

Financial Results Briefing Materials

(2024/4/1~2024/9/30)



MITSUBOSHI BELTING LTD.

Note to future-oriented statements



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.

Note : This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Consolidated Financial Summary

(millions of yen)

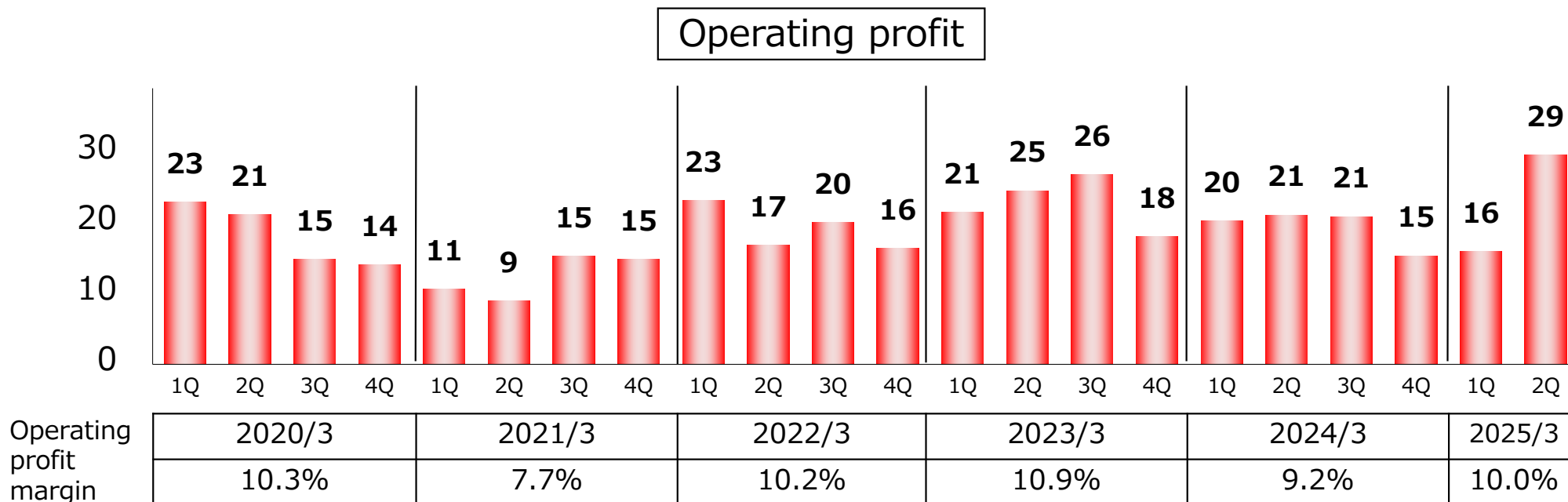
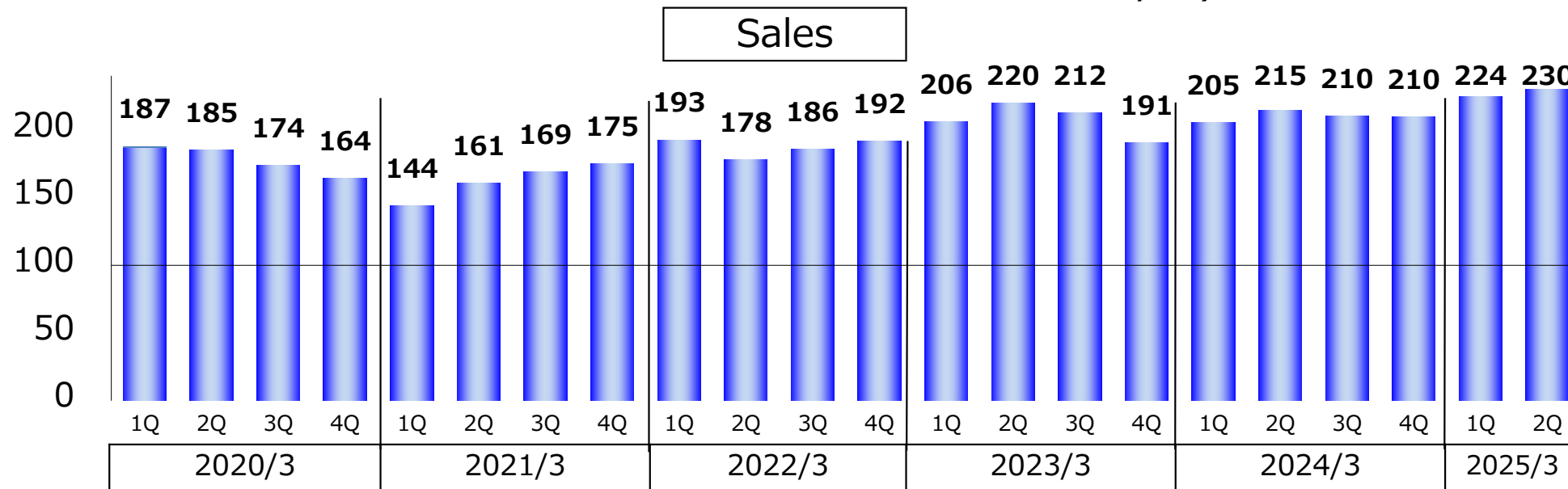


