



(Reference Translation)

Financial Results Briefing



for the Fiscal Year ended March 31, 2023



June 5, 2023

MIKUNI CORPORATION

Securities identification code: 7247

Financial Results Briefing

June 5, 2023 Monday 14:00-15:00
at Mikuni Building

Agenda

1. Consolidated Financial Results for the Fiscal Year ended March 31, 2023
2. Forecast for the Fiscal Year ending March 31, 2024
3. Mid-to-long term Initiatives
4. Q&A Session

Speakers

Hisataka IKUTA

President, CEO & COO

Satoshi FUJIMORI

Director, Senior Executive Officer, CFO

Shinji YAMADA

Executive Officer,

General Manager, Corporate Management

Consolidated Financial Results for the Fiscal Year ended March 31, 2023

Note

Our fiscal year begins on April 1 of each year and ends on March 31 of the following year.

Net Sales and Composition Ratio by Business Segment

Other Business  

Welfare vehicles, Nursing equipment

3%

Turf-care Equipment  

Sales of Turf-care equipment etc.

5%

Aircraft Parts Import and Sales  

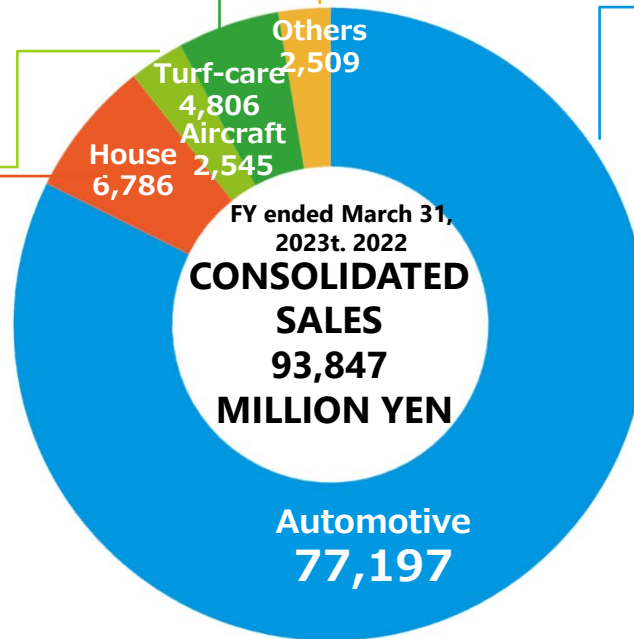
Precision forged products, etc.

3%

Household Appliances Device Products  

Safety shut-off devices for gas appliances, gas control devices and other various flow control devices

7%



Automotive-related Products

82%

» for Four-wheelers
AUTOMOBILE



» for Two-wheelers
MOTORCYCLE



Electronic Fuel Injection Systems
Carburetors, Pumps

Fiscal Year ended March 31, 2023 (April 2022 - March 2023)

- Consolidated sales* recovered to pre-COVID levels, driven by increased sales in the automotive-related products business.
- Operating and ordinary income declined due to insufficient price pass-on of energy and other cost increases.
- Net loss due to extraordinary loss incurred from reorganization of production sites in Greater China.

**Excluding the aircraft parts business for which the accounting treatment has been changed.*

OPERATING RESULTS BY SEGMENT**Automotive Products Business**

- Net sales exceeded pre-Corona (year ended March 31, 2020) levels and increased by double digits compared to the previous year.
- In addition to continued growth of the Indian business as expected, demand for large motorcycles and outboard motors remained strong, especially in North America.
- Operating income decreased by 5.7% y-o-y due to the inability to pass on higher raw materials, transportation, and fuel costs to customers.

Household Appliances Device Products Business

- Despite intensifying competition in China, sales remained on the same level as the previous year due to successful sales expansion.
- Operating loss in foreign currencies narrowed, despite continued revenue difficulties.

Aircraft Component Import and Sales Business

- Significant increase in sales due to recovery in tourism demand as well as expansion of our product lineup.
- Operating income recovered to pre-Corona level.

*continued from the previous page

OPERATING RESULTS BY SEGMENT

Turf-care Equipment, etc. Sales Business

- Double-digit revenue growth on the back of recovery in capital investment by customers, particularly golf courses.
- Operating income returned to the black, partly due to a focus on the after-sales service business.

Other Businesses

- Sales increased from the previous year due to strong sales of nursing care equipment.
- Operating loss due to higher raw material costs and the impact of yen depreciation on import prices.

