



# Mitsuboshi Belting Ltd.

## Financial Results Briefing Materials

(2025/4/1 ~ 2026/3/31)

---

2026/5/14

### **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 the 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.**

# Key Points of Financial Results

- Sales increased by capturing sales opportunities in growth markets both in Japan and overseas.
- On the other hand, operating profit decreased because sales of high-value-added products fell below expectations due to changes in the market environment and the product mix deteriorated. Continuing initiatives to improve profitability in anticipation of a recovery in demand.
- Based on the Company's dividend policy of around DOE 5.4%, the annual dividend will be 191 yen (interim 90 yen, year-end 101 yen).  
Year-end dividend is expected to increase by 5 yen (96 yen → 101 yen).

## Sales

**92,298**  
millions of yen

vs. PY : +2.0%

## Operating Profit

**8,678**  
millions of yen

vs. PY : -2.8%

## Profit attributable to owners of parent

**7,392**  
millions of yen

vs. PY : -18.4%

# Consolidated Financial Summary

## Sales increased, but operating profit decreased slightly

- Record sales for 5 consecutive years after the divestiture of Automotive components business in 2006
- The Company recognizes that strengthening and improving earning power is a challenge
- FY 2024: Extraordinary profit of approximately ¥3.5 billion from the sale of strategic shareholdings

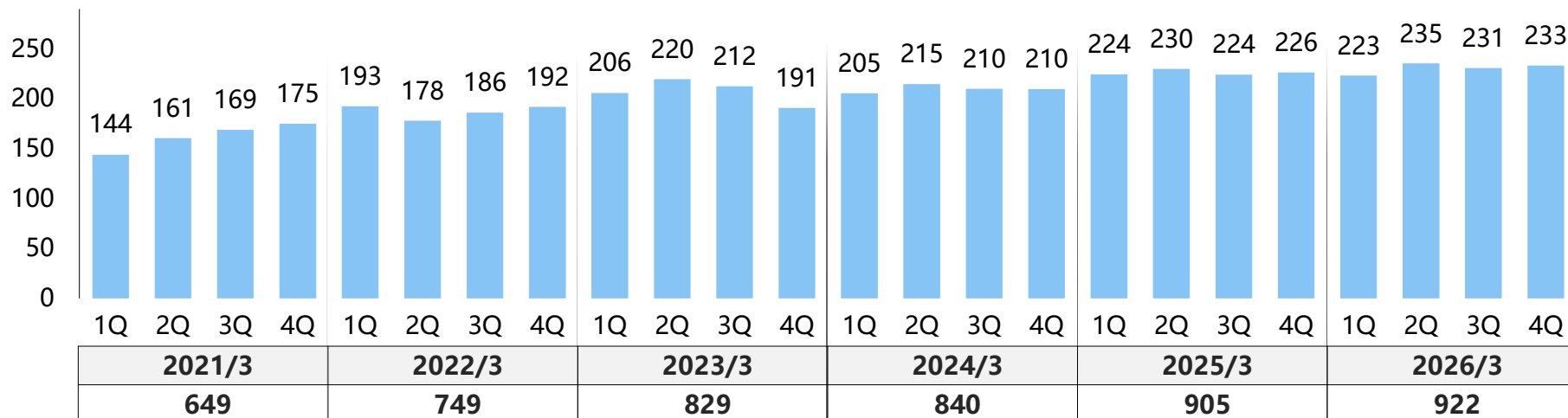
(Unit: millions of yen)

	2025/3 (2024/4-2025/3)			2026/3 (2025/4-2026/3)			vs. PY
	1st Half Margin	2nd Half Margin	Full Year Margin	1st Half Margin	2nd Half Margin	Full Year Margin	change %
<b>Sales</b>	45,451	45,059	90,510	45,868	46,430	<b>92,298</b>	+1,788 +2.0%
<b>Operating profit</b>	4,548 10.0%	4,380 9.7%	8,928 9.9%	4,597 10.0%	4,081 8.8%	<b>8,678</b> <b>9.4%</b>	-250 -2.8%
<b>Ordinary</b>	4,286 9.4%	4,868 10.8%	9,154 10.1%	5,075 11.1%	5,103 11.0%	<b>10,178</b> <b>11.0%</b>	+1,024 +11.2%
<b>Profit attributable to owners of parent</b>	6,091 13.4%	2,969 6.6%	9,060 10.0%	3,870 8.4%	3,522 7.6%	<b>7,392</b> <b>8.0%</b>	-1,668 -18.4%

# Quarterly Results

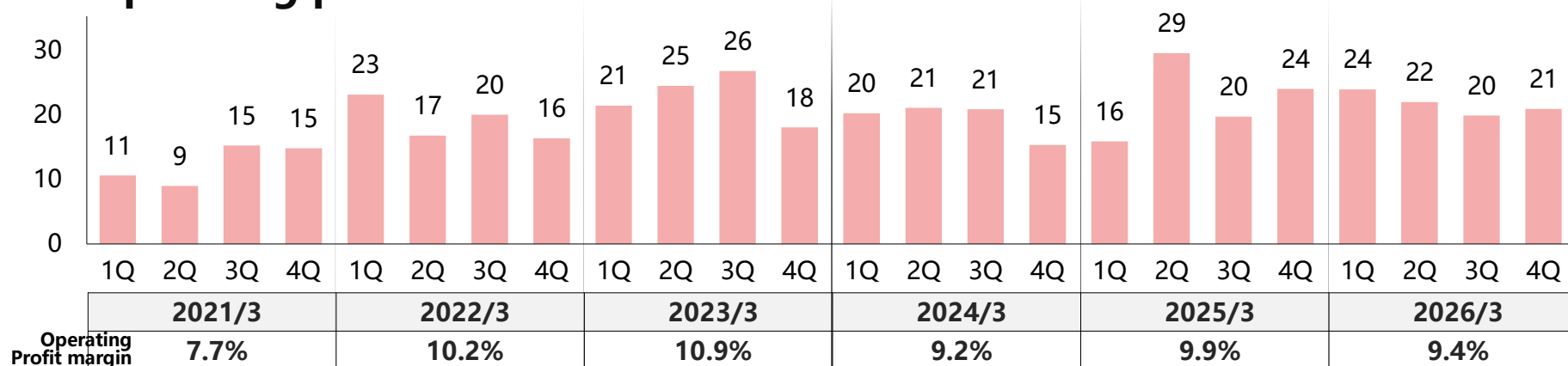
(Unit: 100 mil. of yen)

