Intec's service personnel to provide support services across the globe.

## Expected Synergies of the combination ---- 5

- Generating technological synergies

Becoming a stronger player by generating synergies in the core technological areas of Minebea and Sartorius Intec

































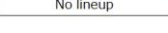
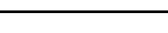


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Combining Sartorius Intec's four core technologies with our Electro-Mechanics Solutions, as well as analytical, ultra-precision machining, sensing, and wireless communications technologies will enable us to market new high-value-added products worldwide. We are currently moving ahead in the area of wireless communications technology with an eye to the future as we look for ways to combine weighing and wireless communications technologies that will take our business to new heights.

## Complementary business areas - 1

			Sartorius Intec	Minebea MCBU
Tank & Hopper		General measuring		
		Hygienic measuring		
		Digital measuring		
		Silo measuring		
Batching, Output Measuring		Controller management		
		PC management		
Flat Scale		Standardized Scales		
		High precision 300 kg and less		
		High precision over 300 kg		
		Critical to Explosive scales		
Truck Scale		Analog measuring		
		Digital measuring		
		Digital data transmitter		
			Reference	 Rich lineup  Sufficient lineup  Small lineup  No lineup
























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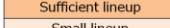
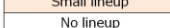

Working together, Minebea and Sartorius Intec will complement each other's technological capabilities. Digitalization is the wave of the future in the scale industry. Pulling our technological capabilities together will enable us to smoothly sail forward with the changing tide.

## Complementary business areas - 2

Sartorius Intec Minebea MCBU

Check-weighers		In-line low-end		
		In-line middle-range		
		In-line high-end		
		In-line		
Inspection		Metal detectors in belt conveyors		
		Metal detectors (pipe-type)		
		X-ray inspection systems in belt conveyors		
		X-ray inspection systems (pipe-type)		
SPC, Software, Analytical, etc.				
				

Reference

	Rich lineup
	Sufficient lineup
	Small lineup
	No lineup

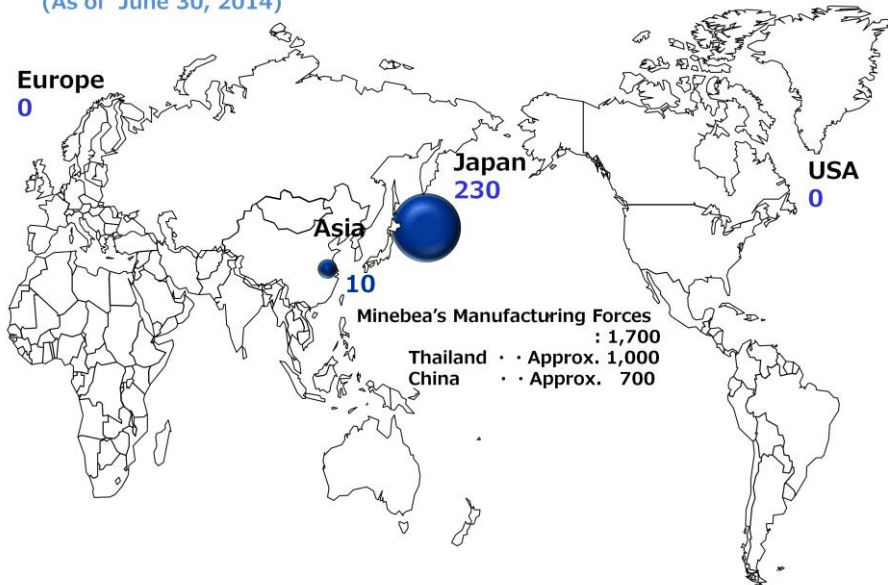
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## Number of Employees

(As of June 30, 2014)

Minebea



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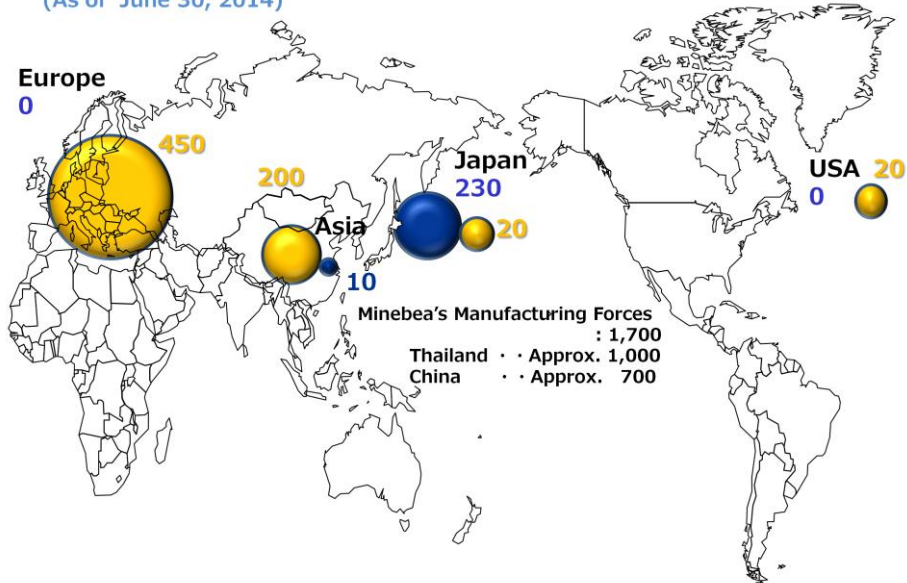
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This slide shows the number of employees by region. Our Measuring Components Business Unit operate mainly in Japan.