FY ended March 31, 2023

Net Sales and Operating Income by Business Segment

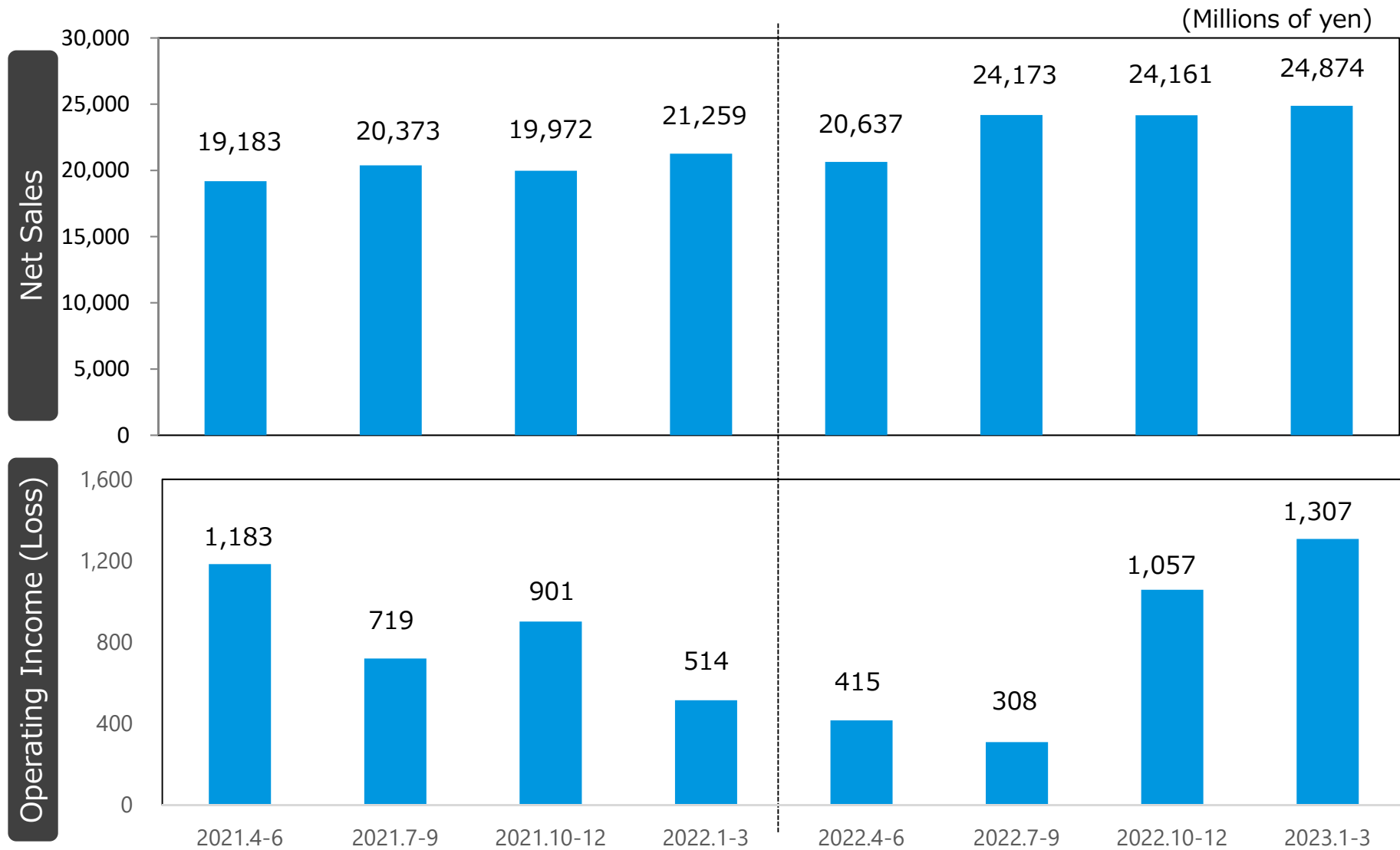


Net Sales and Operating Income by Business Segment (FY ended March 31, 2022 and 2023)

(Millions of Yen)	FY ended March 31, 2022		FY ended March 31, 2023		Change in Net Sales		Change in Operating Income	
	Net Sales	Operating Income	Net Sales	Operating income	Amount	Ratio	Amount	Ratio
	Sales ratio	Operating income ratio	Sales ratio	Operating income ratio				
Automotive Products	66,245 82.0%	3,567 5.4%	77,197 82.3%	3,362 4.4%	10,952	16.5%	(204)	(5.7%)
Household Appliances	6,753 8.4%	(491) —	6,786 7.2%	(636) —	33	0.5%	(144)	—
Aircraft Component	1,615 2.0%	286 17.7%	2,545 2.7%	347 13.7%	930	57.6%	61	21.5%
Turf-Care Equipment	3,877 4.8%	(33) —	4,806 5.1%	63 1.3%	929	24.0%	96	—
Other Business	2,297 2.8%	(10) —	2,509 2.7%	(48) —	212	9.2%	(38)	—
Total	80,789	3,318 4.1%	93,847	3,089 3.3%	13,057	16.2%	229	6.9%

- (Note)
1. Amounts less than one million yen are discarded.
 2. Due to the application of the "Accounting Standard for Revenue Recognition" and other standards, changes from the previous period are shown as "-".
 3. Figures in parentheses are negative values.

Transition of Quarterly Net Sales and Operating Income

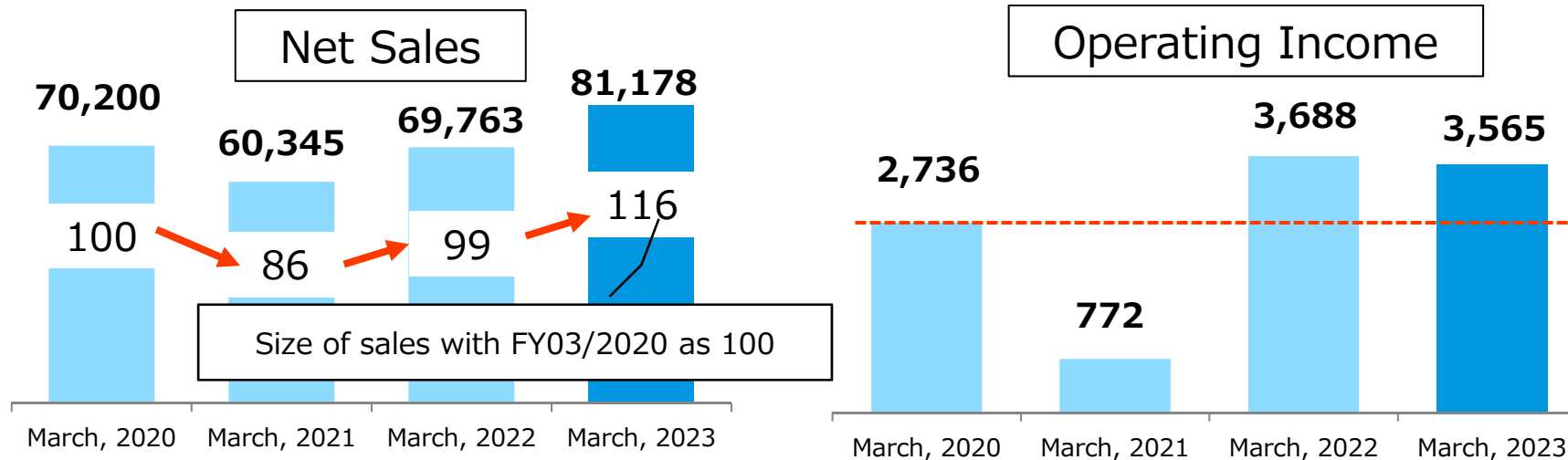


Note:
Amounts less than one million yen are discarded.