## Sales



## Operating profit

(Unit: 100 mil. of yen)



# Sales by Segment (vs.PY)

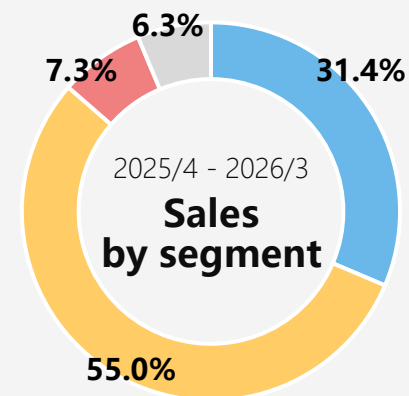
## Growth in core belt business

## Decline in construction materials

The core belt business remained firm, exceeding the previous year both domestically and overseas.

### Construction materials

- Building segment: Sales declined due to labor shortages at construction sites
- Civil engineering segment: Decrease in large-scale projects compared with the same period of the previous year

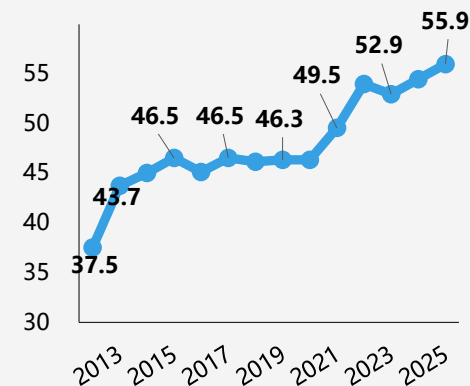


- Belts (Japan)
- Belts (Global except Japan)
- Construction Material
- Others

(Unit: millions of yen)

		2025/3 (2024/4-2025/3)			2026/3 (2025/4-2026/3)			vs. PY
		1st Half Share	2nd Half Share	Full Year Share	1st Half Share	2nd Half Share	Full Year Share	change %
Sales by segment	<b>Belts - Japan</b>	14,204 31.3%	13,934 30.9%	28,138 31.1%	14,744 32.1%	14,231 30.7%	<b>28,975</b> <b>31.4%</b>	+837 +3.0%
	<b>Belts - Global except Japan</b>	24,534 54.0%	24,061 53.4%	48,595 53.7%	24,701 53.9%	26,086 56.2%	<b>50,787</b> <b>55.0%</b>	+2,192 +4.5%
	<b>Construction Material</b>	3,726 8.2%	4,376 9.7%	8,102 9.0%	3,424 7.5%	3,345 7.2%	<b>6,769</b> <b>7.3%</b>	-1,333 -16.4%
	<b>Others</b>	2,986 6.6%	2,688 6.0%	5,674 6.3%	2,998 6.5%	2,767 6.0%	<b>5,765</b> <b>6.2%</b>	+91 +1.6%
		45,451 100%	45,059 100%	90,510 100%	45,868 100%	46,430 100%	<b>92,298</b> <b>100%</b>	+1,788 +2.0%
<b>Overseas sales ratio</b>		24,783 54.5%	24,358 54.1%	49,141 54.3%	25,045 54.6%	26,536 57.2%	<b>51,581</b> <b>55.9%</b>	+2,440 +5.0%

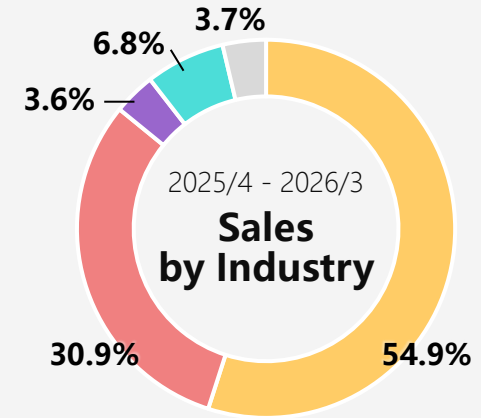
## Overseas sales ratio



# Breakdown of Belt Sales (vs.PY)

## All categories showed steady performance

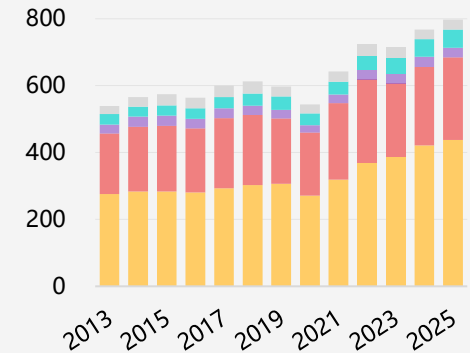
- **Automotive parts:** Demand for drive belts for electric units (e.g., EPS) for four-wheel vehicles remained firm
- **Transmission belts:**
  - Domestic ... Demand recovered for agricultural machinery and robots
  - Overseas ... Increased demand for agricultural machinery; inventory adjustments are easing
- **OA equipment:**
  - Domestic ... In line with the previous year
  - Overseas ... Decreased due to shrinking printing demand
- **Conveyor belt:** Steady demand from logistics warehouses
- **Engineering plastics:** Large-scale products for shipbuilding and steel industries contributed to results



(Unit: millions of yen)