	2024/3 (2023/4-2024/3)						2025/3 (2024/4-2024/9)		vs.PY (1st Half)	
	1st Half	Margin	2nd Half	Margin	Full Year	Margin	1st Half	Margin	change	%
Sales	42,028	-	41,986	-	84,014	-	45,451	-	+3,423	+8.1%
Operating profit	4,137	9.8%	3,622	8.6%	7,759	9.2%	4,548	10.0%	+411	+9.9%
Ordinary	5,611	13.4%	3,994	9.5%	9,605	11.4%	4,286	9.4%	△1,325	△23.6%
Profit attributable to owners of parent	3,593	8.5%	3,509	8.4%	7,102	8.5%	6,091	13.4%	+2,498	+69.5%

Quarterly Results



(100 mil. of yen)



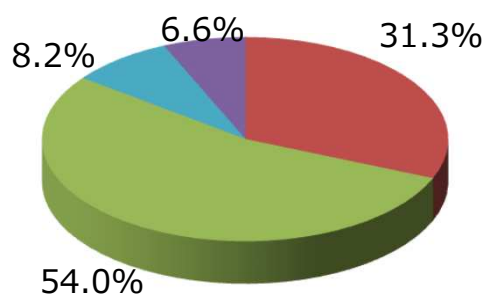
Sales by Business

(millions of yen)  **MITSUBISHI**

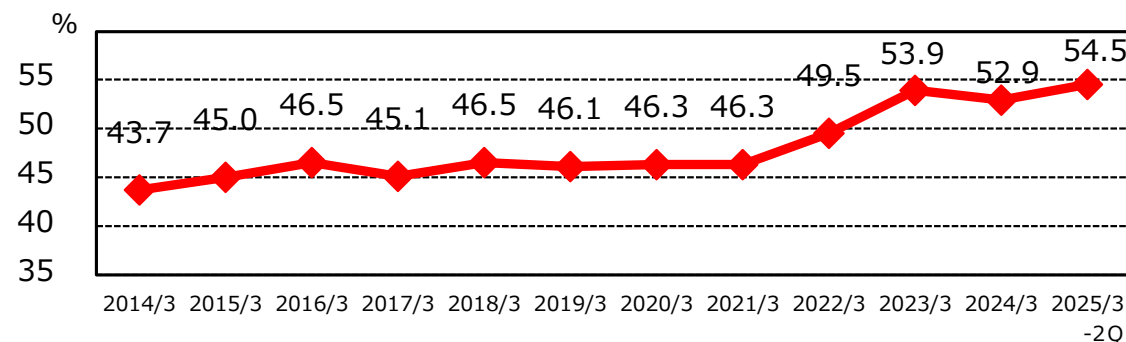
		2024/3 (2023/4-2024/3)						2025/3 (2024/4-2024/9)		vs.PY (1st Half)	
		1st Half	Margin	2nd Half	Margin	Full Year	Margin	1st Half	Margin	change	%
Business	Belts (Japan)	13,877	33.0%	13,485	32.1%	27,362	32.6%	14,204	31.3%	+327	+2.4%
	Belts (outside Japan)	22,424	53.4%	21,511	51.2%	43,935	52.3%	24,534	54.0%	+2,110	+9.4%
	Building & Construction Materials	3,101	7.4%	4,206	10.0%	7,307	8.7%	3,726	8.2%	+625	+20.1%
	Others	2,624	6.2%	2,785	6.6%	5,409	6.4%	2,986	6.6%	+362	+13.8%
	Total	42,028	100%	41,986	100%	84,014	100%	45,451	100%	+3,423	+8.1%
Sales outside Japan		22,680	54.0%	21,750	51.8%	44,430	52.9%	24,783	54.5%	+2,103	+9.3%

