

# Financial Results Briefing Materials

(2023/4/1~2023/9/30)



**MITSUBOSHI BELTING LTD.**

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

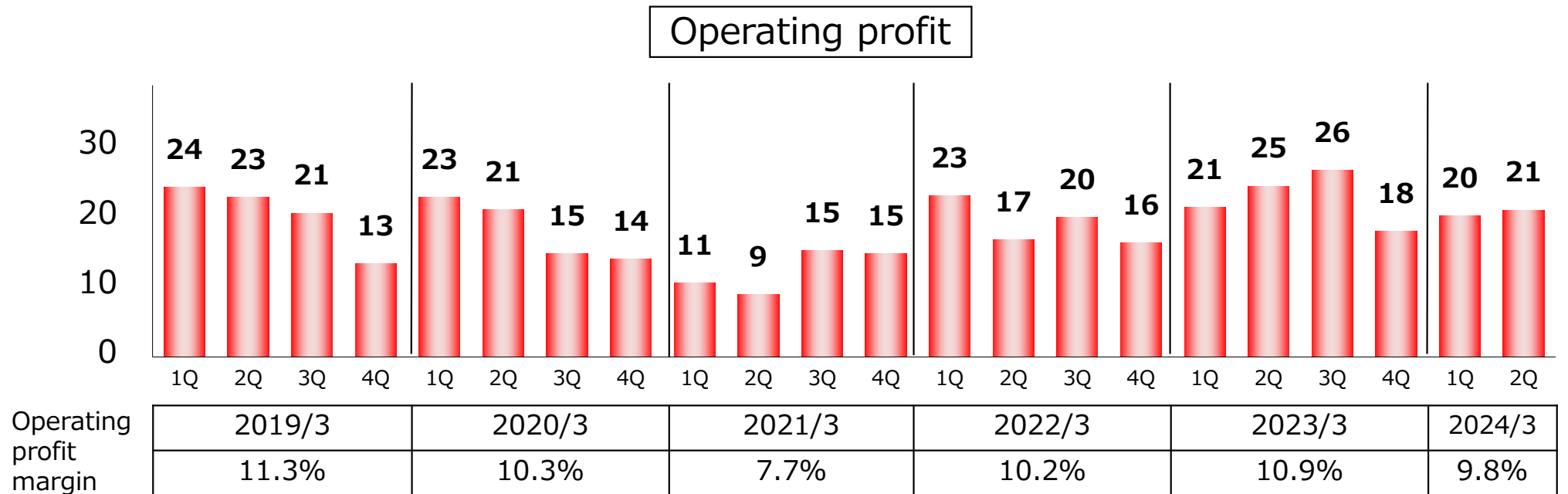
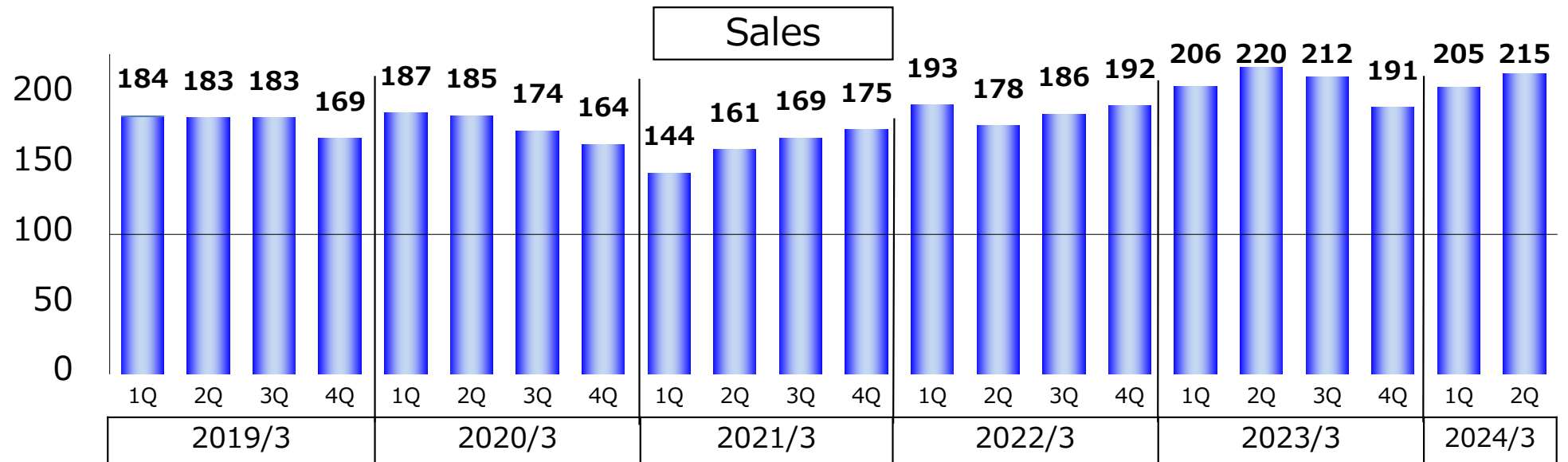
(millions of yen)