		2025/3 (2024/3-2025/3)			2026/3 (2025/4-2026/3)			vs. PY
		1st Half Share	2nd Half Share	Full Year Share	1st Half Share	2nd Half Share	Full Year Share	Change %
<b>Automotive Parts Field</b>		21,417 55.3%	20,709 54.5%	42,126 54.9%	21,385 54.2%	22,373 55.5%	<b>43,758</b> <b>54.9%</b>	+1,632 +3.9%
<b>Industrial Machinery Field</b>	Power transmission belts	11,654 30.1%	11,818 31.1%	23,472 30.6%	12,367 31.4%	12,288 30.5%	<b>24,655</b> <b>30.9%</b>	+1,183 +5.0%
	OA equipment	1,570 4.1%	1,479 3.9%	3,049 4.0%	1,441 3.7%	1,464 3.6%	<b>2,905</b> <b>3.6%</b>	-144 -4.7%
	Conveyor belts	2,661 6.9%	2,622 6.9%	5,283 6.9%	2,766 7.0%	2,688 6.7%	<b>5,454</b> <b>6.8%</b>	+171 +3.2%
	Engineering plastics	1,437 3.7%	1,367 3.6%	2,804 3.7%	1,486 3.8%	1,505 3.7%	<b>2,991</b> <b>3.7%</b>	+187 +6.7%
<b>Total</b>		38,738 100%	37,995 100%	76,733 100%	39,445 100%	40,318 100%	<b>79,763</b> <b>100%</b>	+3,030 +3.9%

## Belt Business Sales Composition by Industry (12-Year Trend)



- Automotive Parts Field
- Power transmission belts
- OA equipment
- Conveyor belts
- Engineering plastics

# Analysis of Operating Profit

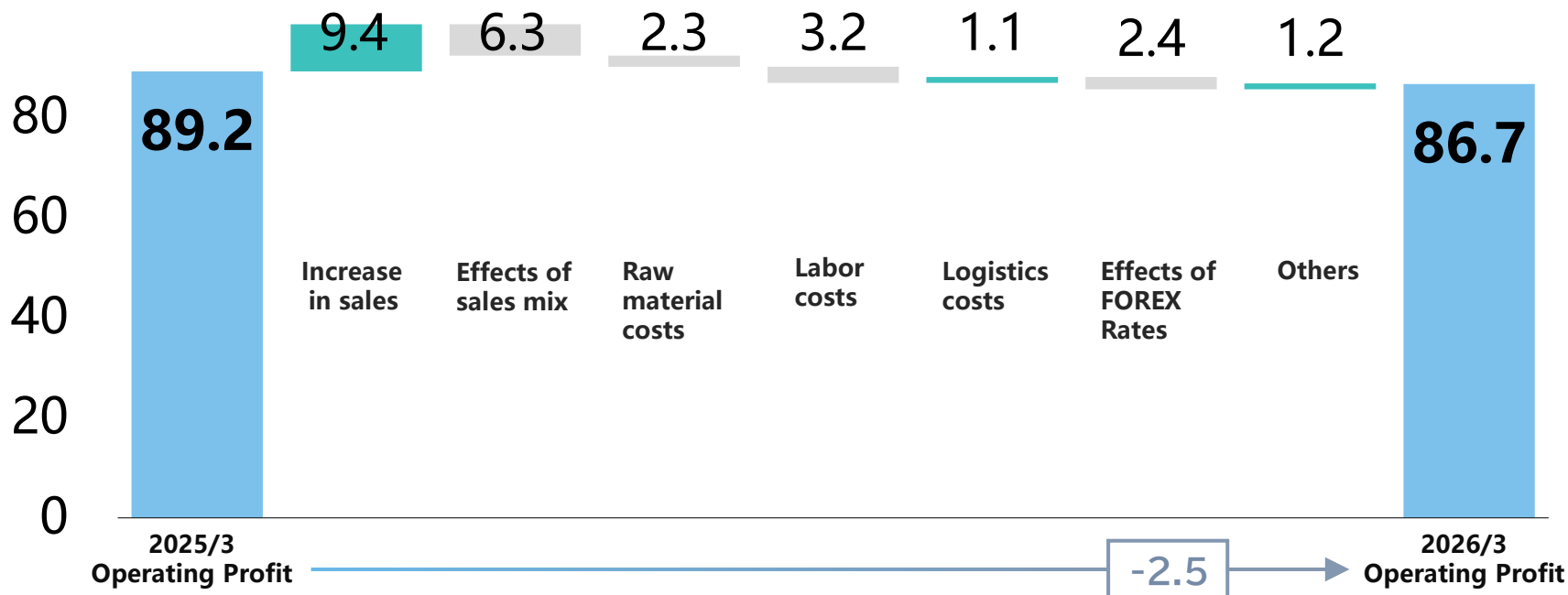
- **Despite a significant contribution from higher sales, the company recorded a decline in profit due to increased costs, including raw materials and labor.** (Operating profit excluding foreign exchange effects was broadly in line with the previous year.)
- **The Company continues its efforts to optimize pricing, expand sales of high-value-added products, and strengthen its business structure to enhance profitability.**

(Unit: 100 mil. of yen)

	2024	2025	change
Sales	905.1	922.9	+17.8
Operating Profit	89.2	86.7	-2.5
Ordinary Profit	91.5	101.7	+10.2

■ Operating Profit   ■ Positive factor   ■ Negative factor

(Unit: 100 mil. of yen)



# Capital expenditures and Depreciation

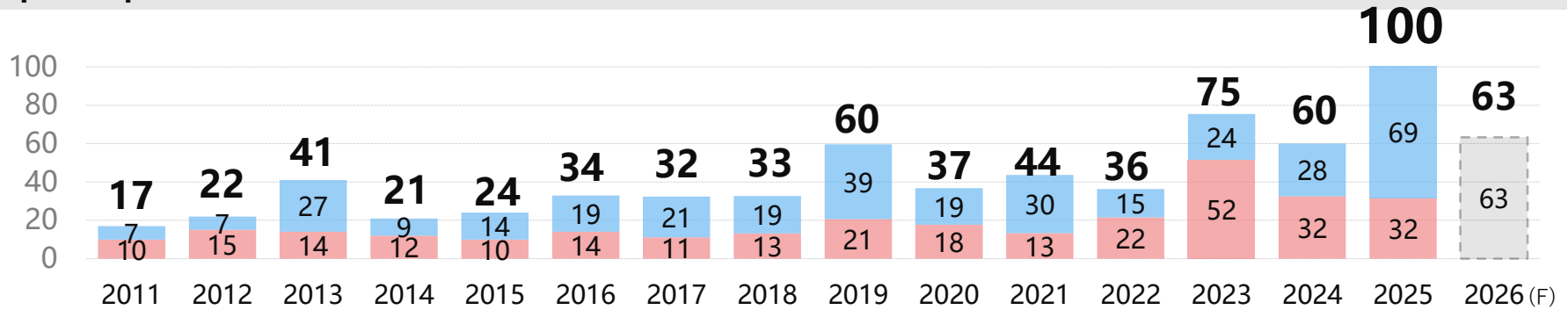
## Expansion, relocation, and renewal of manufacturing facilities in Japan and overseas

