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# Financial Results Briefing Materials

(2022/4/1~2022/9/30)



**MITSUBOSHI BELTING LTD.**

# Note to future-oriented statements

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The forward-looking statements in this document, including performance forecasting, are based on currently available information and assumptions considered reasonable by us and do not guarantee our future financial results. Actual results may differ greatly from the forecast figures depending on various factors.

# Consolidated Financial Summary

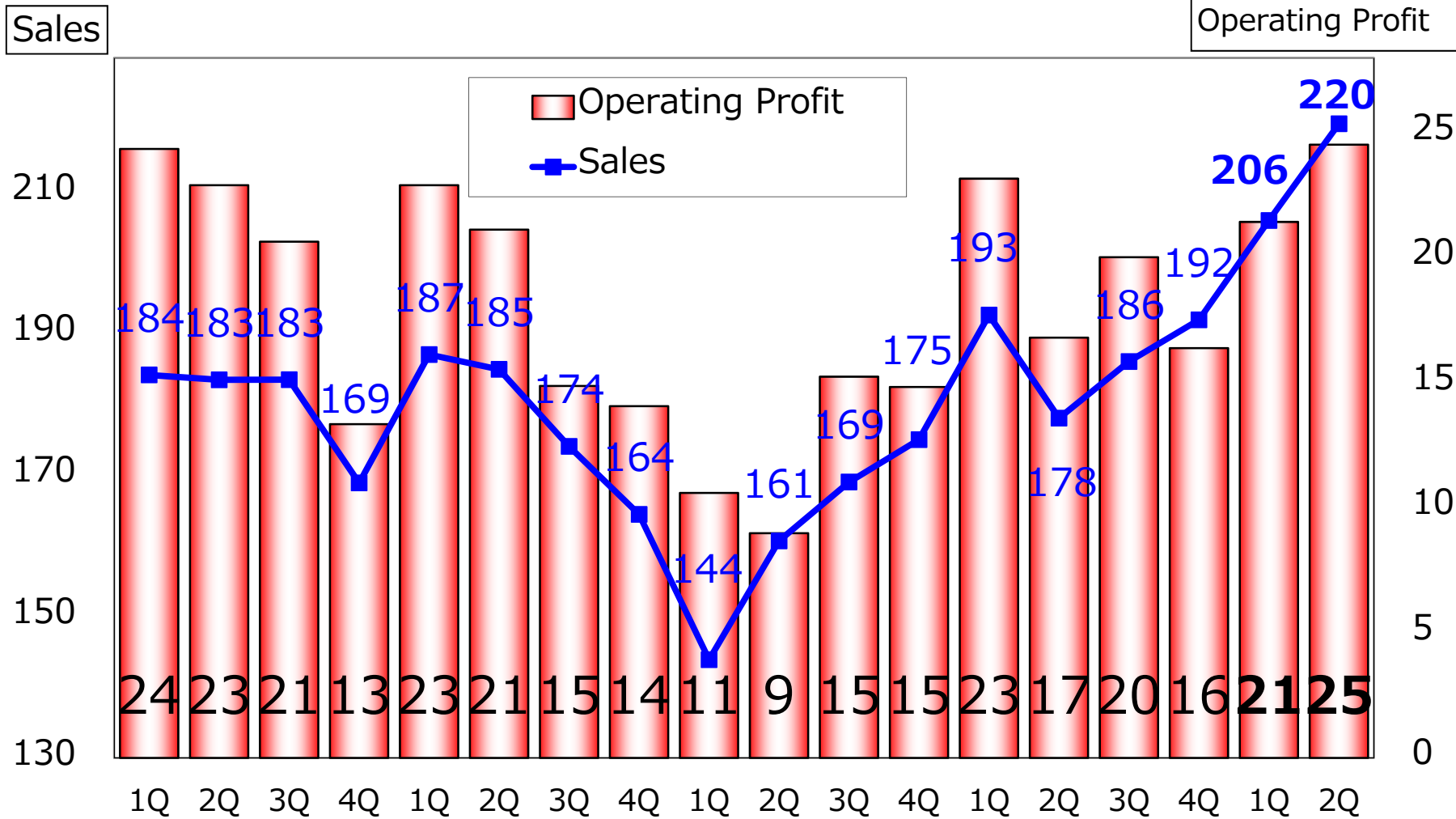
(millions of yen)