	2023/3 (2022/4-2023/3)						2024/3 (2023/4-2024/3)		vs.PY (1st Half)	
	1st Half	Margin	2nd Half	Margin	Full Year	Margin	1st Half	Margin	change	%
Sales	42,568	100%	40,343	100%	82,911	100%	42,028	100%	△540	△1.3%
Operating profit	4,597	10.8%	4,433	11.0%	9,030	10.9%	4,137	9.8%	△460	△10.0%
Ordinary profit	5,731	13.5%	4,740	11.7%	10,471	12.6%	5,611	13.4%	△120	△2.1%
Profit attributable to owners of parent	3,919	9.2%	3,152	7.8%	7,071	8.5%	3,593	8.5%	△326	△8.3%

# Quarterly Results

(100 mil. of yen)



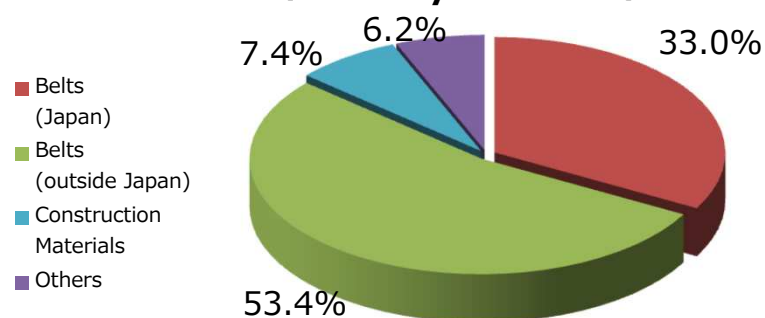
# Sales by Business

(millions of yen)