- Total capex under '24 Mid-Term Business Plan (FY2024–FY2026) : ¥20 billion(approved amount)
- Construction of a new logistics building at the Nagoya Plant in 2H FY2025 (approx. ¥4 billion to be capitalized)

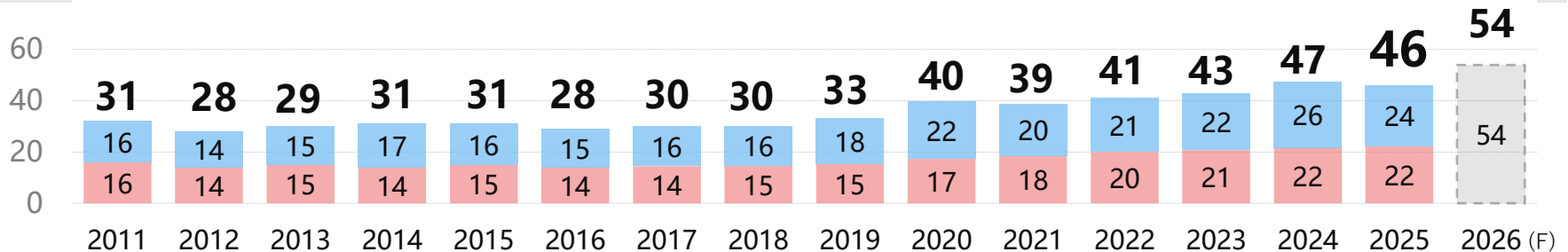
■ 1st Half ■ 2nd Half

(capitalized amounts / Unit: 100 mil. of yen)

### Capital expenditures



### Depreciation



## The Company plans to achieve increases in both sales and profits (operating profit and net profit).

- The potential impact of heightened tensions in the Middle East, including the situation in Iran, on the global economy has been factored into the current earnings forecast to the extent reasonably foreseeable at this time.

(Unit: millions of yen)

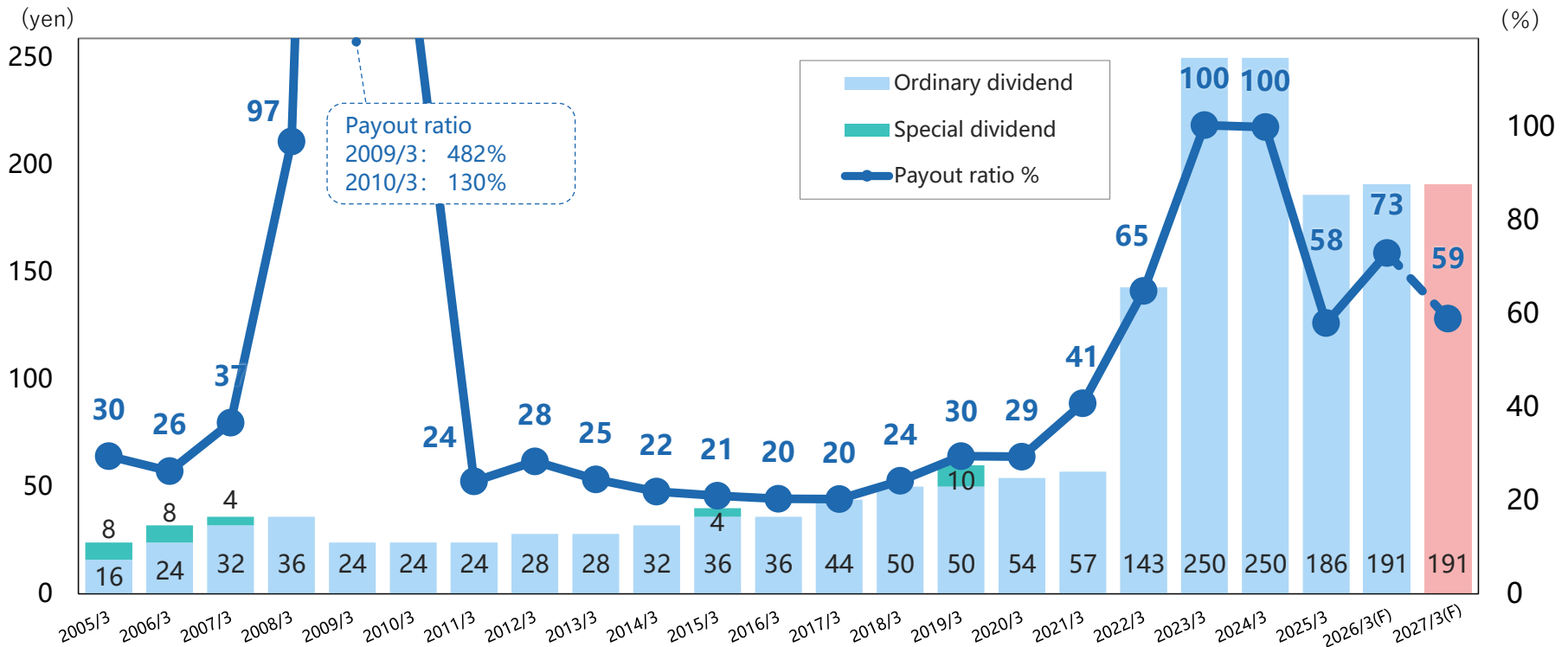
Item	2026/3 Results	2027/3			Year-on-Year	
		1st Half	Forecast 2nd Half	Full Year	change	%
<b>Sales</b>	92,298	48,000	47,000	<b>95,000</b>	+2,702	+2.9%
<b>Operating Profit</b>	8,678	4,500	4,300	<b>8,800</b>	+122	+1.4%
Margin	9.4%	9.4%	9.1%	<b>9.3%</b>		
<b>Ordinary Profit</b>	10,178	4,000	4,700	<b>8,700</b>	-1,478	-14.5%
Margin	11.0%	8.3%	10.0%	<b>9.2%</b>		
<b>Profit attributable to owners of parent</b>	7,392	4,200	4,800	<b>9,000</b>	+1,608	+21.8%
Margin	8.0%	8.8%	10.2%	<b>9.5%</b>		
Exchange rate: USD	150.8yen	150yen		(period average)		