〈Sales by Business〉

- Belts (Japan)
- Belts (outside Japan)
- Construction Materials
- Others



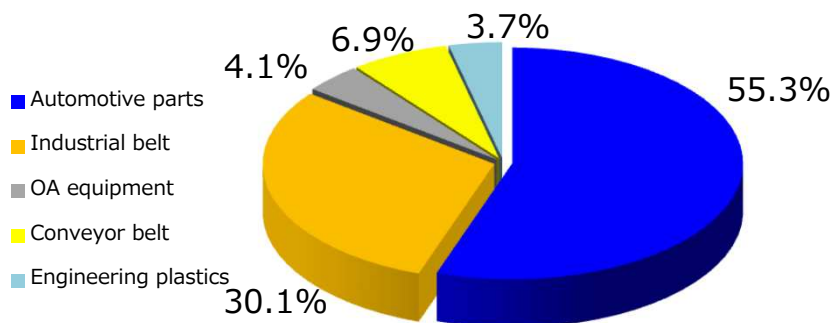
〈Sales outside Japan〉



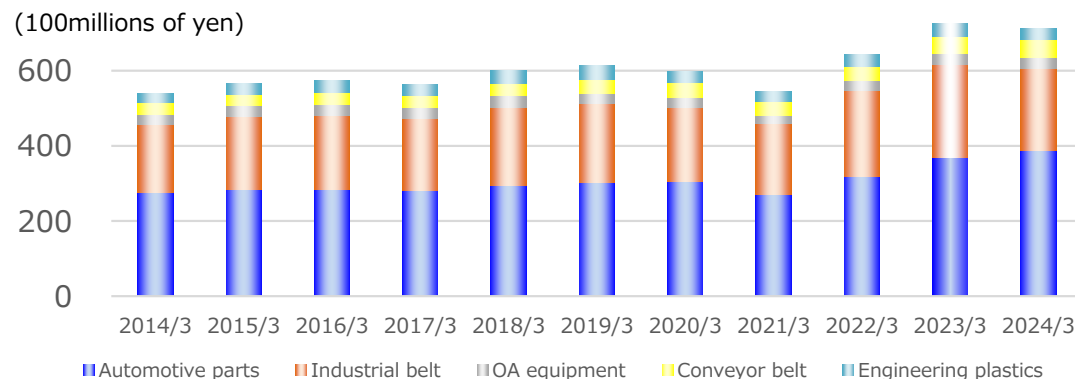
Breakdown of Belt Sales

		2024/3 (2023/4-2024/3)					2025/3 (2024/4-2024/9)		vs.PY (1st Half)		
		1st Half	Margin	2nd Half	Margin	Full Year	Margin	1st Half	Margin	change	%
Automotive parts		19,316	53.2%	19,404	55.4%	38,720	54.3%	21,417	55.3%	+2,101	+10.9%
Industrial machinery	Industrial belt	11,698	32.2%	10,257	29.3%	21,955	30.8%	11,654	30.1%	△44	△0.4%
	OA equipment	1,372	3.8%	1,455	4.2%	2,827	4.0%	1,570	4.1%	+198	+14.4%
	Conveyor belt	2,347	6.5%	2,437	7.0%	4,784	6.7%	2,661	6.9%	+314	+13.3%
	Engineering plastics	1,569	4.3%	1,442	4.1%	3,011	4.2%	1,437	3.7%	△132	△8.4%
Total		36,302	100%	34,995	100%	71,297	100%	38,738	100%	+2,436	+6.7%