	2021-2Q (2021/4-2021/9)	2022-2Q (2022/4-2022/9)	change	%
Sales	37,068	42,568	+5,500	+14.8%
Operating profit	3,998	4,597	+599	+15.0%
Margin	10.8%	10.8%		
Ordinary profit	4,439	5,731	+1,292	+29.1%
Margin	12.0%	13.5%		
Profit attributable to owners of parent	2,917	3,919	+1,002	+34.4%
Margin	7.9%	9.2%		

# Quarterly Results

(100 mil. of yen)



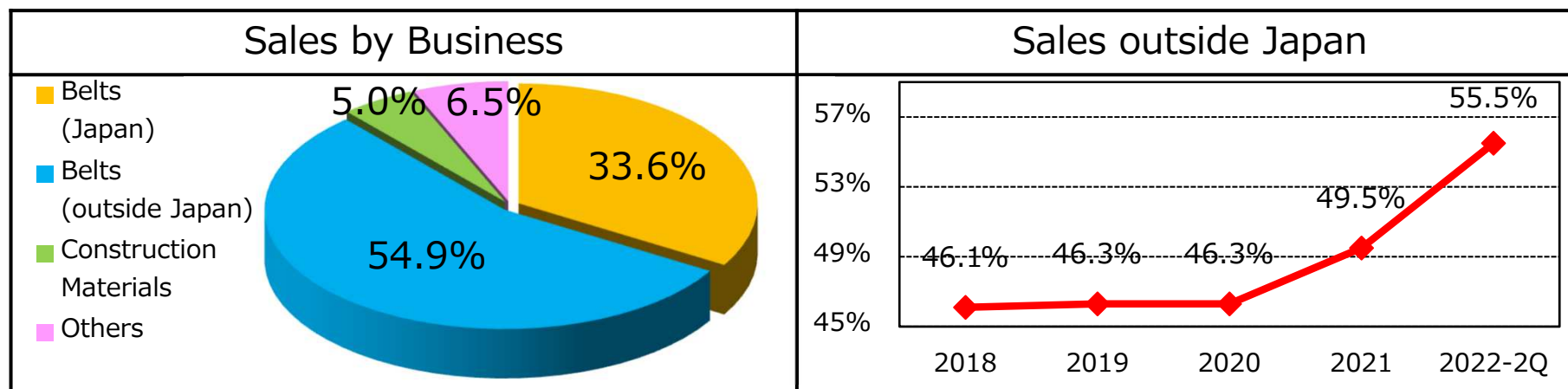
Operating profit margin	2018	2019	2020	2021	2022
	11.3%	10.3%	7.7%	10.2%	10.8%

# Sales by Business

(millions of yen)



		2021-2Q (2021/4-2021/9)		2022-2Q (2022/4-2022/9)		change	%
Business	Belts (Japan)	13,918	37.5%	14,288	33.6%	+370	+2.7%
	Belts(outside Japan)	17,931	48.4%	23,387	54.9%	+5,456	+30.4%
	Building & Construction Materials	2,683	7.2%	2,140	5.0%	△543	△20.2%
	Others	2,534	6.8%	2,752	6.5%	+218	+8.6%
	Total	37,068	100%	42,568	100%	+5,500	+14.8%
Sales outside Japan		18,179	49.0%	23,612	55.5%	+5,433	+29.9%