# Dividends

## Proposed increase in year-end dividend by ¥5 vs. latest forecast(¥96 → ¥101)

Under '24 Mid-Term Business Plan, the Company aims for “sustainable and stable dividends,” targeting a DOE of approximately 5.4%(corresponding to an annual dividend of at least ¥180 per share)

	Interim	Year-End	Total
2025/3	¥90	¥96	¥186
2026/3 (Forecast)	¥90	¥96 → ¥101	¥186 → ¥191
2027/3 (Forecast)	¥90	¥101	¥191



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

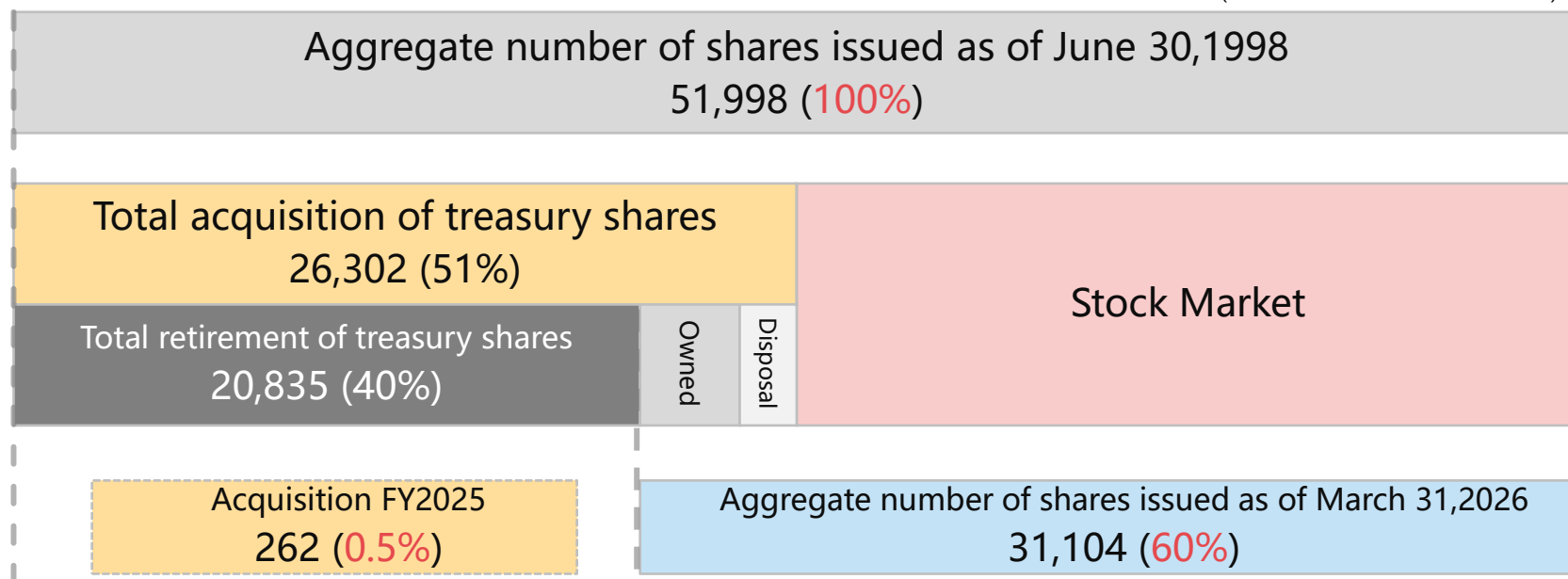
# Acquisition and Retirement of treasury shares

## The Company has continued to acquire treasury shares.

(Total number of treasury shares acquired: 51% , 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).
- Treasury share acquisitions in FY2025: approximately ¥1.0 billion (261,900 shares).

(Unit: Thousand Shares)



(Except acquisition and retirement of shares less than one unit)