## Number of Employees

(As of June 30, 2014)

Minebea and Sartorius Intec

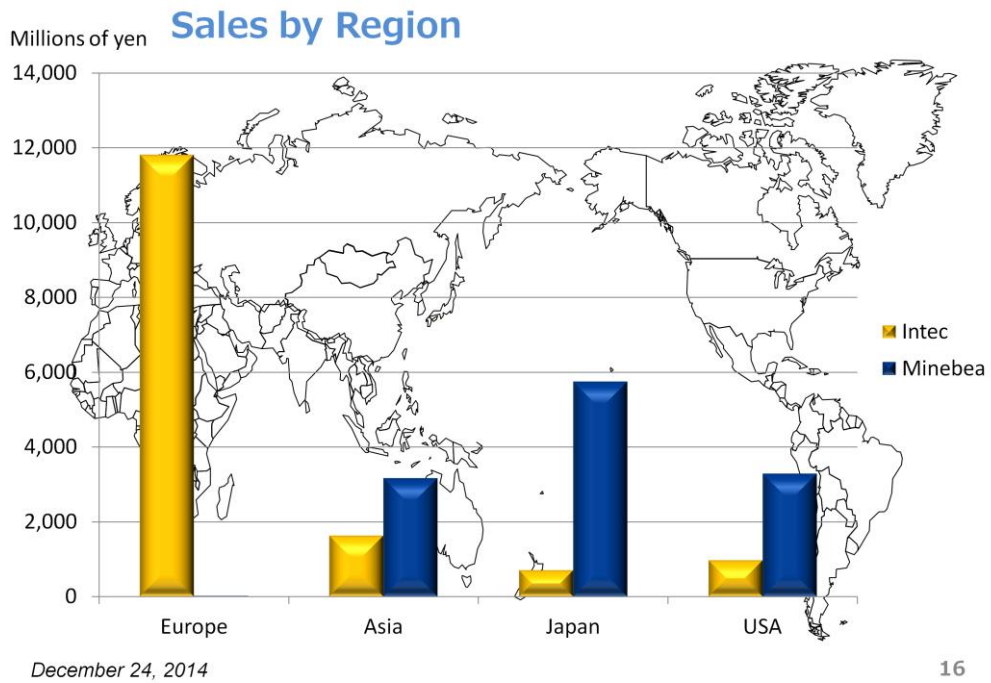


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We can expand our business globally by tapping into Sartorius Intec's global workforce. Our Measuring Components Business Unit has large mass production facilities in Thailand and Shanghai while Sartorius Intec has a manufacturing base in Germany. We will make the most of each other's strengths to realize optimal production.







We plan to work together to expand our operations in the U.S., Japan, and other Asian markets.

## Target Synergy Outcomes of the combination

Offering higher-value-added products and services by utilizing the two companies' strengths

	 <b>Sartorius Intec</b>	 <b>Minebea Co., Ltd. MCBU</b>
Technology, R&D	Develop Electro Magnetic Compensated (EMC) units by utilizing ultra-precision machining technology.	Focus on developing beam-type load cells to extend product lineup and transfer canister type load cell R&D and production to Sartorius Intec.
Procurement, Cost reduction	Switch to Minebea-made load cells. Procure motors, power supplies, control circuits and other components from Minebea for its inspection products.	Under consideration
Production, Manufacturing	Transfer middle-range and low-end products to Minebea. Specialize in "Made in Germany" high-end products.	Increase production volume by sending Minebea-made load cells to Sartorius Intec.
Marketing, Sales	Utilize Minebea's marketing network in China.	Utilize Sartorius Intec's European and North American and Indian marketing and service networks. Utilize Sartorius Intec's Partnership Programs



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This slide illustrates the kind of synergy that will develop as a result of the acquisition of Sartorius Intec. In the area of technology and R&D, we will combine our expertise in high-precision machining with Sartorius Intec's advanced precision machining technology for scales to move on to the next stage. While Sartorius Intec now buys scale sensors called beam-type load cells from external suppliers, it can switch to Minebea load cells to create further synergy. Sartorius Intec's equipment and systems use bearings, fan motors, and many other parts and components. We can cut procurement costs by internally supplying these parts and components. We can also leverage the outstanding production capability we have gained over the years to create synergy in production and manufacturing. Finally, I'd like to touch on sales and marketing capabilities. Sartorius Intec is planning to market its products to China. We will harness the strength of our sales force to help the company make new inroads there with an eye to fulfilling the needs of the Chinese market. I noted earlier that our measuring components have not been sold extensively outside Japan. Sartorius Intec has a team that can harness its sales network to obtain the right compliance certifications for different standards. We will take advantage of this ability to get the compliance certifications Minebea needs to expand sales of its products further across the global market.