〈2025/3 1st Half〉



〈Belt Sales〉

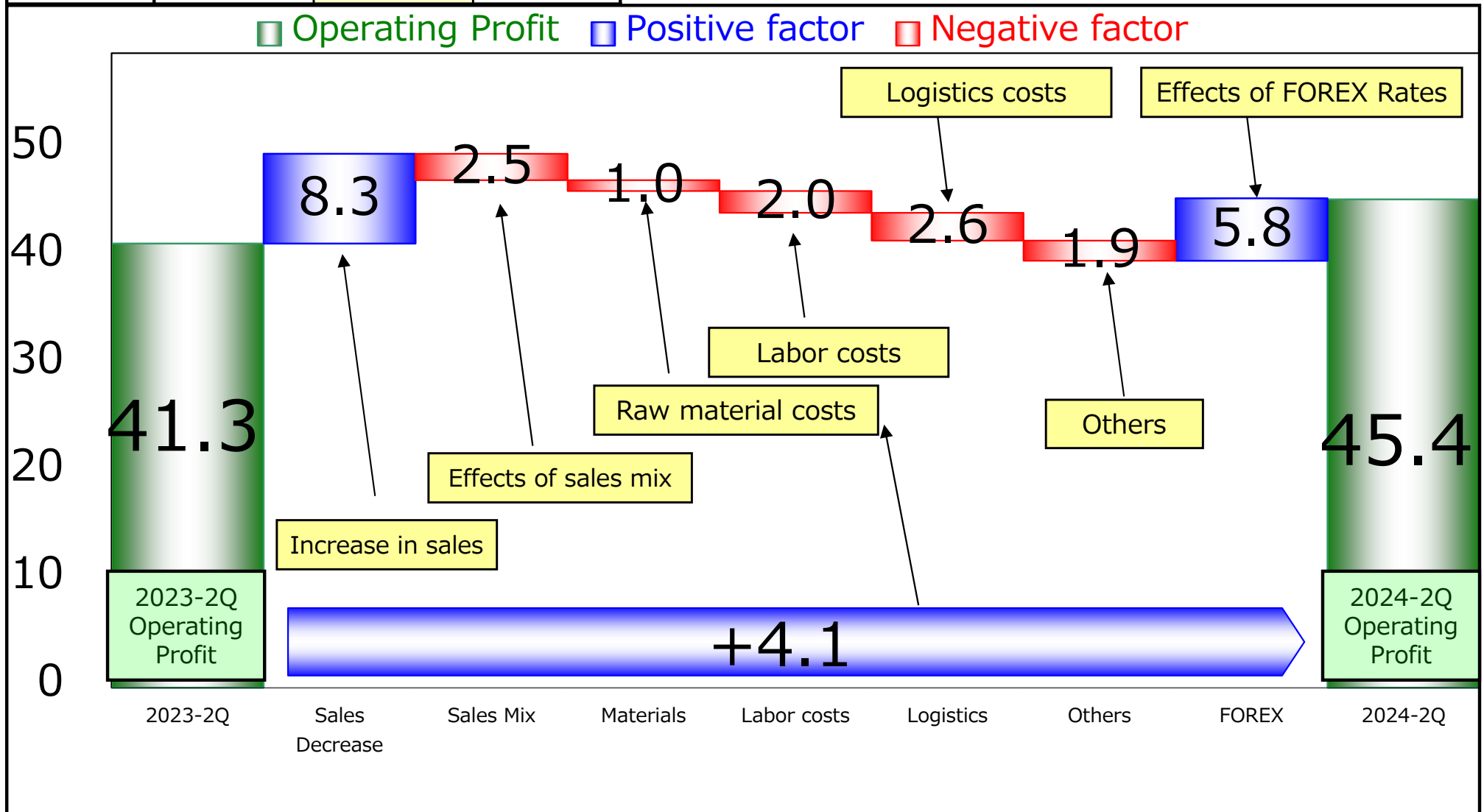


Analysis of Operating Profit

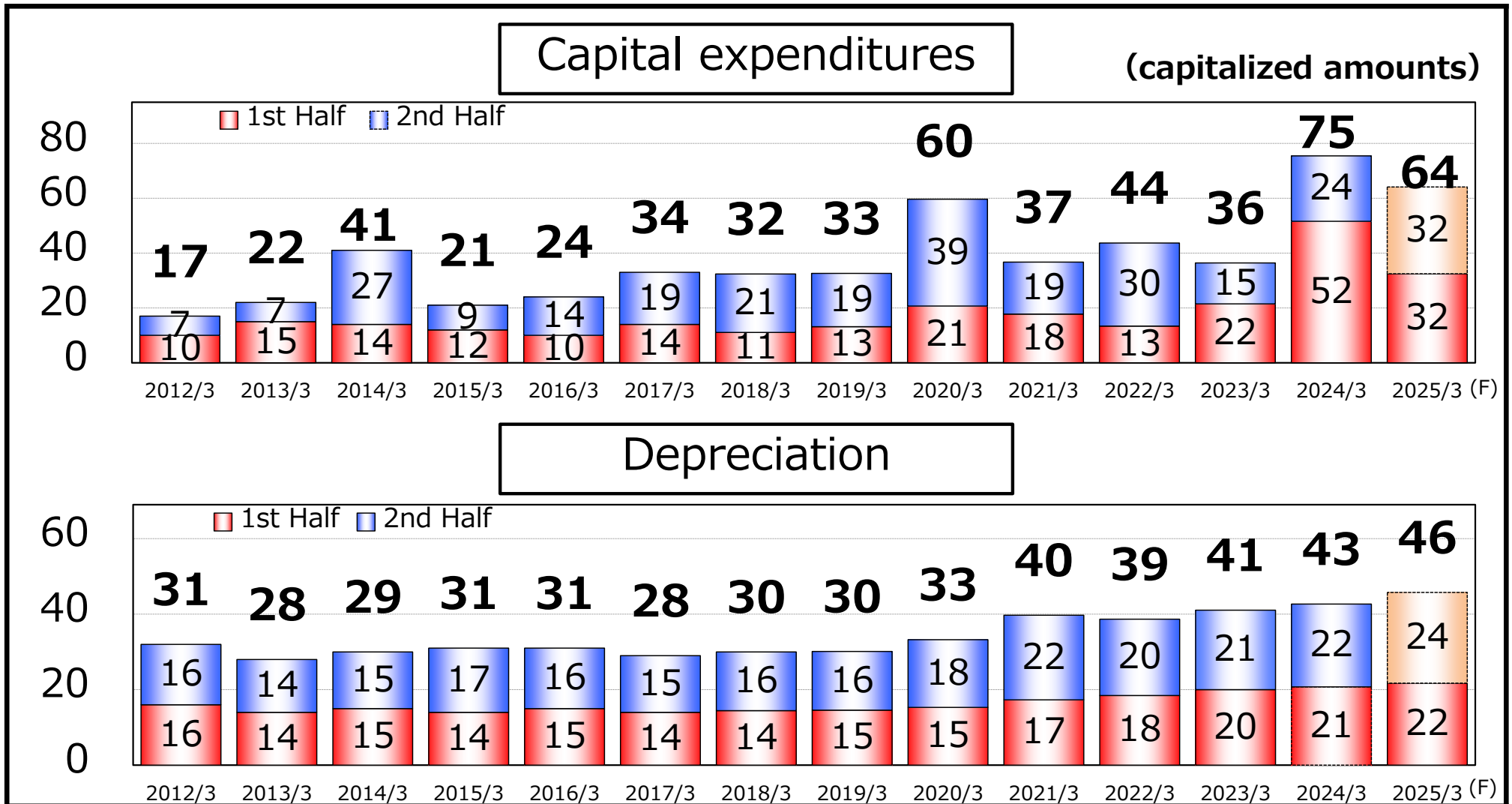
(100 mil. of yen) 

	2023-2Q	2024-2Q	change
Sales	420.2	454.5	+34.2
Operating Profit	41.3	45.4	+4.1
Ordinary Profit	56.1	42.8	△13.3

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



Capital expenditures and Depreciation (100 mil. of yen)



'24 Mid-Term Business Plan (FY2024-FY2026)

- 3-year capital investment budget : 20.0 Bil. Yen
- The approved amount for FY2024 plan is approximately 6.5 billion yen (as of the end of September 2024).