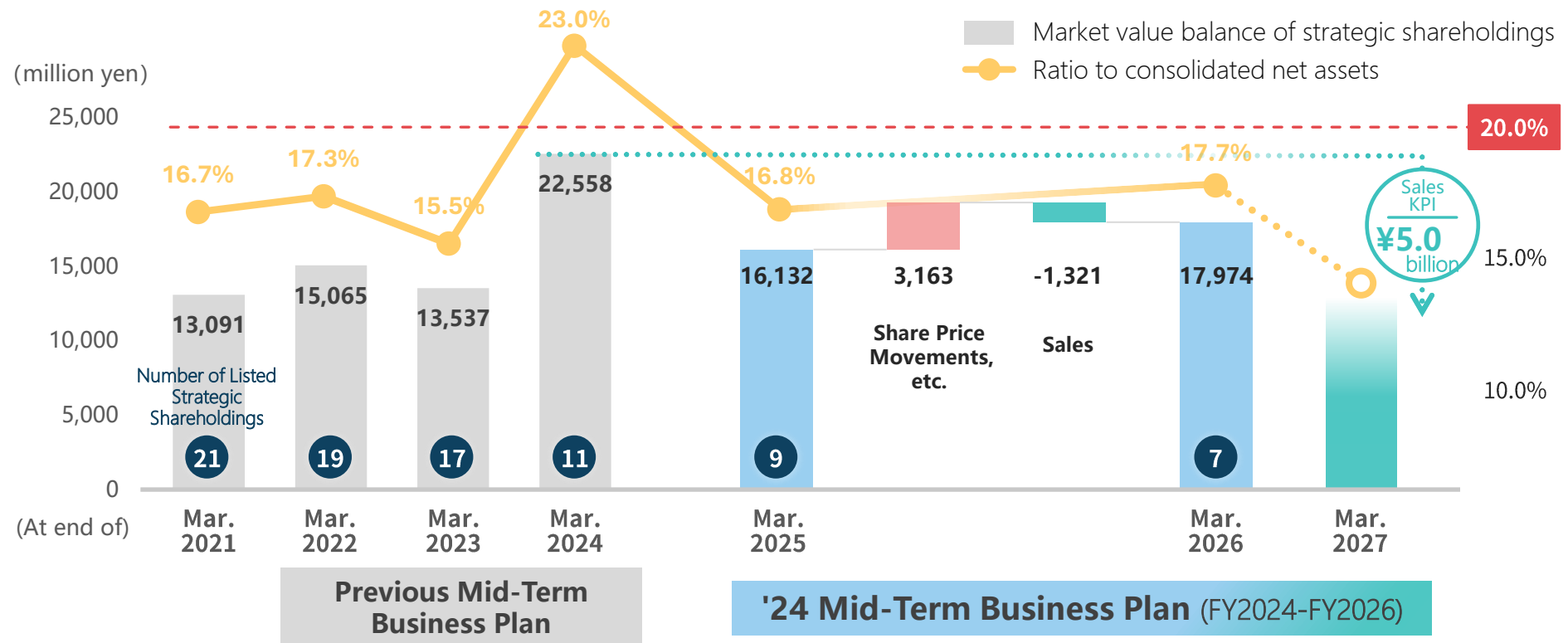
(The share was consolidated (2 shares→ 1 share) on Oct. 1, 2018. The number of shares is converted on the post-consolidation basis.)

# Progress in the reduction of Strategic Shareholdings

The Company holds strategic shareholdings only when such holdings contribute to maintaining and strengthening sound business relationships and ongoing financial transactions, and has a policy of reducing holdings for which the rationale is deemed insufficient.

**During the period of '24 Mid-Term Business Plan, the reduction of strategic shareholdings progressed at a pace exceeding the plan, with ¥3.5 billion in FY2024 and ¥1.3 billion in FY2025.**

**From the perspective of improving capital efficiency, the Company will continue to pursue further reductions, going beyond its target of ¥5.0 billion in cumulative reduction over three years.**

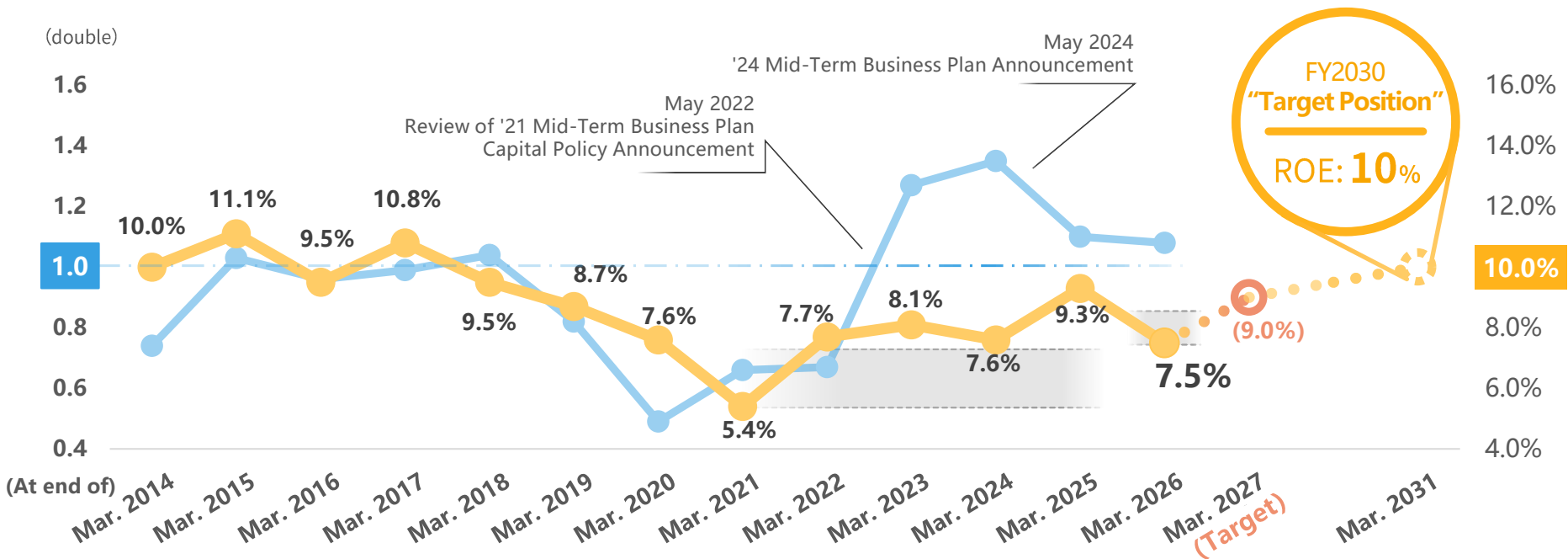


# Action to Implement Management that is Conscious of Cost of Capital and Stock Price

The Company is continuously working to improve profitability and balance sheet in order to realize its capital policy with a strong focus on enhancing corporate value.