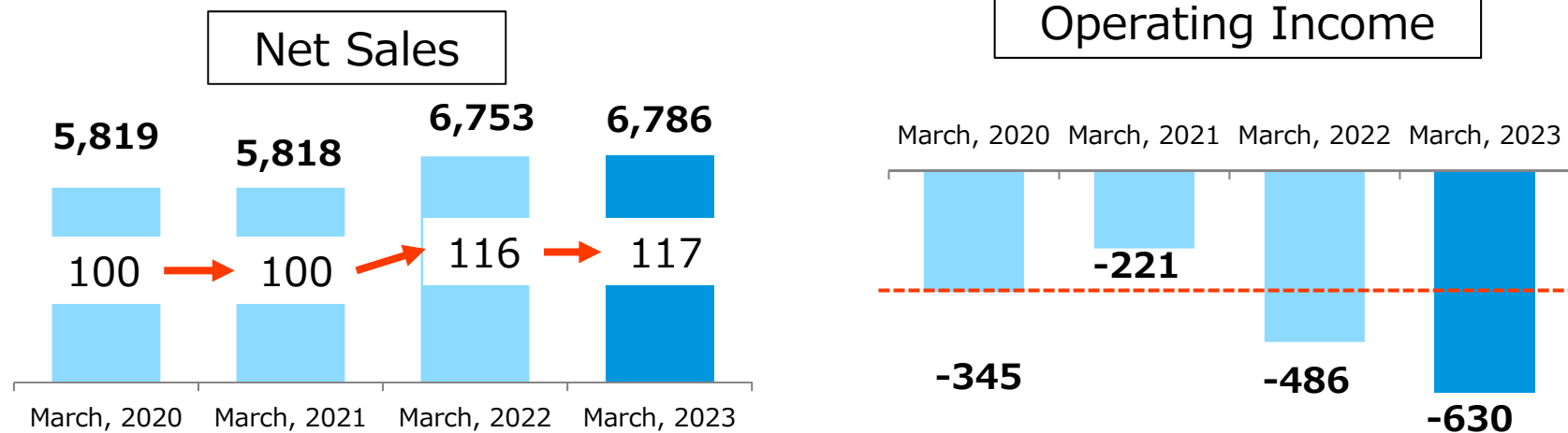


Automotive Related Products

(Millions of yen)



Household Appliances Device Products

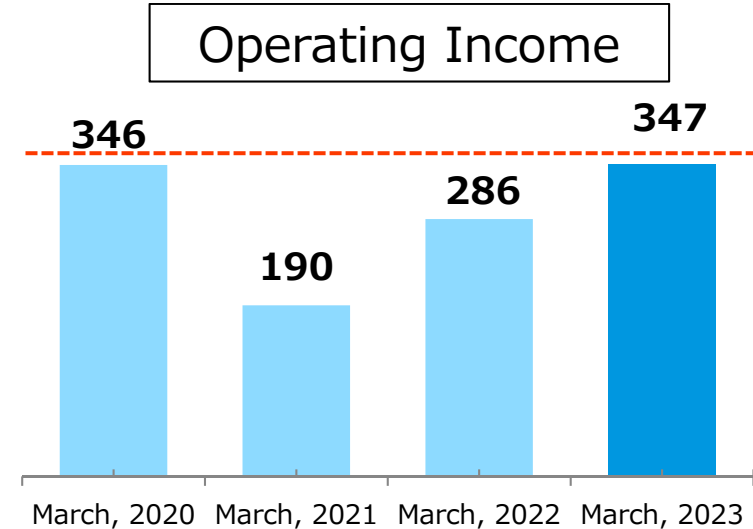
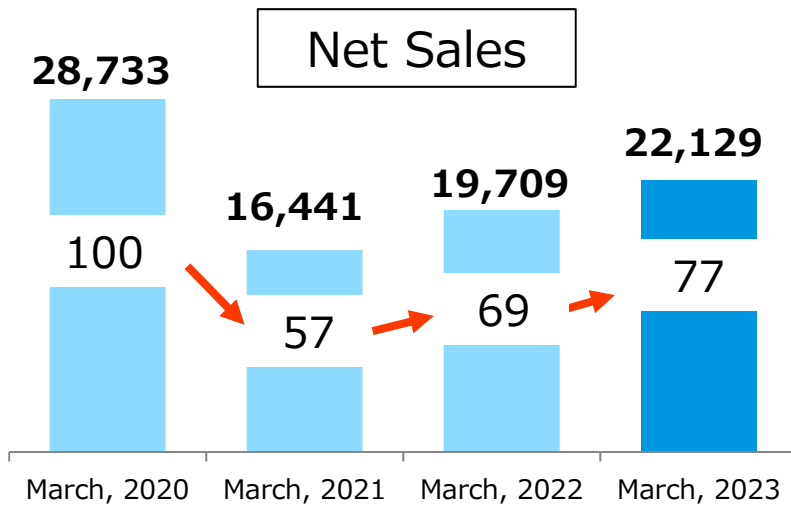


Note: Amounts less than one million yen are discarded. (Reference) are the values based on the previous accounting standards.