Forecast

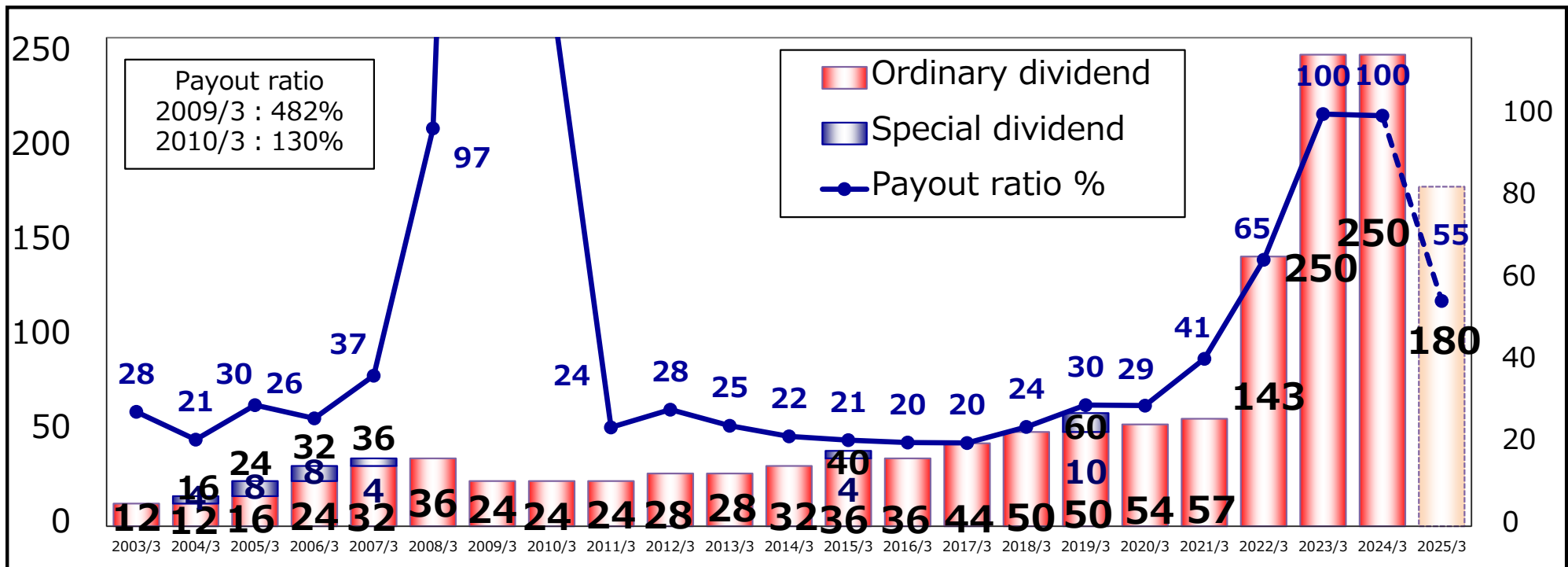
(millions of yen)



	2024/3 Results	2025/3		Year-on-Year	
		Forecast		change	%
		1st Half (2024/4- 2024/9)	Full year		
Sales	84,014	45,451	88,500	+4,486	+5.3%
Operating Profit	7,759	4,548	9,050	+1,291	+16.6%
Margin	9.2%	10.0%	10.2%		
Ordinary Profit	9,605	4,286	8,600	△1,005	△10.5%
Margin	11.4%	9.4%	9.7%		
Profit attributable to owners of parent	7,102	6,091	9,300	+2,198	+30.9%
Margin	8.5%	13.4%	10.5%		
Exchange rate : USD	144.6 yen	152.6 yen	140 yen	(period average)	

Dividends

	Interim	Year-end	Total
2024/3	¥125	¥125	¥250
2025/3	¥90		
2025/3(Forecast)		¥90	¥180