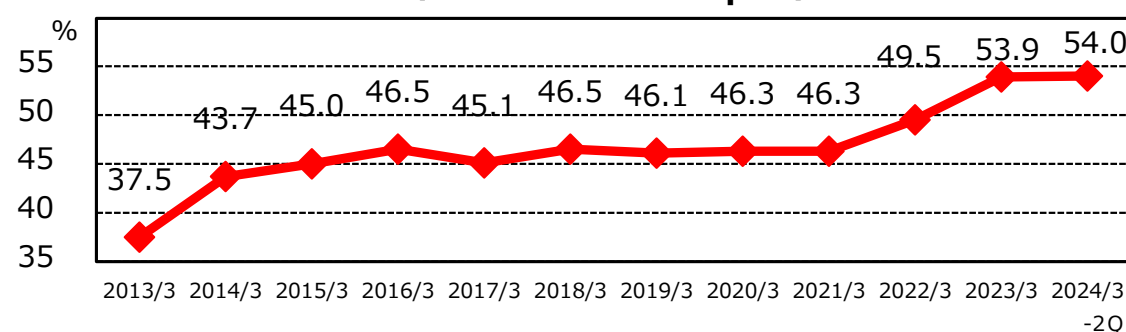


		2023/3 (2022/4-2023/3)						2024/3 (2023/4-2024/3)		vs.PY (1st Half)	
		1st Half	Margin	2nd Half	Margin	Full Year	Margin	1st Half	Margin	change	%
Business	Belts (Japan)	14,288	33.6%	14,012	34.7%	28,300	34.1%	13,877	33.0%	△411	△2.9%
	Belts (outside Japan)	23,387	54.9%	20,859	51.7%	44,246	53.4%	22,424	53.4%	△963	△4.1%
	Building & Construction Materials	2,140	5.0%	3,009	7.5%	5,149	6.2%	3,101	7.4%	+961	+44.9%
	Others	2,752	6.5%	2,463	6.1%	5,215	6.3%	2,624	6.2%	△128	△4.6%
	Total	42,568	100.0%	40,343	100.0%	82,911	100.0%	42,028	100.0%	△540	△1.3%
Sales outside Japan		23,612	55.5%	21,058	52.2%	44,670	53.9%	22,680	54.0%	△932	△3.9%

〈Sales by Business〉



〈Sales outside Japan〉



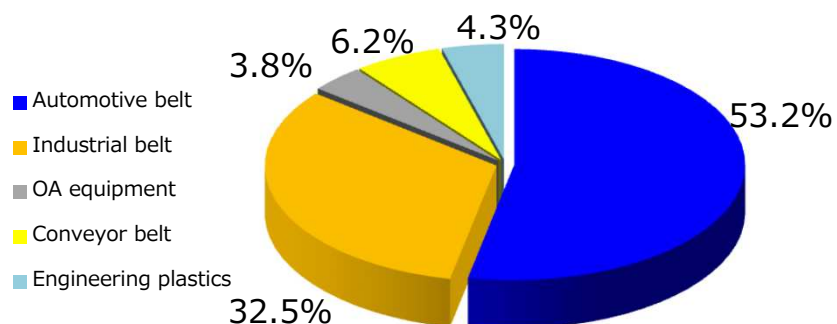
# Breakdown of Belt Sales

(millions of yen)