## Target Synergy Outcomes of the combination

Offering higher-value-added products and services by utilizing the two companies' strengths

	 <b>Sartorius Intec</b>	 <b>Minebea Co., Ltd.</b> <b>MCBU</b>
Technology, R&D	Develop Electro Magnetic Compensated (EMC) units by utilizing ultra-precision machining technology.	Focus on developing beam-type load cells to extend product lines and transfer series-type load cell R&D and production to Sartorius Intec.
Procurement, Cost reduction	Switch to Minebea-made load cells. Procure motors, power supplies, control circuits and other components from Minebea for its inspection products.	Under business integration
Production, Manufacturing	Transfer middle-range and low-end products to Minebea. Specialize in "Made in Germany" high-end products.	Increase production volume by sending high-end beam load cells to Sartorius Intec.
Marketing, Sales	Utilize Minebea's marketing network in China.	Utilize Sartorius Intec's European and North American In-plant and sales networks. Utilize Sartorius Intec's Partnership Programs

Synergy 3,500 million yen  
 Synergy 2,000 million yen  
 Synergy 3,000 million yen  
 Synergy 7,000 million yen

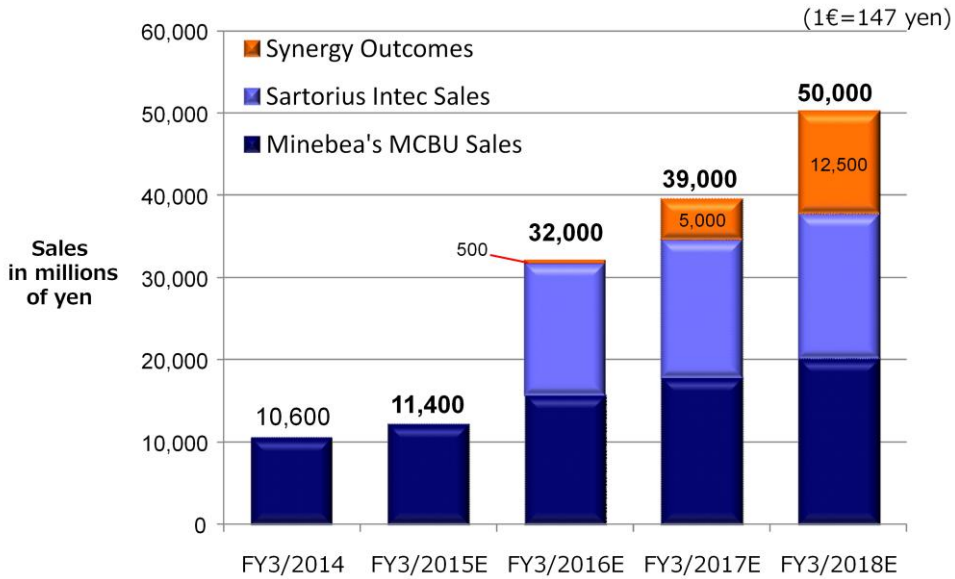
Synergy Outcomes targeted in FY3/2018)

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The slide breaks down expected sales figures to be brought about by the synergy between Measuring Components and Sartorius Intec.

## Targeting 50 billion yen sales in FY 3/2018



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The bottom section of each bar represents sales generated by our Measuring Components Business Unit. We will not only focus on steadily increasing sales of each company but also maximizing the synergy between us. We will effectively leverage both companies' technologies as well as sensor expertise and marketing capabilities with an eye to achieving 50 billion yen in sales by the fiscal year ending March 2018.



# Minebea Co., Ltd.

<http://www.minebea.co.jp/>

Any statements in this presentation which are not historical are future projections based on certain assumptions and executive judgments drawn from currently available information.

Please note that actual performance may vary significantly from any particular projection due to various factors.

Factors affecting our actual performance include but are not limited to: (i) changes in economic conditions or demand trends related to Minebea's business operations; (ii) fluctuation of foreign exchange rates or interest rates; and (iii) our ability to continue R&D, manufacturing and marketing in a timely manner in the electronics business sector, where technological innovations are rapid and new products are launched continuously.

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Thank you very much.