



Mid-Term Business Plan (FY2021-2023)

March 12, 2021
Mitsuboshi Belting Ltd.

The Mitsuboshi Group will strive to establish a more solid management base with our strength in technological capabilities and price competitiveness, along with taking the initiative in realization of a sustainable society, adhering to the corporate philosophy of “to give attentive consideration to both humanity and nature” and the motto of “produce quality and sell quality”.

We take advantage of information technology and try to reduce environmental impact through business operations in an effort to minimize effects of unavoidable circumstances such as natural disasters.

As the financial targets, we aim to achieve net sales of 75.0 billion yen in FY2023 by organizing aggressive sales promotion worldwide.

For operating profit margin, we aim to secure 11% or more with united efforts of all the Mitsuboshi Group employees to strengthen the profitable structure of the company.

Financial target

Sales/Operating profit					
FY2023	Sales: 75.0 billion yen Operating Profit Margin: 11% or more				
		2021	2022	2023	
	Sales	70.0	73.0	75.0	
	Operating profit	7.3	8.0	8.3	
					(billion yen)
Exchange rate	USD = ¥105 EUR = ¥115				

Return of profits to shareholders

- Dividend per share: 54 yen or more (Consolidated dividend payout ratio of 35%)
- Average consolidated total return ratio for the three-year period: 50%

Capital investment plan

Total amount of capital investment	15.0 billion yen
<ul style="list-style-type: none">• Restructure of the global manufacturing structure: 5.0 billion yen• Scheduled replacement and reinforcement of facility (including R&D): 10.0 billion yen	

Strengthening of sales structure

1. Automotive industry	<ul style="list-style-type: none">• Expand sales of belts for motorcycles and utility vehicles as well as for passenger vehicles• Promote related system products• Expand aftermarket sales
2. General industry	<ul style="list-style-type: none">• Develop new products for large & high-speed agricultural machinery• Develop new products for industrial robots and electric injection machines
3. Conveyor belts & systems	<ul style="list-style-type: none">• Develop new products for food industry and logistics industry• Expand sales of light conveyor belts and FREESPAN belts

4. Engineering plastics

- Expand sales of high-performance materials and processed products
- Upgrade the existing products and develop new products

5. Construction materials

- Roofing:
- Expand sales in the metal roofing restoration market
 - Develop eco-friendly products and labor-saving products
- Civil engineering:
- Expand sales in the market of waste material disposal sites/agricultural civil work/river management

6. Electronic materials

- Develop new applications of silver nano particles/conductive paste/metallized ceramic substrates
- Develop new products for automobile components and information equipment

Strengthening of production structure

1. Review the production capacity of all the production sites and establish optimal production structures.
2. Enhance cost competitiveness and improve product quality through development of innovative production methods, including utilization of IoT and AI.

Strengthening of capacity for technological development

1. Improve technological development skills by developing information literacy skills.
2. Conduct training on effective problem solving methods for improvement of technical capabilities.

Securing and training of human resources

1. Reform the management system and secure competent human resources.
2. Implement work style reform to allow employees to choose flexible work styles.

Strengthening of quality control and environmental management system

1. Strengthen the structure of quality control system and environmental management system in order to eliminate customer complaints.
2. Maintain ISO9001, IATF16949 and ISO14001 certifications.

Maintenance of workplace

1. Perform maintenance on buildings and facilities in terms of business continuity planning from a long-term perspective.

Promotion of SDGs

1. Contribute to society through business activities
2. CO2 emission reduction target (from 2013 level)
2023 - 20% or more / 2030 - 35% / 2050 - Carbon neutral