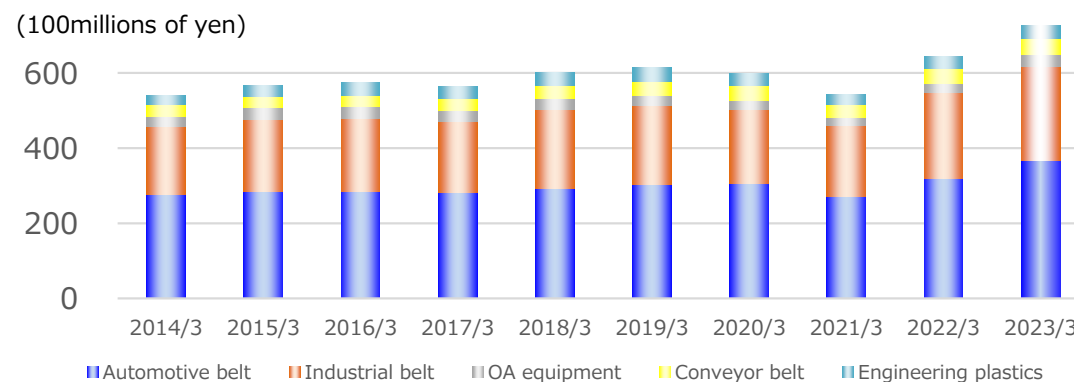


	2023/3 (2022/4-2023/3)						2024/3 (2023/4-2024/3)		vs.PY (1st Half)	
	1st Half	Margin	2nd Half	Margin	Full Year	Margin	1st Half	Margin	change	%
Automotive belt	18,797	49.9%	17,993	51.6%	36,790	50.7%	19,316	53.2%	+519	+2.8%
Industrial belt	13,399	35.6%	11,575	33.2%	24,974	34.4%	11,809	32.5%	△1,590	△11.9%
OA equipment	1,616	4.3%	1,454	4.2%	3,070	4.2%	1,372	3.8%	△244	△15.1%
Conveyor belt	2,130	5.7%	2,094	6.0%	4,224	5.8%	2,236	6.2%	+106	+5.0%
Engineering plastics	1,733	4.6%	1,756	5.0%	3,489	4.8%	1,569	4.3%	△164	△9.4%
<b>Total</b>	<b>37,675</b>	<b>100%</b>	<b>34,872</b>	<b>100.0%</b>	<b>72,547</b>	<b>100.0%</b>	<b>36,302</b>	<b>100%</b>	<b>△1,373</b>	<b>△3.6%</b>