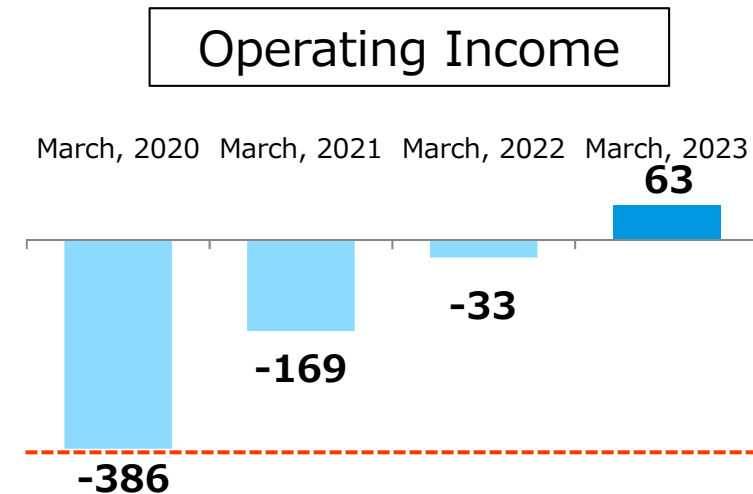
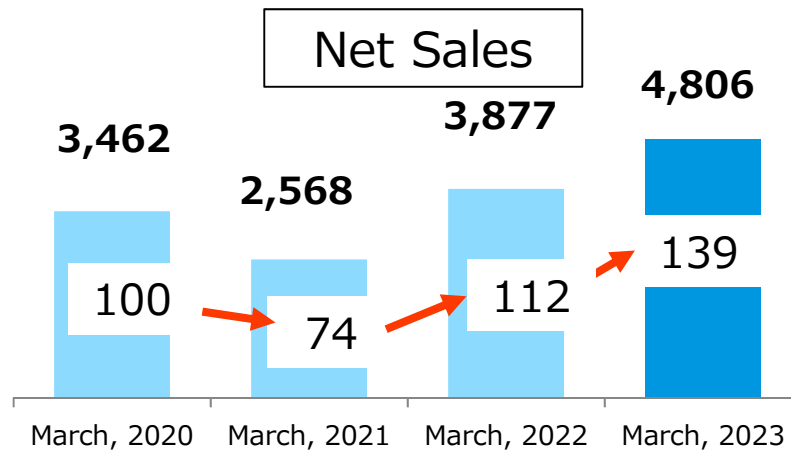


Aircraft Parts Import and Sales

(Millions of yen)



Turf-care Equipment



Note: Amounts less than one million yen are discarded. (Reference) are the values based on the previous accounting standards.

(Millions of yen)	FY ended March 31, 2022	FY ended March 31, 2023	Change	Forecast for FY ended March 31, 2024
Net sales	80,789	93,847	13,057	99,000
Operating income	3,318	3,089	(229)	4,000
Ordinary income	3,137	2,644	(492)	3,300
Net income attributable to owners of the parent	1,318	(1,682)	(3,001)	1,600
Net income per share (yen)	39.31	(50.13)	(89.44)	47.67
Dividend per share (yen)	10.00	10.00	—	20.00
Exchange rate against the U.S. dollar (yen)				
Average rate for the period	109.90	131.62		Assumed exchange rate:
Year-end	115.02	132.70		135

Note:

1. Amounts less than one million yen are discarded.
2. Figures in parentheses are negative values.
3. The forecast dividend per share for the FY ending March 31, 2024 includes a commemorative dividend of 10 yen per share for the 100th anniversary of the Company's founding.

