

**NOTICE TO THE HOLDERS OF
MITSUMI ELECTRIC CO., LTD. (the "Company")
¥20,000,000,000 Zero Coupon Convertible Bonds due 2022 (the "Bonds")
(ISIN: XS1255457696 Common Code: 125545769)**

In accordance with Condition 6.3 of the terms and conditions of the Bonds (the "**Terms and Conditions**") and Clause 7.2.5 of the trust deed dated 3 August 2015 relating to the Bonds (the "**Trust Deed**"), notice is hereby given as follows.

1. **Occurrence of Corporate Event (Passing of the Shareholders' Resolution):** At the extraordinary general meeting of shareholders of the Company held on 27 December 2016 (Tokyo time), a resolution was passed approving the proposal for a Corporate Event (being a Holding Company Event), whereby the Company will become a wholly-owned subsidiary of Minebea Co., Ltd. (whose name will change at the time of the taking effect of the Corporate Event to MINEBEA MITSUMI Inc.) by way of share exchange on 27 January 2017 (Tokyo time). The share exchange ratio is 1 Share being exchanged for 0.59 shares of common stock of MINEBEA MITSUMI Inc.
2. **Proposals in relation to the Bonds (including the Stock Acquisition Rights) and the Corporate Event Effective Date:** In accordance with the Extraordinary Resolution of Bondholders passed on 3 November 2016 in relation to such Corporate Event (the "**Resolution**"), the obligations of the Company under the Bonds (including the Stock Acquisition Rights) will be succeeded to by MINEBEA MITSUMI Inc. The effective date of such transaction (being the Corporate Event Effective Date) will be 27 January 2017, and a supplementary trust deed will be entered into on or before such date in order to effect the succession, as contemplated by the Resolution.
3. **New Conversion Price:** In accordance with the share exchange ratio mentioned in 1. above, the Conversion Price of MINEBEA MITSUMI Inc.'s Bonds will (unless any adjustment to the Conversion Price of the Bonds were to occur prior to the Corporate Event Effective Date (which the Company does not currently expect)) initially be ¥2,068 per Share, subject to adjustment in the manner provided in Condition 5.2.
4. **Reminders relating to the Exercise Period:** As mentioned in the notice to Bondholders dated 6 December 2016, Bondholders are reminded that:
 - 4.1 *Disapplication of Condition to Conversion:* The condition to the exercise of the Stock Acquisition Rights set forth in Condition 5.1.6 shall not be applicable during the period from and including 6 December 2016 to and including 27 January 2017; and
 - 4.2 *Designation of Period During Which the Stock Acquisition Rights May Not be Exercised:* Pursuant to Condition 5.1.4(b), the Stock Acquisition Rights may not be exercised during the period from and including 19 January 2017 (Tokyo time) to and including 27 January 2017.

Save where otherwise specified, the respective dates set out above refer to such dates in London time.

5. **ISIN/Common Code:** For the avoidance of doubt, the ISIN and Common Code relating to the Bonds are currently not expected to change following the succession by MINEBEA MITSUMI Inc.

Terms used but not defined herein have the meanings set out in the Terms and Conditions.

By: **MITSUMI ELECTRIC CO., LTD.**

Date: 29 December 2016