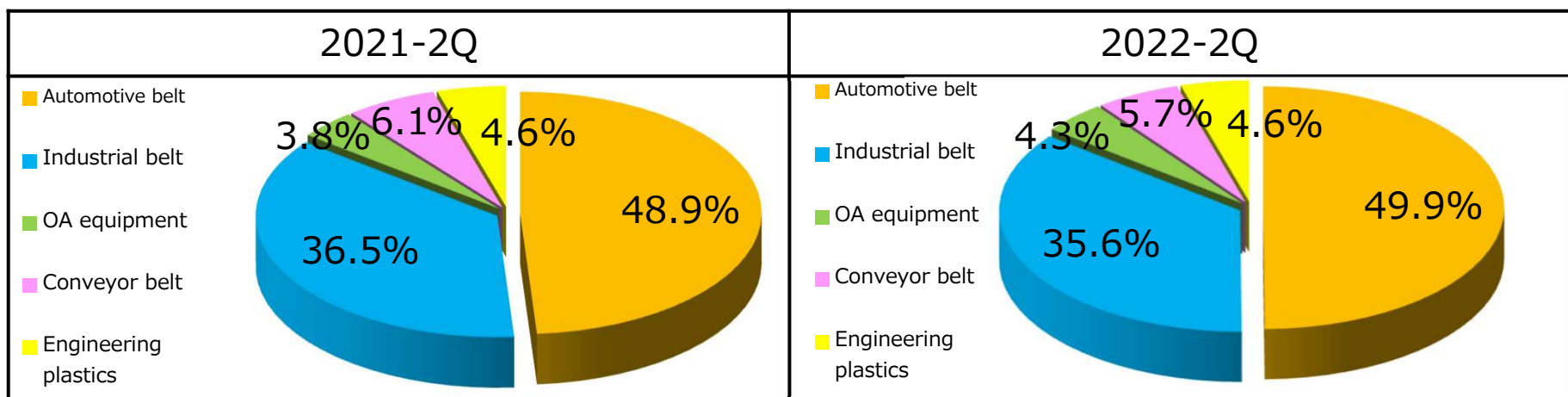


# Breakdown of Belt Sales

(millions of yen)



	2021-2Q (2021/4-2021/9)		2022-2Q (2022/4-2022/9)		change	%
Automotive belt	15,569	48.9%	18,797	49.9%	+3,228	+20.7%
Industrial belt	11,634	36.5%	13,399	35.6%	+1,765	+15.2%
OA equipment	1,223	3.8%	1,616	4.3%	+393	+32.1%
Conveyor belt	1,949	6.1%	2,130	5.7%	+181	+9.3%
Engineering plastics	1,475	4.6%	1,733	4.6%	+258	+17.5%
<b>Total</b>	<b>31,850</b>	<b>100%</b>	<b>37,675</b>	<b>100%</b>	<b>+5,825</b>	<b>+18.3%</b>