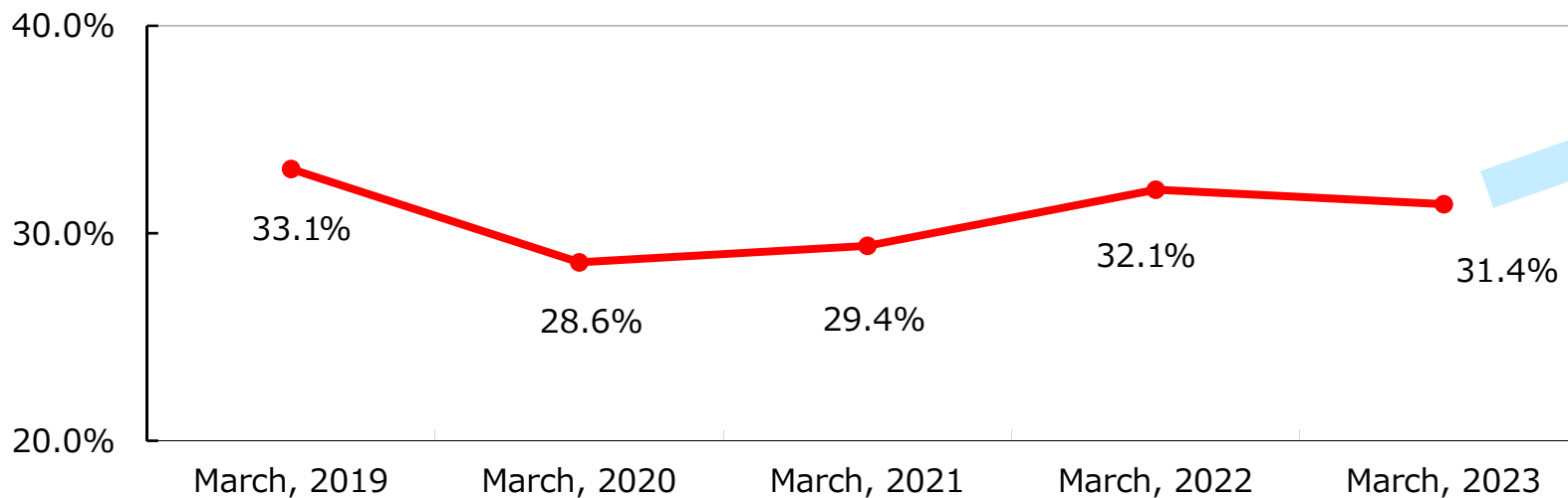
Summary of Balance Sheet



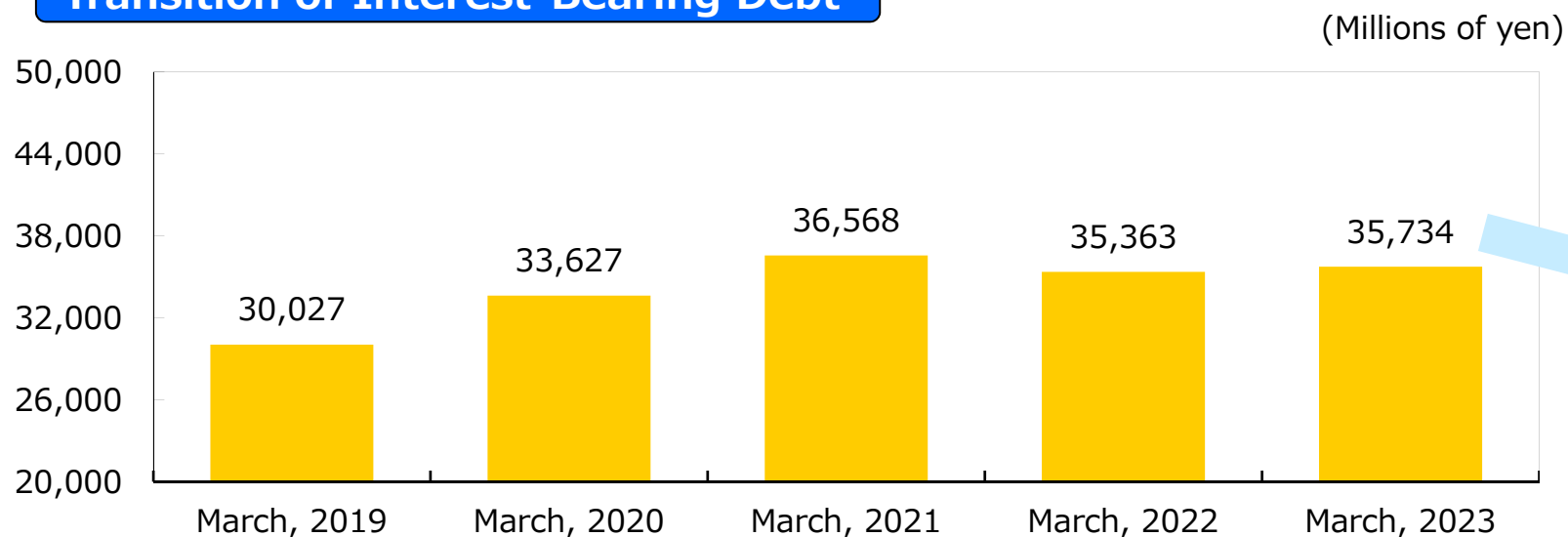
(Millions of yen)	End of March 2022	End of March 2023	Change in amount
Current assets	51,010	53,402	2,391
Fixed assets	45,906	46,705	799
Total assets	96,917	100,108	3,191
Current liabilities	33,553	37,579	4,025
Fixed liabilities	31,444	30,330	(1,114)
Net assets	31,918	32,199	280
Total liabilities and net assets	96,917	100,108	3,191
Shareholders' equity ratio	32.1%	31.4%	—
Net assets per share	925.67yen	936.50yen	—

- (Note) 1. Amounts less than one million yen are discarded.
2. Figures in parentheses are negative values.

Transition of Capital Ratio



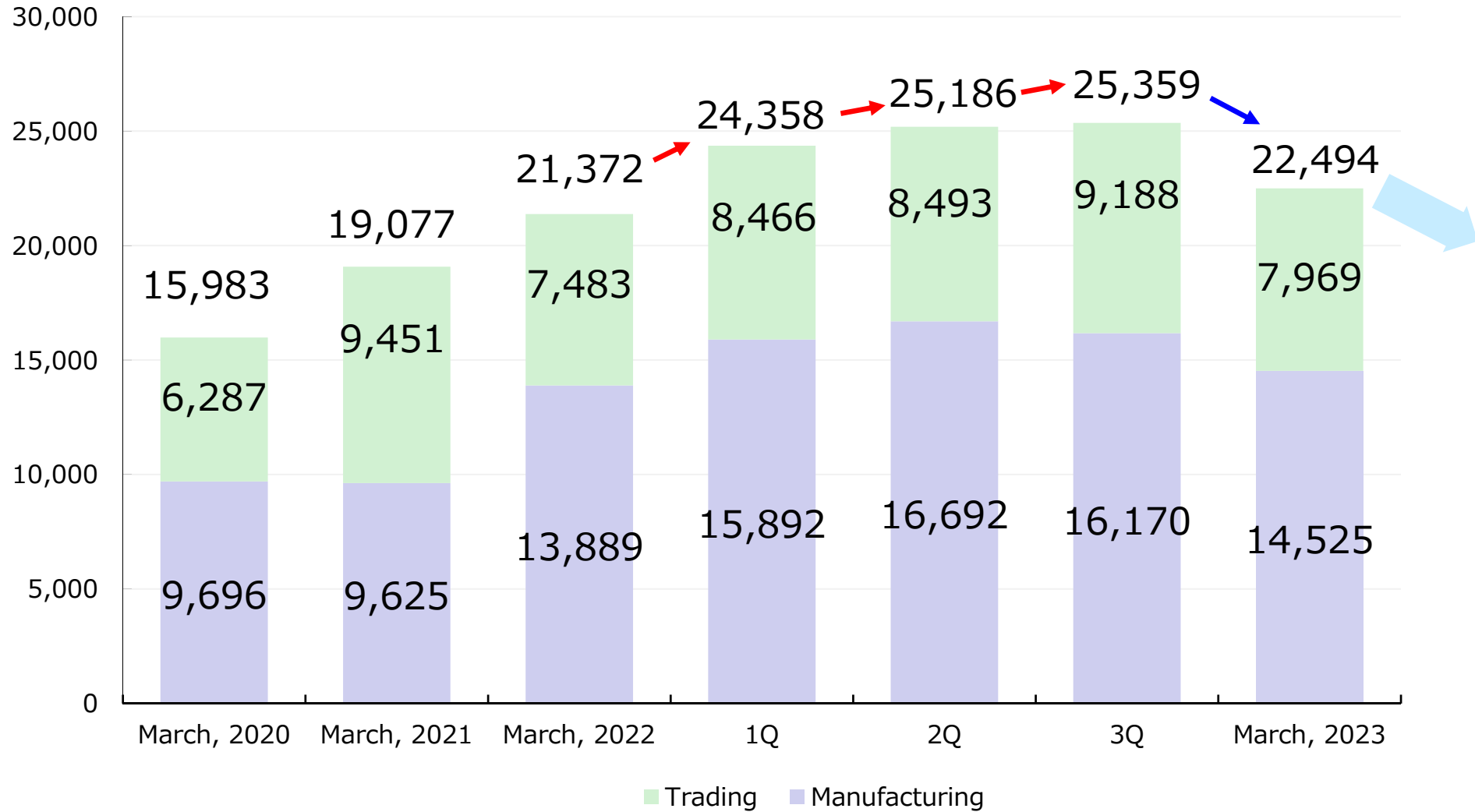
Transition of Interest-Bearing Debt



Note: Amounts less than one million yen are discarded.