〈2024/3 1st Half〉



〈Belt Sales〉



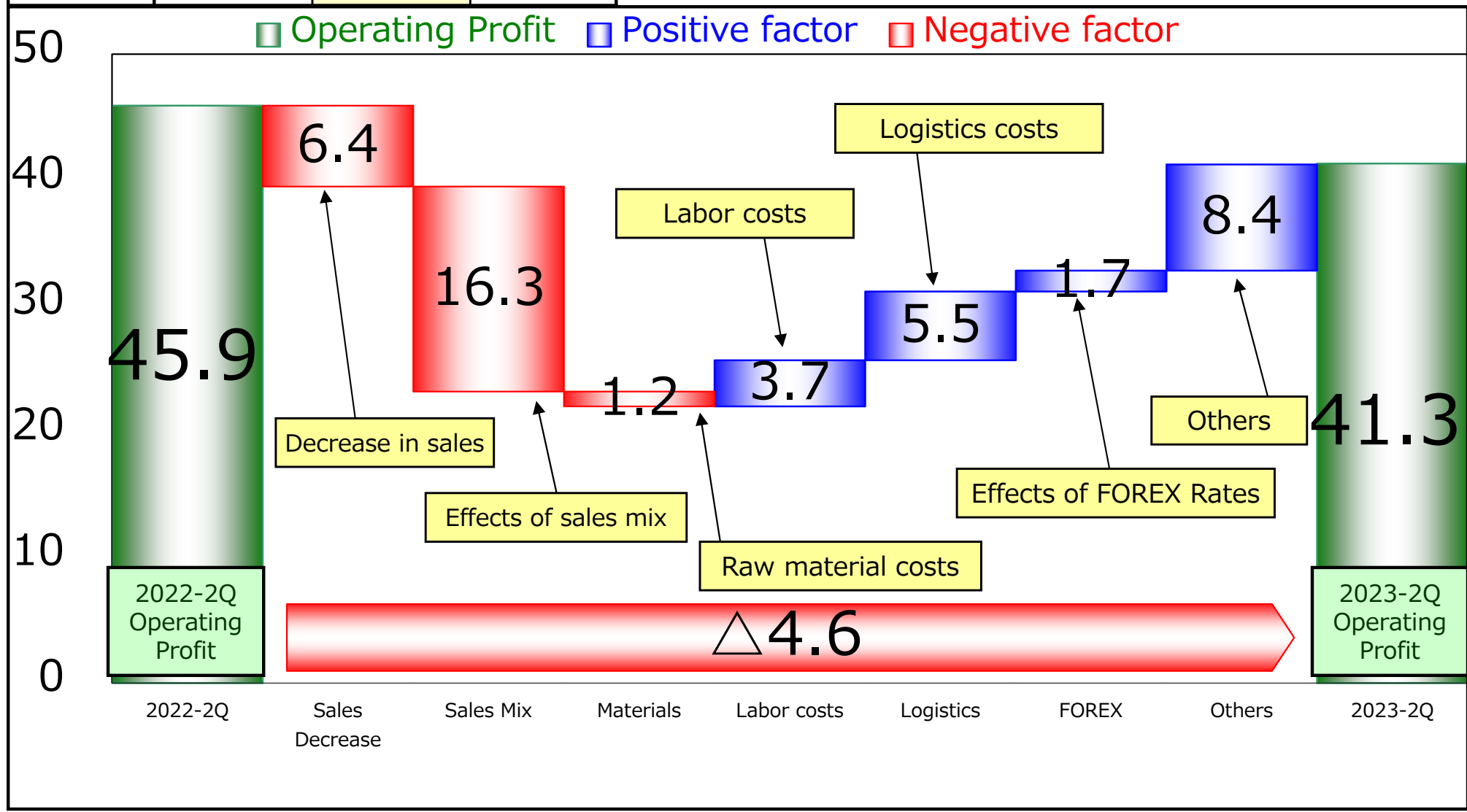
# Analysis of Operating Profit

(100 mil. of yen)



	2022-2Q	2023-2Q	change
Sales	425.6	420.2	△5.4
Operating Profit	45.9	41.3	△4.6
Ordinary Profit	57.3	56.1	△1.0

- ( - ) Decrease in sales  
Effects of sales composition
- ( + ) Decrease in labor costs and logistics costs  
Effects of FOREX Rates



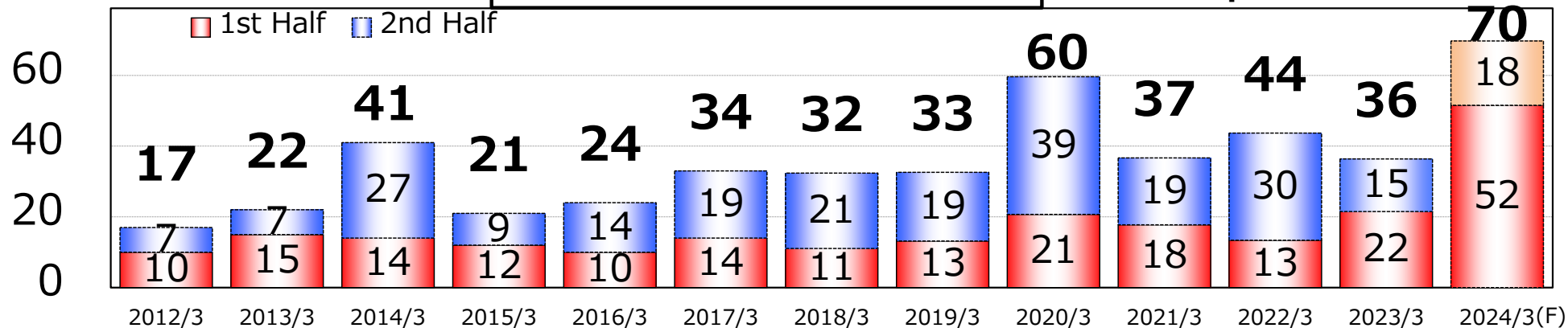
# Capital expenditures and Depreciation

(100 mil. of yen)

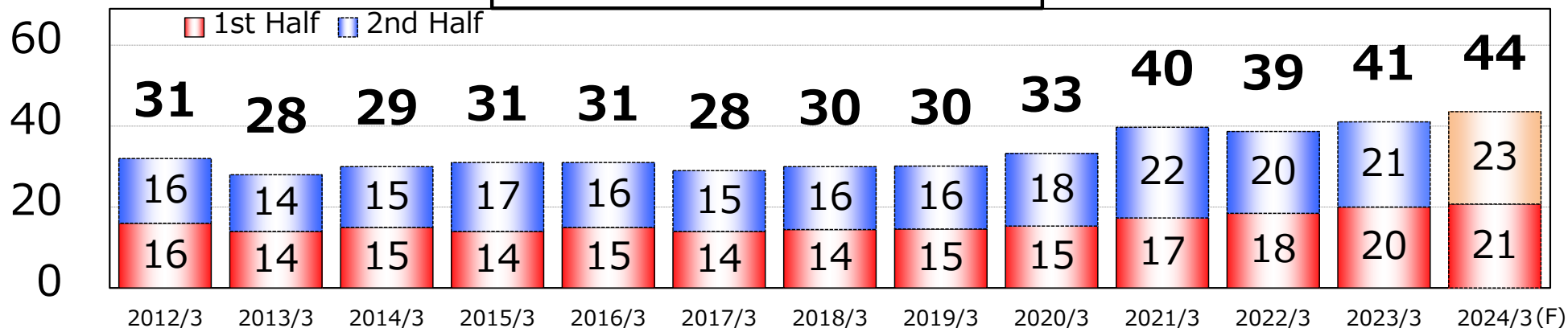


## Capital expenditures

(capitalized amounts)