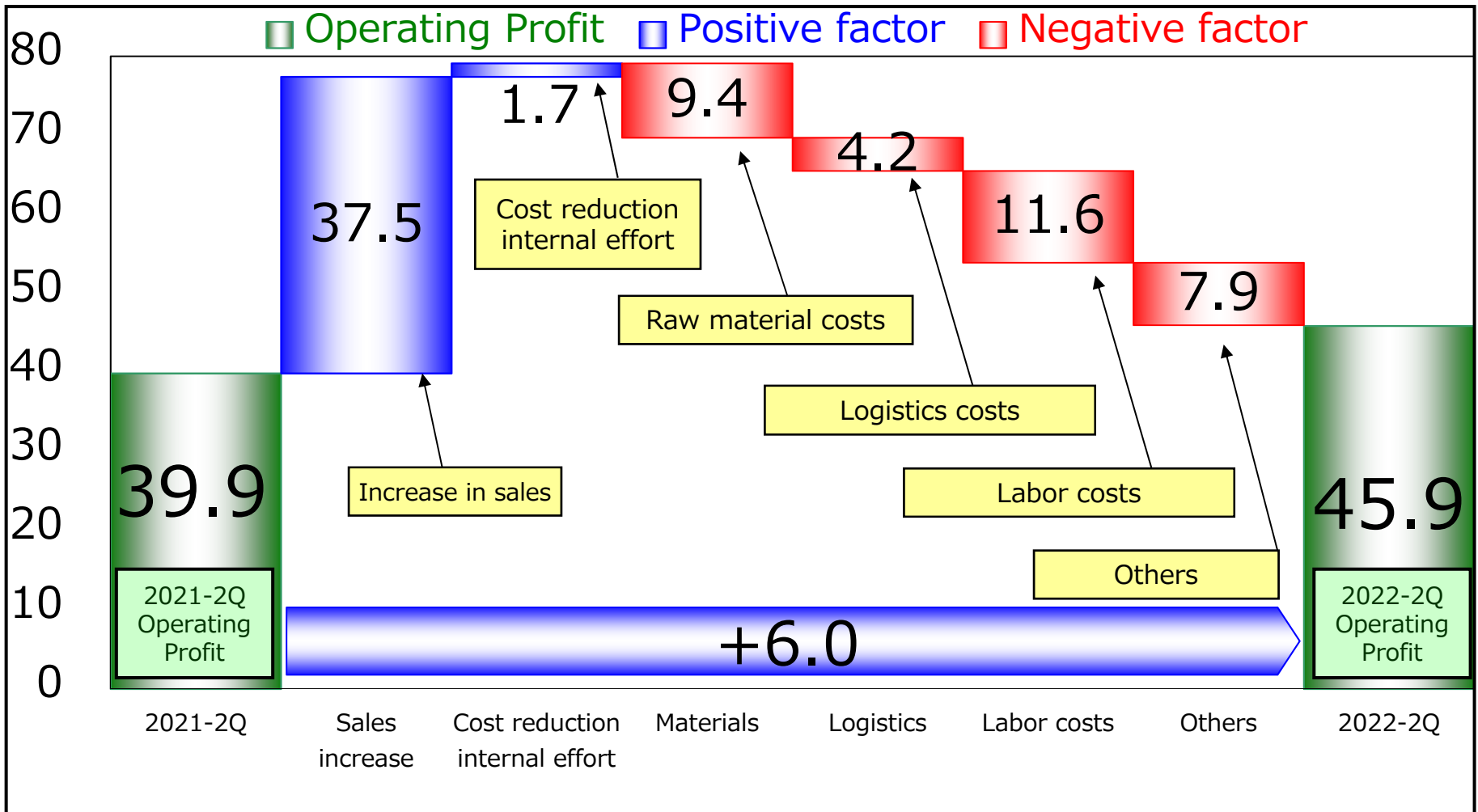
# Analysis of Operating Profit

(100 mil. of yen)



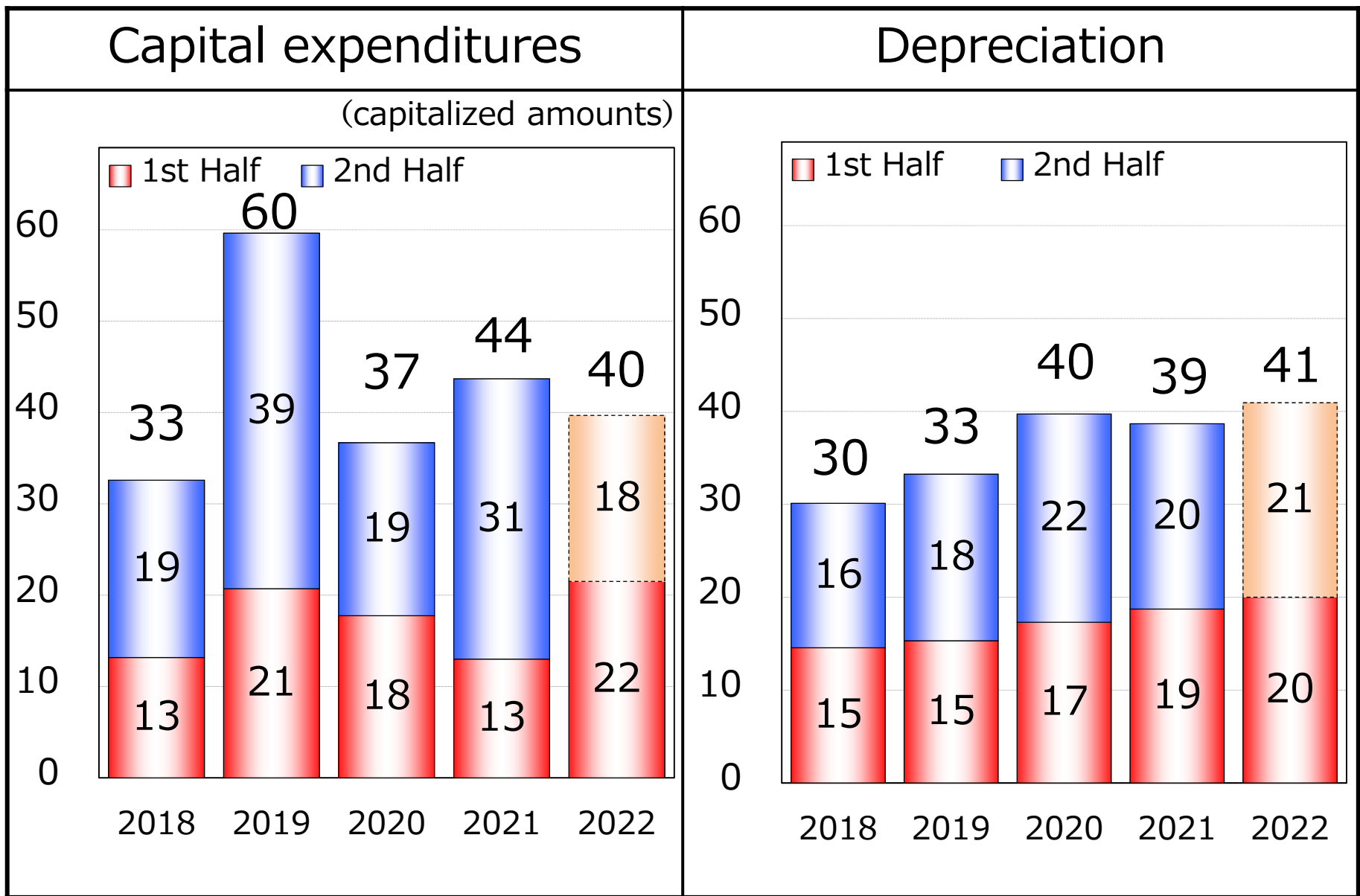
	2021-2Q	2022-2Q	change
Sales	370.6	425.6	+55.0
Operating Profit	39.9	45.9	+6.0
Ordinary Profit	44.3	57.3	+13.0