1.1 billion yen increase from the end of the previous period (excluding the effect of exchange rate fluctuations: +0.3 billion yen)

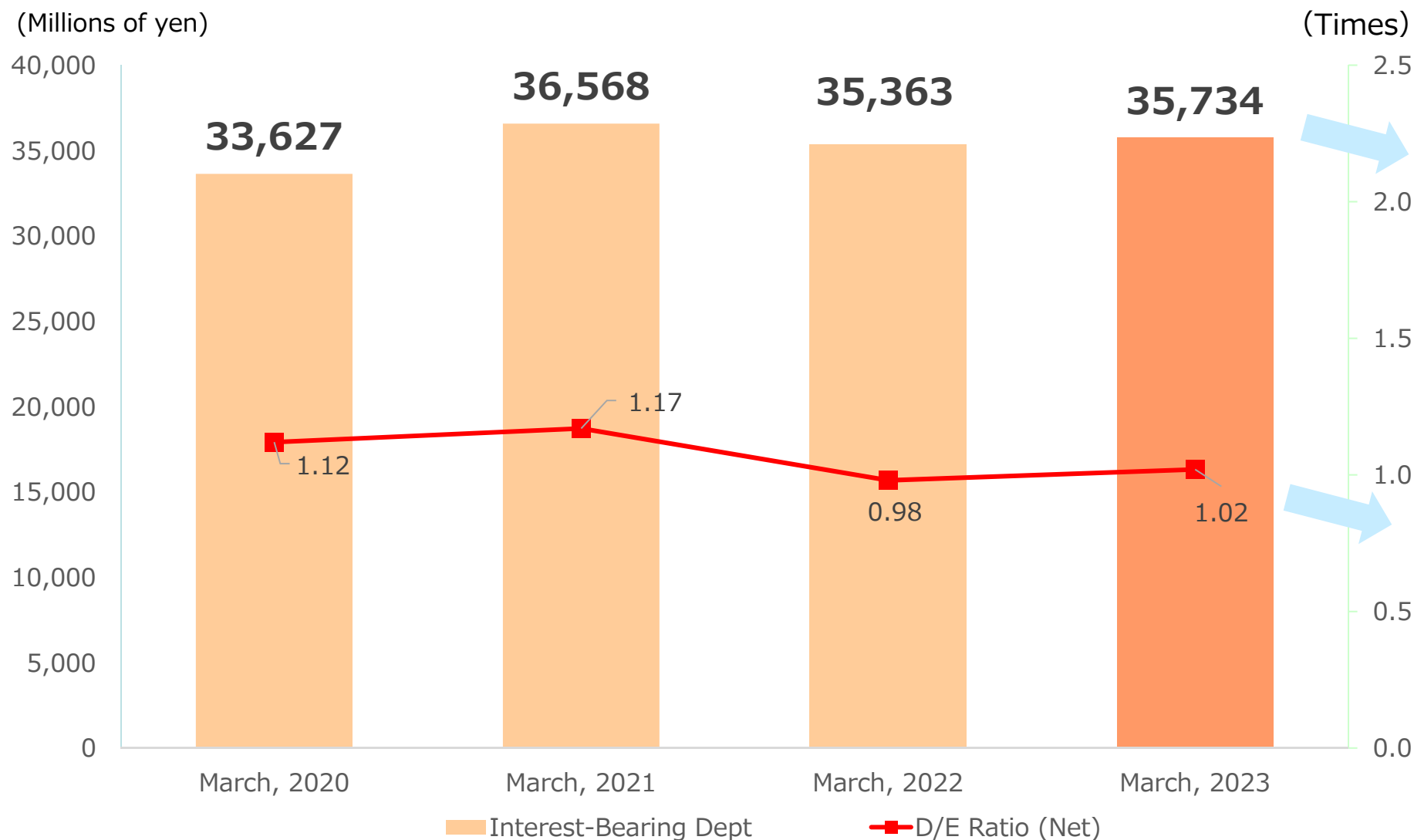
(Millions of yen)



FY ended March 31, 2023 Transition of Interest-Bearing Debt and D/E Ratio



Interest-bearing debt at the end of the period was 35.7 billion yen. Although it increased by 0.4 billion yen from the end of the previous period, excluding the effect of exchange rates, it actually decreased by -0.1 billion yen.

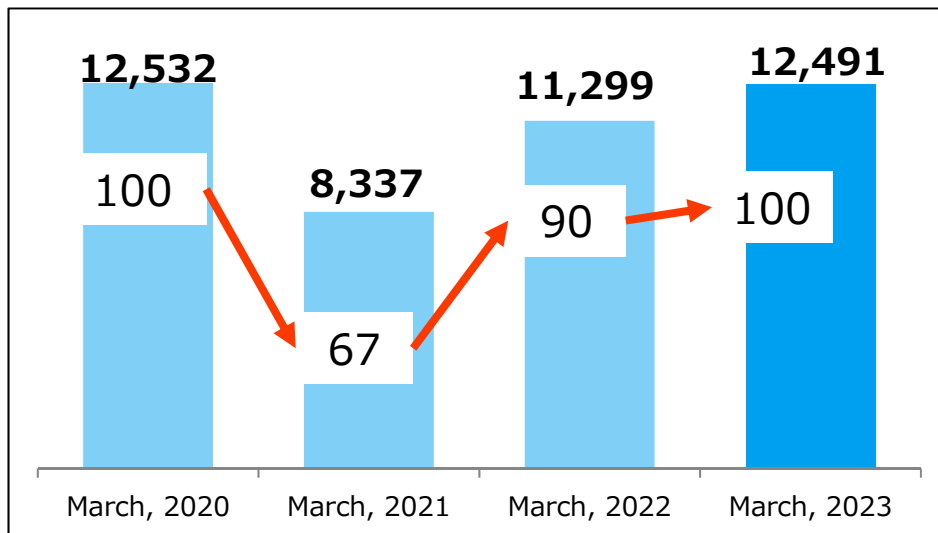


(Reference) Comparison of Net Sales and Operating Income in Automotive Product Segment with the Last Two Fiscal Years (Previous Accounting Standard)