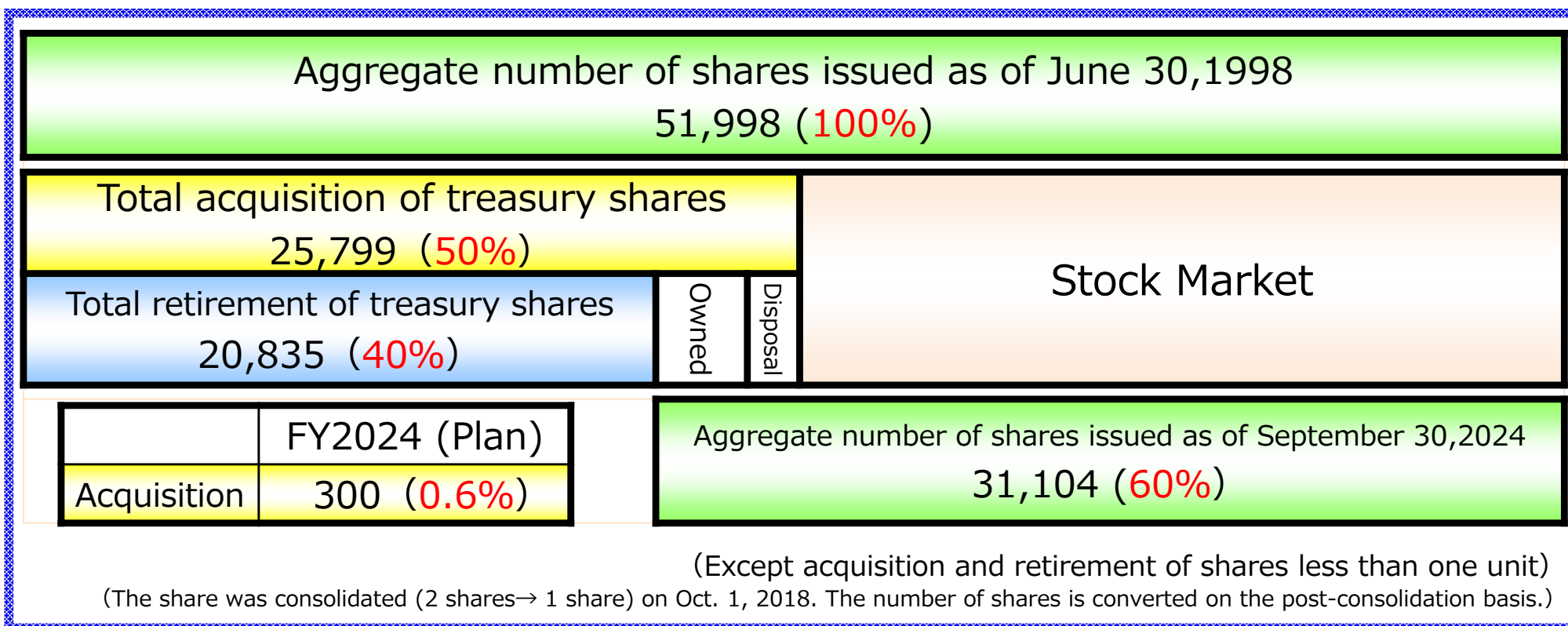


The share was consolidated (2 shares→ 1 share) on Oct. 1, 2018. The values of dividends are converted on the post-consolidation basis.

'24 Mid-Term Business Plan (FY2024-FY2026)

DOE (Dividend on equity ratio) target : approx. 5.4%
(Dividend per share : at least 180 yen / year)

Acquisition and Retirement of treasury shares (Thousand Shares)



The Company has continued to acquire treasury shares.

(Total number of treasury shares acquired : 50% , Total number of treasury shares retired : 40%)

- The Company aims to acquire 3 billion yen of shares in 3 years during “ ’24 Mid-Term Business Plan” (FY2024-FY2026).
- The Company plans to acquire treasury shares : Maximum 300,000 shares , 1 billion yen.
 (November 11, 2024 - January 31, 2025)
- The Company introduced Share-Based Compensation Plan using the ESOP trust structure as a stock incentive plan for employees in August 2024.

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.		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	2022	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	2022	E	Information based on TCFD recommendations disclosed (CDP2022)
Nov.		2022	E S G
	S		Human rights due diligence activities started (Human Rights Policy, Human Rights DD Implementation Guidelines, and Human Rights DD Guidelines established)
Dec.	2022	G	Mitsubishi Belting Group Code of Conduct revised
		E S	Announced support for each initiative (①TCFD, ②TCFD Consortium, ③Human Capital Management Consortium, ④GX League)
Jan.	2023	S	Initiatives to improve employee engagement promoted (Measuring engagement started)
		S G	Various policies formulated and disclosed (①Procurement Policy, ②Disclosure Policy)
Feb.	2023	E	Sustainability Linked Loan Agreement concluded
		E	New mid-term target for CO2 emissions reduction established (FY2025 : 27% reduction (vs. FY2013))

ESG initiatives (2)

Time	Category	Initiatives
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") https://www.mitsuboshi.com/english/news/news_en_231102_2/
Oct.	E S	Participation in the Taskforce on Nature-related Financial Disclosures (TNFD) Forum
Feb.	E S G	Procurement Guidelines established
	E G	Received a "B" score from CDP in the areas of "Climate Change" and "Water Security"
July	E S G	Selected as a constituent of the FTSE Blossom Japan Index, a leading index for ESG investment (ESG Score : 3.3)
Sep.	E S G	"Integrated Report 2024" published

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%
- FY2026: 40%
- FY2030: 46%