- Higher raw material costs due to rising crude oil prices
- Increased labor costs due to increased business activity and the impact of the weaker yen



# Capital expenditures and Depreciation

(100 mil. of yen)





# Forecast

(millions of yen)

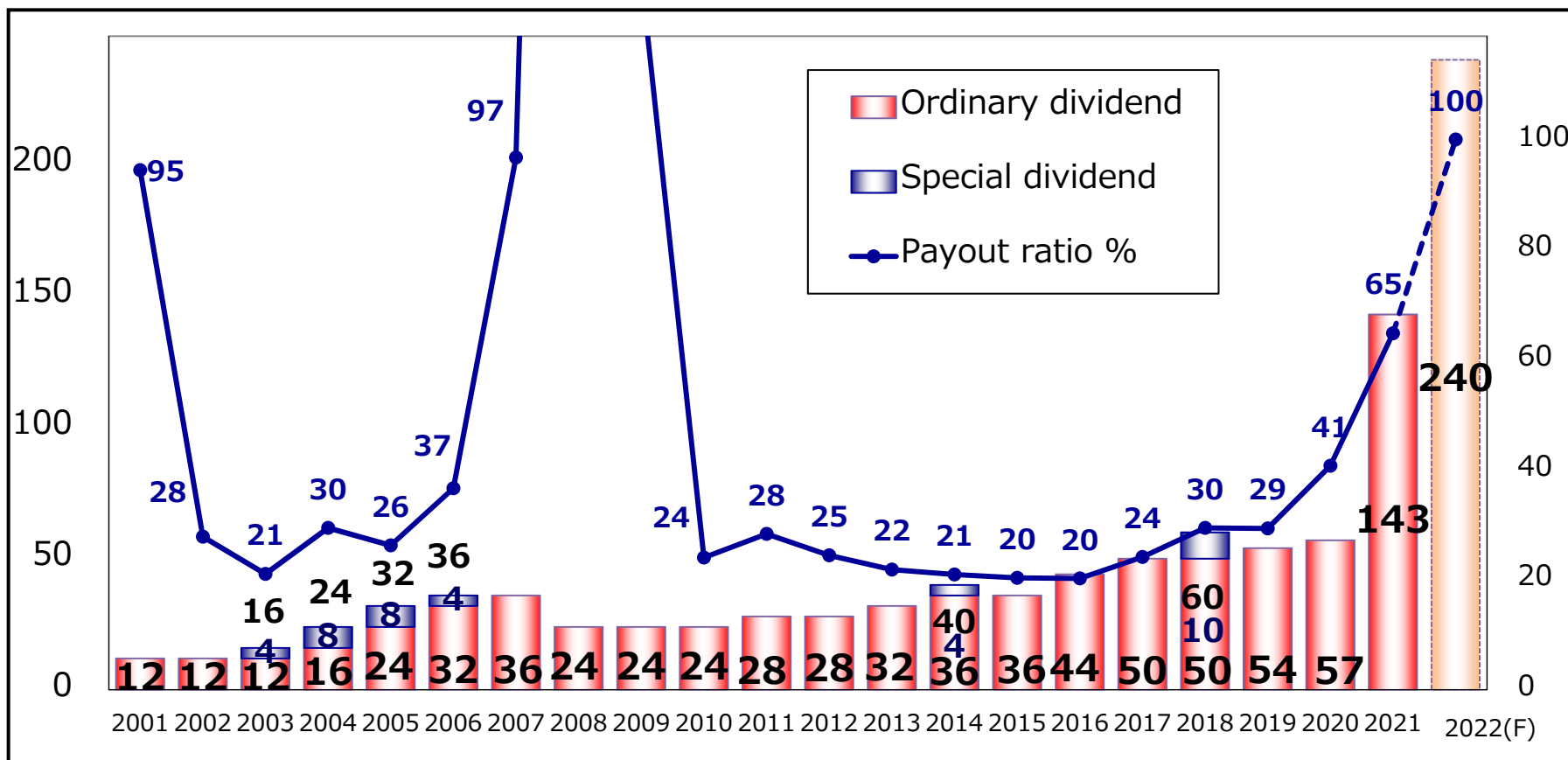


	2022/3 Results	2023/3 Forecast			Year-on-Year	
		1st Half (2022/4-2022/9)	Full year (before)	Full year (after)	change	%
Sales	74,870	42,568	77,500	83,000	+8,130	+10.9%
Operating Profit	7,640	4,597	8,000	8,700	+1,060	+13.9%
Margin	10.2%	10.8%	10.3%	10.5%		
Ordinary Profit	8,552	5,731	8,000	9,400	+848	+9.9%
Margin	11.4%	13.5%	10.3%	11.3%		
Profit attributable to owners of parent	6,380	3,919	6,300	6,800	+420	+6.6%
Exchange rate (period average)	USD	¥115 → ¥135				
	EUR	¥125 → ¥137				

# Dividends



	Interim	Year-end	Total
2022/3	¥33	¥110	¥143
<b>2023/3</b>	<b>¥110→¥120</b>		
<b>2023/3(Forecast)</b>		<b>¥110→¥120</b>	<b>¥220→¥240</b>



The share was consolidated (2 shares→ 1 share) on Oct. 1, 2018. The values of dividends are converted on the post-consolidation basis.

## Initiatives to create a robust corporate governance structure

Time		Initiatives
Nov.	2000	Mitsubishi Belting Fureai Council, a volunteer organization comprising Group employees, formed to promote town development where residents and businesses coexist
Oct.	2003	Executive Officer system introduced
May	2015	Risk Management Committee and Compliance Committee established
June	2020	Work Style Reform Promotion Committee established
Dec.	2020	Specific SDG initiatives formulated
March	2021	Nomination and Remuneration Advisory Committee established
April	2022	Sustainability Promotion Committee and Sustainability Promotion Department established (Sustainability Promotion Committee comprises Management Council members and is chaired by President)
June	2022	First female Director takes office (at least 1/3 of Directors are Outside Directors) Shortened the term of office of directors from 2 years to 1 year
Nov.	2022	DX Promotion Department established Plan to formulate materiality

## Formulation of medium- to long-term targets for carbon neutrality by 2050

We have set the following numerical CO2 emission reduction targets (vs. FY2013)

- FY2023: At least 22%
- FY2030: 46%