## Depreciation



A new plant of MITSUBOSHI BELTING-INDIA PRIVATE LIMITED, an affiliate company in India, has been completed and started operations in April 2023.



New plant in India



# Forecast

(millions of yen)



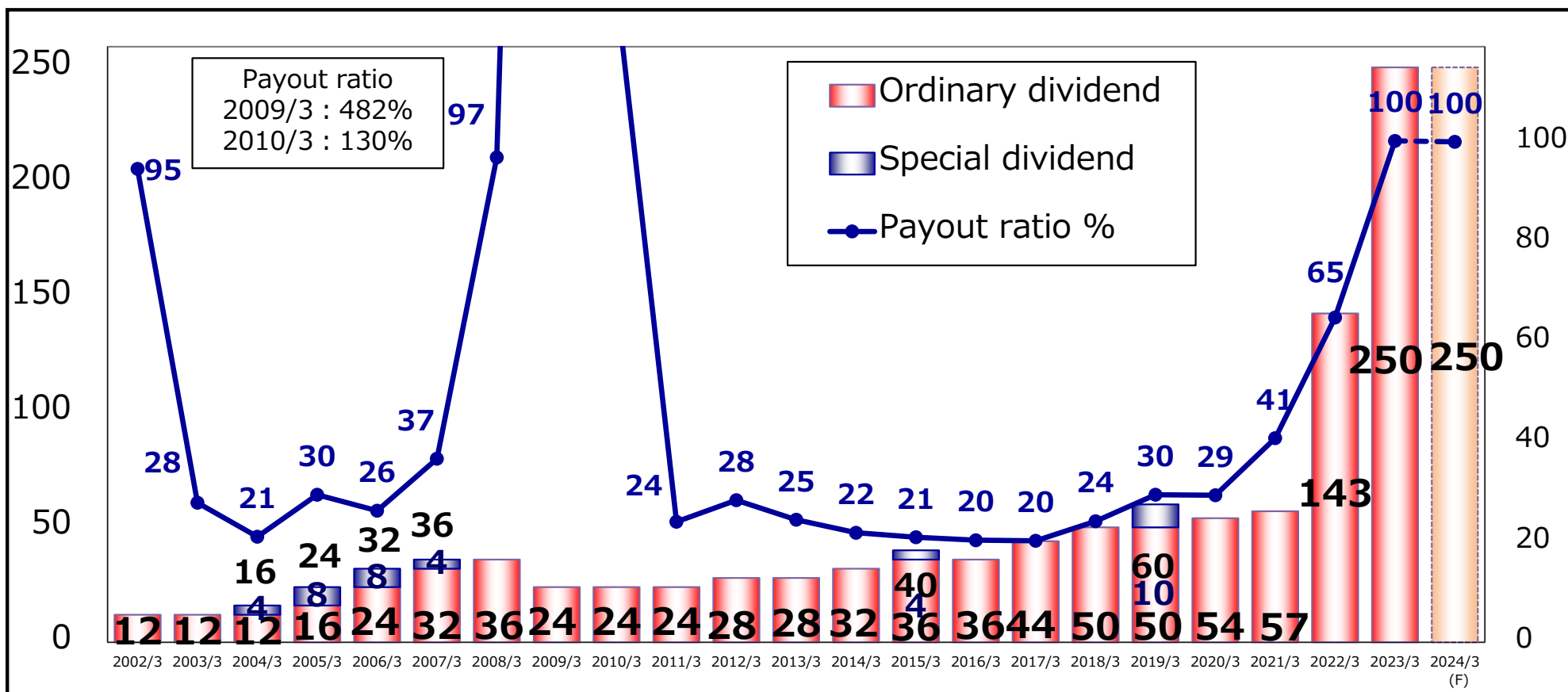
	2023/3 Results	2024/3 Forecast			Year-on-Year	
		Mid-term Business Plan	Forecast		change	%
			1st Half (2023/4-2023/9)	Full year		
Sales	82,911	80,000	42,028	<b>84,500</b>	+1,589	+1.9%
Operating Profit	9,030	8,300	4,137	<b>9,100</b>	+70	+0.8%
Margin	10.9%	10.4%	9.8%	<b>10.8%</b>		
Ordinary Profit	10,471	/	5,611	<b>9,300</b>	△1,171	△11.2%
Margin	12.6%		13.4%	<b>11.0%</b>		
Profit attributable to owners of parent	7,071		3,593	<b>7,100</b>	+29	+0.4%
Margin	8.5%		8.5%	<b>8.4%</b>		