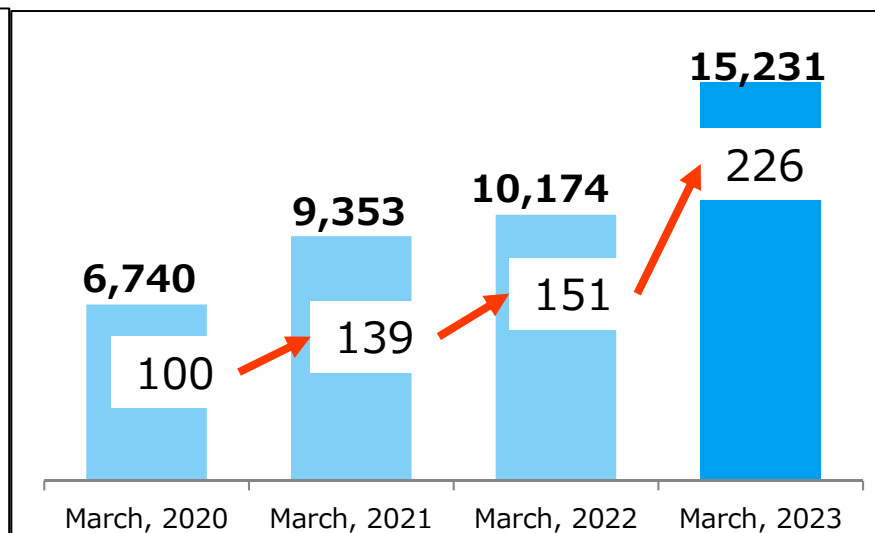


(Millions of yen)