**FY2025 to ROE temporarily fall below the Company' s cost of equity.  
 Improve ROE through earnings enhancement and optimized capital allocation focused on capital efficiency.**

- ROE
- PBR
- Cost of Capital



# Status of dialogue with shareholders and investors

## Dialogue with shareholders and investors (FY2024 ~ FY2025)

(Unit: Number of times)

	2024	2025	Company Responders
Financial results briefing for institutional investors and securities analysts	<b>2</b>	<b>2</b>	President , Senior Managing Director (at the end of the second quarter and at the end of the fiscal year)
Individual dialogue with institutional investors and securities analysts	<b>53</b>	<b>53</b>	<ul style="list-style-type: none"> <li>• IR Planning Department , Corporate Planning Division, and Finance &amp; Accounting Department take the lead in conducting dialogue.</li> <li>• President and Sustainability Promotion Department also attend the dialogue depending on the theme.</li> </ul>
(Domestic institutional investors)	(26)	(30)	
(Overseas institutional investors)	(15)	(11)	
(Securities companies, etc. )	(12)	(12)	



Feedback to management	Contents
Financial results briefing	Report the content of Q&A session to the directors and auditors
Individual dialogue	Timely reporting of opinions, major questions, etc. identified through dialogue as necessary, as well as annual activity reports to the Board of Directors

- Stable quarterly interviews were conducted in FY2024 and FY2025.
- IR Planning Department was established in April 2025 to strengthen the system for responding to contacts from institutional investors.

02

# Progress of '24 Mid-Term Business Plan

---

FY2030 “Target Position”

# Establish a resilient corporate structure

“ ’24 Mid-Term Business Plan” marks the second phase toward FY2030 “Target Position. ” Based on the results of the previous medium-term management plan, which was implemented as a period for strengthening foundations, we positioned the current plan ( “ ’24 Mid-Term Business Plan” ) as a period for accelerating growth and are implementing measures for further growth.



## Profitability

Sales  
**100 Bil.** yen  
 Operating profit  
**13 Bil.** yen



## Capital efficiency

ROE  
**10** %



## Shareholder returns Capital investment

Capital policies to enhance corporate value over the medium to long term



## Human resource strategy

Cultivate human resources to promote transformation



## ESG

Contribute to the achievement of a sustainable society (enhance social and economic value)

# Progress of '24 Mid-Term Business Plan (1)

Shareholder returns, capital investment, sales of strategic shareholdings, ESG, and other items are progressing steadily in line with the plans of '24 Mid-Term Business Plan.

		FY2026 KPI target	FY2025 Results
<b>Profitability</b>	Sales	<b>91.5</b> billion yen	<b>92.2</b> billion yen
	Operating profit	<b>10.5</b> billion yen	<b>8.6</b> billion yen
<b>Capital efficiency</b>	ROE	<b>9.0</b> %	<b>7.5</b> %
	Value of strategic shareholdings sold <sup>*1</sup>	<b>3-Year Total</b> <b>5.0</b> billion yen	<b>2-Year Total</b> <b>4.8</b> billion yen <sup>*2</sup>
<b>Capital investment</b>	3-year capital investment budget <sup>*3</sup>	<b>3-Year Total</b> <b>20.0</b> billion yen	<b>2-Year Total</b> <b>13.2</b> billion yen <sup>*4</sup>
<b>Shareholder returns</b>	DOE (Dividends on net assets)	approx. <b>5.4</b> %	<b>5.4</b> %
	Dividend per share	at least <b>180</b> yen / year	<b>191</b> yen / year
	Repurchase of treasury shares <sup>*1</sup>	<b>3-Year Total</b> <b>3</b> billion yen	<b>2-Year Total</b> <b>2</b> billion yen
<b>ESG</b>	CO <sub>2</sub> emission reduction target <sup>*5</sup>	<b>Final year</b> <b>40</b> %	<b>FY2025</b> <b>36</b> %
<b>Estimated exchange rates</b> <sup>*6</sup>		1USD= <b>130</b> yen	1USD = <b>150.8</b> yen

\*1 '24 Mid-Term Business Plan (FY2024 ~ FY2026 Total)

\*2 FY2024 Results : 3.5 billion yen | FY2025 Results : 1.3 billion yen

\*3 FY2025 Results : Amount of plan approval | FY2026 KPI target : Excluding M&A

\*4 FY2024 Results : 6.95 billion yen | FY2025 Results : 6.22 billion yen (all amounts are based on approval)