Exchange rate : USD	¥135.47	¥115	¥141.00	¥130	Exchange rate (period average)
Exchange rate : EUR	¥140.97	¥125	¥153.39	¥142	

# Dividends



	Interim	Year-end	Total
2023/3	¥120	¥130	¥250
<b>2024/3</b>	¥125		
<b>2024/3(Forecast)</b>		¥125	¥250



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

# ESG initiatives (1)

Time		Category	Initiatives
Nov.	2000	S	Mitsubishi Belting Fureai Council, a volunteer organization comprising Group employees, formed to promote town development where residents and businesses coexist
Oct.	2003	G	Executive Officer system introduced
May	2015	G	Risk Management Committee and Compliance Committee established
Oct.	2018	E S G	CSR Promotion Committee established ※Renamed to SDGs Promotion Committee in March 2021
June	2020	S	Work Style Reform Promotion Committee established
Dec.	2020	E S G	Specific SDGs initiatives formulated
March	2021	G	Nomination and Remuneration Advisory Committee established
		E	CO2 emission reduction targets established ((vs. FY2013) FY2023 : 20% reduction , FY2030 : 35% reduction , FY2050 : CN)
April	2022	E S G	Sustainability Promotion Committee and Sustainability Promotion Department established (Sustainability Promotion Committee comprises Management Council members and is chaired by President)
		E S G	Working Group of Sustainability Promotion Committee organized
May		E	CO2 emission reduction targets revised ((vs. FY2013) FY2023 : 20%→At least 22% reduction , FY2030 : 35%→46% reduction)
June		G	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
July		E	Information based on TCFD recommendations disclosed (CDP2022)
Nov.		E S G	Materiality formulated
		S	Human rights due diligence activities started (Human Rights Policy, Human Rights DD Implementation Guidelines, and Human Rights DD Guidelines established )
		G	Mitsubishi Belting Group Code of Conduct revised
Dec.		E S	Announced support for each initiative (①TCFD, ②TCFD Consortium, ③Human Capital Management Consortium, ④GX League)

Time	Category	Initiatives
Jan.	S	Initiatives to improve employee engagement promoted (Measuring engagement started)
	S G	Various policies formulated and disclosed (①Procurement Policy, ②Disclosure Policy)
Feb.	E	Sustainability Linked Loan Agreement concluded
	E	New mid-term target for CO2 emissions reduction established (FY2025 : 27% reduction (vs. FY2013) )
March	S G	The Corporate Philosophy, Management Principle, etc. organized into a new philosophy system.
June	E S G	Selected as a constituent of the FTSE Blossom Japan Sector Relative Index, a leading index for ESG investment
Sep.	E S G	"Sustainability Report 2023" published (Enhanced the content of the previous "CSR Report") <a href="https://www.mitsuboshi.com/news/news_230929.html">https://www.mitsuboshi.com/news/news_230929.html</a>

## 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%
- FY2025: 27%
- FY2030: 46%

