

Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (Japanese GAAP)

May 14, 2024

Company name: Mitsuboshi Belting Ltd.
 Stock exchange listing: Tokyo
 Securities code: 5192
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Scheduled date of annual general meeting of shareholders: June 27, 2024
 Scheduled date of commence dividend payments: June 28, 2024
 Scheduled date of filing annual securities report: June 27, 2024

(Amounts less than one million yen are rounded down)

1. Consolidated Financial Results or the Fiscal Year Ended March 31, 2024 (April 1, 2023-March 31, 2024)

(1) Consolidated operating results

(Percentages indicate year-on-year changes)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	84,014	1.3	7,759	△ 14.1	9,605	△ 8.3	7,102	0.4
March 31, 2023	82,911	10.7	9,030	18.2	10,471	22.4	7,071	10.8

Note: Comprehensive income Fiscal year ended March 31, 2024: ¥17,819 million (111.3%)
 Fiscal year ended March 31, 2023: ¥8,432 million (△ 23.7%)

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit to total assets ratio	Operating profit to net assets ratio
	Yen	Yen	%	%	%
March 31, 2024	250.40	—	7.6	7.5	9.2
March 31, 2023	249.12	—	8.1	8.7	10.9

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	135,627	98,247	72.4	3,463.30
As of March 31, 2023	121,682	87,601	72.0	3,089.48

Reference: Equity As of March 31, 2024: ¥98,247 million
 As of March 31, 2023: ¥87,601 million

(3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	11,926	△ 2,665	△ 9,469	35,045
March 31, 2023	9,341	△ 6,997	△ 3,741	33,494

2. Dividends

	Annual dividends per share					Total cash dividends	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter -end	2nd quarter -end	3rd quarter -end	Fiscal year -end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2023	—	120.00	—	130.00	250.00	7,088	100.4	8.2
Fiscal year ended March 31, 2024	—	125.00	—	125.00	250.00	7,092	99.8	7.6
Fiscal year ending March 31, 2025(Forecast)	—	90.00	—	90.00	180.00		54.9	

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2025

(April 1, 2024-March 31, 2025)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half of fiscal year	45,000	5.7	4,400	△ 4.3	4,100	△ 28.5	6,100	55.6	215.03
Full year	88,500	5.3	9,050	16.6	8,600	△ 10.5	9,300	30.9	327.83

Consolidated Financial Statements

1. Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	35,307	35,855
Notes and accounts receivable - trade, and contract assets	16,657	17,712
Merchandise and finished goods	17,395	18,309
Work in process	2,513	2,861
Raw materials and supplies	4,368	4,440
Other	1,188	1,060
Allowance for doubtful accounts	△100	△131
Total current assets	77,331	80,107
Non-current assets		
Property, plant and equipment		
Buildings and structures	24,059	26,873
Accumulated depreciation	△16,734	△17,824
Buildings and structures, net	7,325	9,049
Machinery, equipment and vehicles	50,360	55,193
Accumulated depreciation	△41,501	△44,824
Machinery, equipment and vehicles, net	8,859	10,370
Tools, furniture and fixtures	16,071	16,998
Accumulated depreciation	△14,078	△14,637
Tools, furniture and fixtures, net	1,993	2,361
Land	3,978	4,004
Leased assets	1,870	1,848
Accumulated depreciation	△367	△427
Leased assets, net	1,503	1,420
Construction in progress	4,738	3,251
Total property, plant and equipment	28,399	30,458
Intangible assets		
Software	601	453
Goodwill	130	88
Other	59	83
Total intangible assets	791	625
Investments and other assets		
Investment securities	13,597	22,614
Deferred tax assets	1,148	1,352
Other	422	477
Allowance for doubtful accounts	△8	△8
Total investments and other assets	15,160	24,435
Total non-current assets	44,351	55,519
Total assets	121,682	135,627

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,889	10,033
Short-term borrowings	2,329	2,303
Current portion of long-term borrowings	1,900	1,000
Accounts payable - other	1,982	2,920
Income taxes payable	201	1,805
Provision for bonuses	974	885
Provision for product warranties	477	495
Other	4,107	4,289
Total current liabilities	21,862	23,731
Non-current liabilities		
Long-term borrowings	4,000	3,000
Long-term accounts payable - other	142	206
Deferred tax liabilities	4,644	7,503
Retirement benefit liability	1,948	2,085
Provision for retirement benefits for directors (and other officers)	16	18
Asset retirement obligations	363	327
Long-term guarantee deposits	393	392
Other	710	113
Total non-current liabilities	12,219	13,648
Total liabilities	34,081	37,380
Net assets		
Shareholders' equity		
Share capital	8,150	8,150
Capital surplus	2,143	2,111
Retained earnings	70,818	68,088
Treasury shares	△7,559	△4,868
Total shareholders' equity	73,552	73,481
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,310	14,700
Foreign currency translation adjustment	5,785	10,047
Remeasurements of defined benefit plans	△48	17
Total accumulated other comprehensive income	14,048	24,765
Total net assets	87,601	98,247
Total liabilities and net assets	121,682	135,627