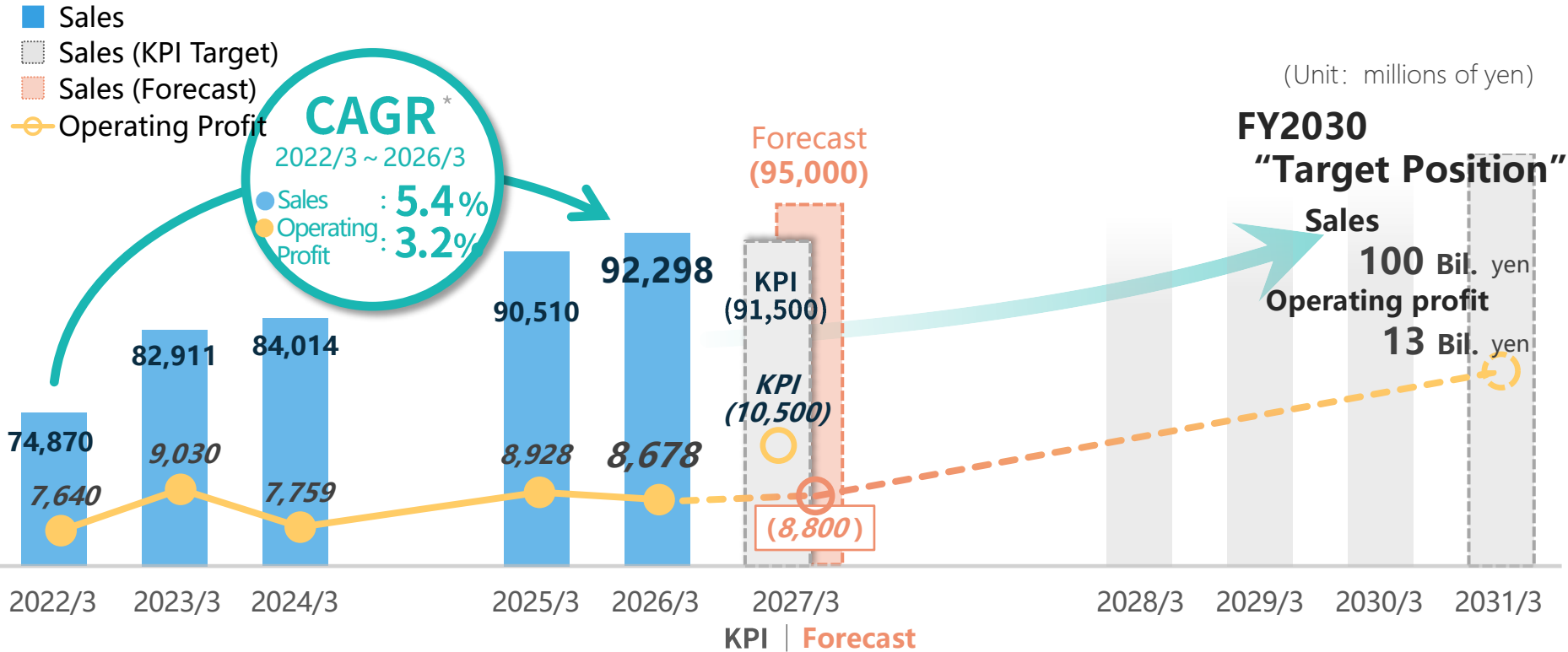
\*5 comparative year : vs. FY2013

\*6 average rate for the period

# Progress of '24 Mid-Term Business Plan (2)

\* CAGR: Compound Annual Growth Rate

- **Sales :** Progress exceeding the plan, supported in part by favorable FX effects (CAGR\*: 5.4%)
- **Operating Profit :** Progress broadly in line with the plan (CAGR: 3.2%)  
However, further initiatives are required to achieve FY2030 "Target Position" .



'21 Mid-Term Business Plan

'24 Mid-Term Business Plan

'27 Mid-Term Business Plan

(Announcement scheduled for around May '27)

# Progress and details of capital investment

The Company is promoting strategic investments for future growth while steadily strengthening its management foundation to support sustainable profit expansion.

## Investment for growth

- Launch and expansion of production lines based on sales strategy
  - Expansion of production facilities for electrification-related products in line with the EV shift
  - Strengthening of production lines at overseas plants (India, Thailand, the U.S., etc.)
  - Enhancement of production lines at domestic plants (Kyoto, Shikoku, Shiga, etc.)
- Construction of innovative production lines
- Research and Development (R&D)

## Restructure production and logistics

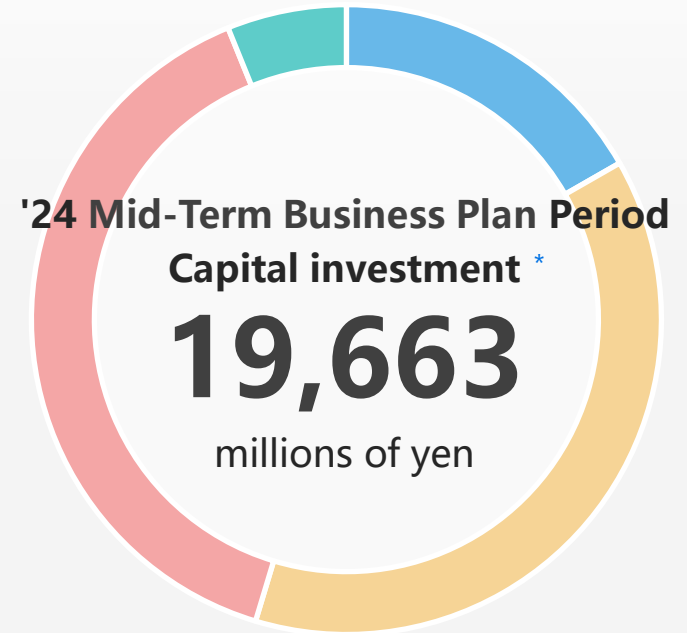
- Production and logistics restructuring projects to maintain and enhance profitability
- Production rationalization and quality improvement

## Strengthening business foundation

- Renewal of existing facilities and improvement of production infrastructure
- Digital transformation and software
- Workplace environment improvement

## Investment for environment

- Capital investments for decarbonization, water, and biodiversity conservation
- Construction of LNG satellite facilities at the Shikoku and Kyoto plants
  - Installation of solar power generation facilities at the Shikoku plant
  - Renewal of boiler equipment at the U.S. plant, etc.



■ Investment for growth	: 3,288
■ Restructure production and logistics	: 7,460
■ Strengthening business foundation	: 7,708
■ Investment for environment	: 1,206

(Unit: millions of yen)

\*Cumulative total over the three-year period of the medium-term management plan. Amounts are on an approved basis.

A P P E N D I X

# Next Growth Opportunities

## Brought by the Advancement of EV Mobility

The Mitsubishi Belting Group is working to develop and expand sales of new products in line with the electrification of vehicles, recognizing the shift to electric vehicles as a major opportunity rather than a risk.



### Electrification compatible products



#### Timing belts for EPS drive

(for four-wheeled vehicles)

The belt-drive type EPS reduces inertia and friction during steering by applying assist power directly to the rack, and optimizes energy consumption compared to conventional EPS by driving the motor only when steering force support is required. Moreover, it provides a more direct steering feeling and high response performance, contributing to comfortable and efficient steering support.



#### Timing belts for PSD actuators

(for four-wheeled vehicles)

Step-type PSDs driven by the timing belt provide high durability due to their simple structural design, while making it easy to secure excess space inside the doors, contributing to greater flexibility in vehicle design. Since the number of parts is reduced, the system has a high cost advantage and is highly evaluated as a system that achieves both functionality and economy.



#### Rear-wheel drive timing belts

(for electric motorcycles)

Rear-wheel drive with a timing belt is lighter and more flexible than a chain, and reduces drive loss due to high-precision engagement, greatly contributing to improved power consumption efficiency (electricity cost). Chain drive systems do not require regular maintenance, such as lubrication and tension adjustment, and significantly reduce noise during operation, contributing to improved comfort and environmental performance of Electric Motorcycles.