2. Consolidated Statement of Income and Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	82,911	84,014
Cost of sales	56,338	58,458
Gross profit	26,572	25,555
Selling, general and administrative expenses	17,542	17,796
Operating profit	9,030	7,759
Non-operating income		
Interest income	281	433
Dividend income	397	425
Foreign exchange gains	556	1,035
Other	688	313
Total non-operating income	1,924	2,208
Non-operating expenses		
Interest expenses	51	58
Loss on retirement of non-current assets	307	147
Other	125	156
Total non-operating expenses	484	363
Ordinary profit	10,471	9,605
Extraordinary income		
Gain on sale of investment securities	39	1,074
Compensation for forced relocation	-	249
Total extraordinary income	39	1,323
Extraordinary losses		
Impairment losses	695	-
Business restructuring expenses	-	606
Loss on valuation of investment securities	-	35
Total extraordinary losses	695	641
Profit before income taxes	9,814	10,287
Income taxes - current	2,815	3,279
Income taxes - deferred	△72	△94
Total income taxes	2,742	3,184
Profit	7,071	7,102
Profit attributable to owners of parent	7,071	7,102

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	7,071	7,102
Other comprehensive income		
Valuation difference on available-for-sale securities	△1,058	6,389
Foreign currency translation adjustment	2,441	4,261
Remeasurements of defined benefit plans, net of tax	△22	65
Total other comprehensive income	1,360	10,716
Comprehensive income	8,432	17,819
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,432	17,819
Comprehensive income attributable to non-controlling interests	—	—

3. Consolidated statements of changes in equity

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,150	2,119	70,315	△6,395	74,188
Changes during period					
Dividends of surplus			△6,568		△6,568
Profit attributable to owners of parent			7,071		7,071
Purchase of treasury shares				△1,204	△1,204
Disposal of treasury shares		24		40	65
Cancellation of treasury shares					-
Transfer from retained earnings to capital surplus					
Net changes in items other than shareholders' equity					
Total changes during period	—	24	503	△1,164	△636
Balance at end of period	8,150	2,143	70,818	△7,559	73,552

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	9,368	3,344	△25	12,688	86,877
Changes during period					
Dividends of surplus					△6,568
Profit attributable to owners of parent					7,071
Purchase of treasury shares					△1,204
Disposal of treasury shares					65
Cancellation of treasury shares					-
Transfer from retained earnings to capital surplus					
Net changes in items other than shareholders' equity	△1,058	2,441	△22	1,360	1,360
Total changes during period	△1,058	2,441	△22	1,360	724
Balance at end of period	8,310	5,785	△48	14,048	87,601

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,150	2,143	70,818	△7,559	73,552
Changes during period					
Dividends of surplus			△7,232		△7,232
Profit attributable to owners of parent			7,102		7,102
Purchase of treasury shares				△2	△2
Disposal of treasury shares		36		24	60
Cancellation of treasury shares		△2,668		2,668	-
Transfer from retained earnings to capital surplus		2,600	△2,600		-
Net changes in items other than shareholders' equity					
Total changes during period	—	△32	△2,729	2,691	△70
Balance at end of period	8,150	2,111	68,088	△4,868	73,481

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	8,310	5,785	△48	14,048	87,601
Changes during period					
Dividends of surplus					△7,232
Profit attributable to owners of parent					7,102
Purchase of treasury shares					△2
Disposal of treasury shares					60
Cancellation of treasury shares					-
Transfer from retained earnings to capital surplus					-
Net changes in items other than shareholders' equity	6,389	4,261	65	10,716	10,716
Total changes during period	6,389	4,261	65	10,716	10,646
Balance at end of period	14,700	10,047	17	24,765	98,247

4. Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	9,814	10,287
Depreciation	4,104	4,265
Compensation for forced relocation	-	△249
Loss on valuation of investment securities	-	35
Business restructuring expenses	-	606
Impairment losses	695	-
Increase (decrease) in allowance for doubtful accounts	△34	27
Increase (decrease) in retirement benefit liability	△445	20
Increase (decrease) in long-term accounts payable - other	△20	64
Increase (decrease) in provision for retirement benefits for directors (and other officers)	2	1
Increase (decrease) in provision for bonuses	20	△127
Interest and dividend income	△679	△859
Interest expenses	51	58
Foreign exchange losses (gains)	△95	△270
Loss (gain) on sale of property, plant and equipment	6	△14
Loss on retirement of property, plant and equipment	307	147
Loss (gain) on sale of investment securities	△39	△1,074
Decrease (increase) in trade receivables	1,949	△837
Decrease (increase) in inventories	△2,036	478
Increase (decrease) in trade payables	△632	△1,036
Increase (decrease) in accrued consumption taxes	572	△536
Decrease (increase) in other current assets	△360	308
Increase (decrease) in other current liabilities	△281	279
Other, net	21	△13
Subtotal	12,921	11,561
Interest and dividends received	679	859
Interest paid	△49	△60
Income taxes paid	△4,208	△1,651
Proceeds from compensation for forced relocation	-	1,217
Net cash provided by (used in) operating activities	9,341	11,926
Cash flows from investing activities		
Payments into time deposits	△3,046	△1,052
Proceeds from withdrawal of time deposits	2,136	2,222
Purchase of property, plant and equipment	△5,600	△5,045
Proceeds from sale of property, plant and equipment	69	103
Purchase of investment securities	△5	△7
Proceeds from sale of investment securities	50	1,238
Other, net	△602	△123
Net cash provided by (used in) investing activities	△6,997	△2,665
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	2	△27
Proceeds from long-term borrowings	5,000	-
Repayments of long-term borrowings	△900	△1,900
Purchase of treasury shares	△1,204	△2
Dividends paid	△6,568	△7,232
Other, net	△70	△307
Net cash provided by (used in) financing activities	△3,741	△9,469
Effect of exchange rate change on cash and cash equivalents	1,827	1,759
Net increase (decrease) in cash and cash equivalents	430	1,551
Cash and cash equivalents at beginning of period	33,063	33,494
Cash and cash equivalents at end of period	33,494	35,045