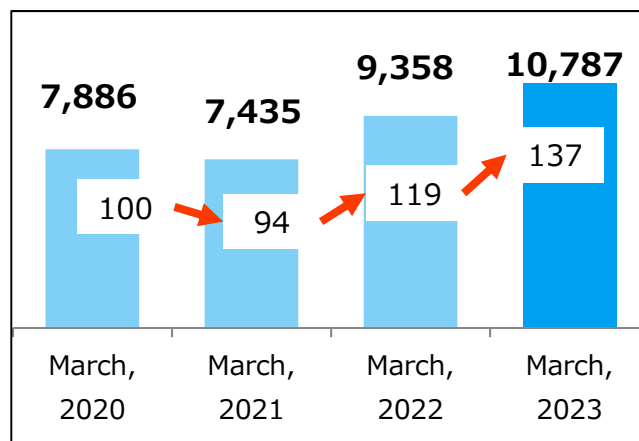
ASEAN



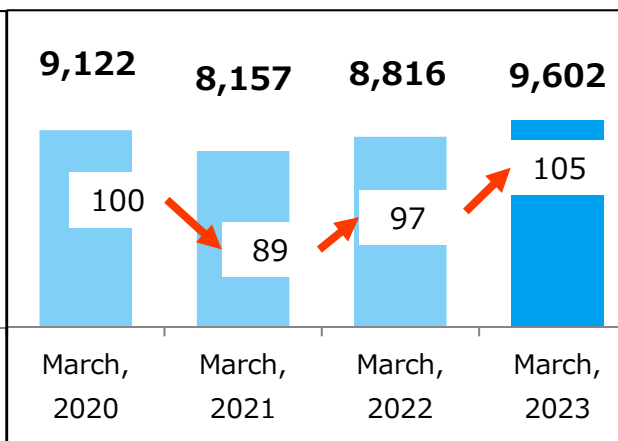
India



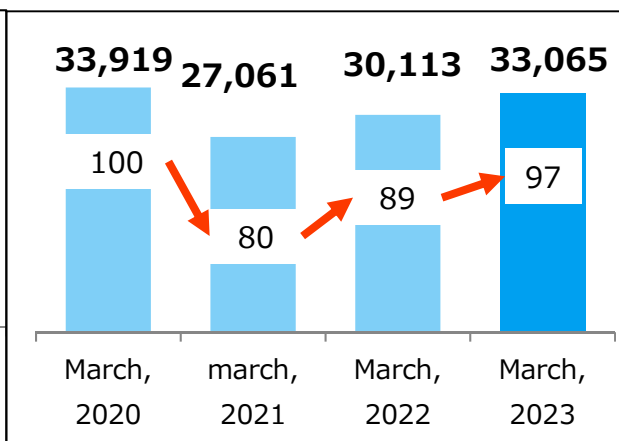
Europe & Americas



Greater China



Japan



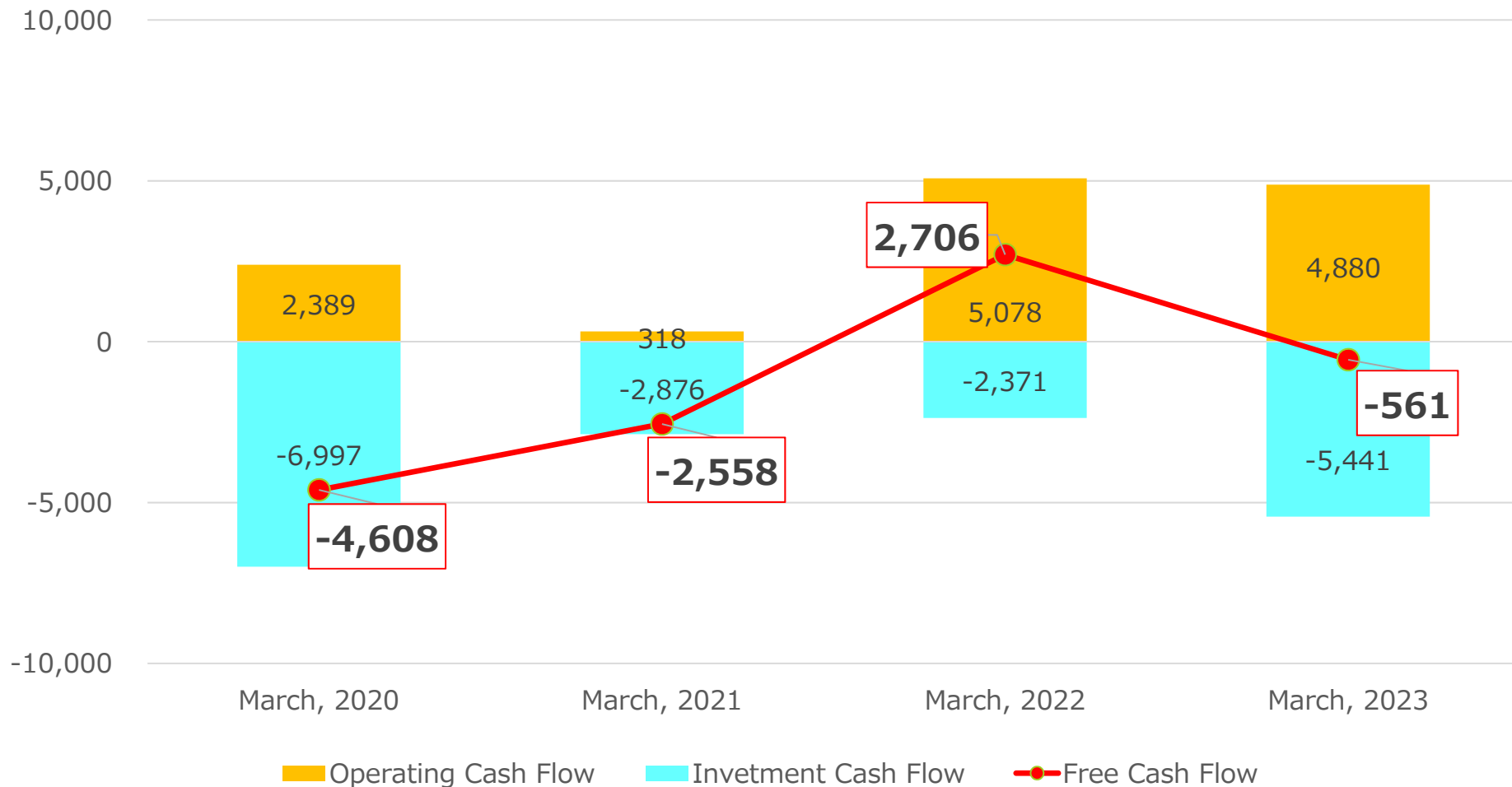
Note: Amounts less than one million yen are discarded. (Reference) are the values based on the previous accounting standards.

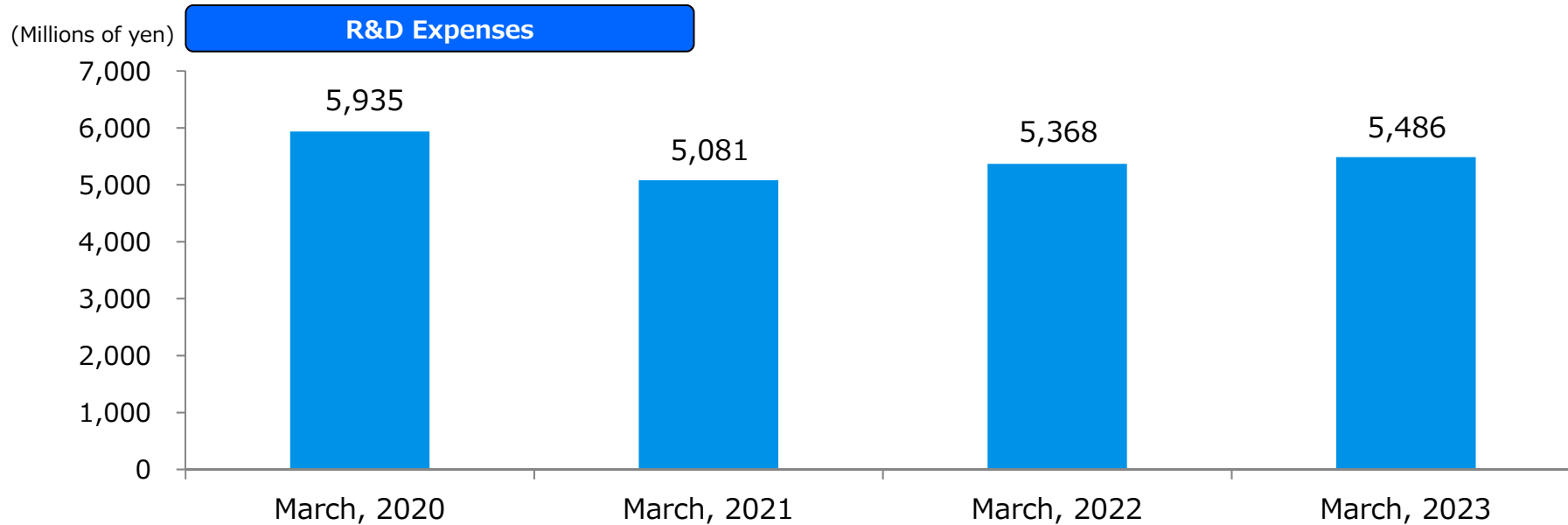
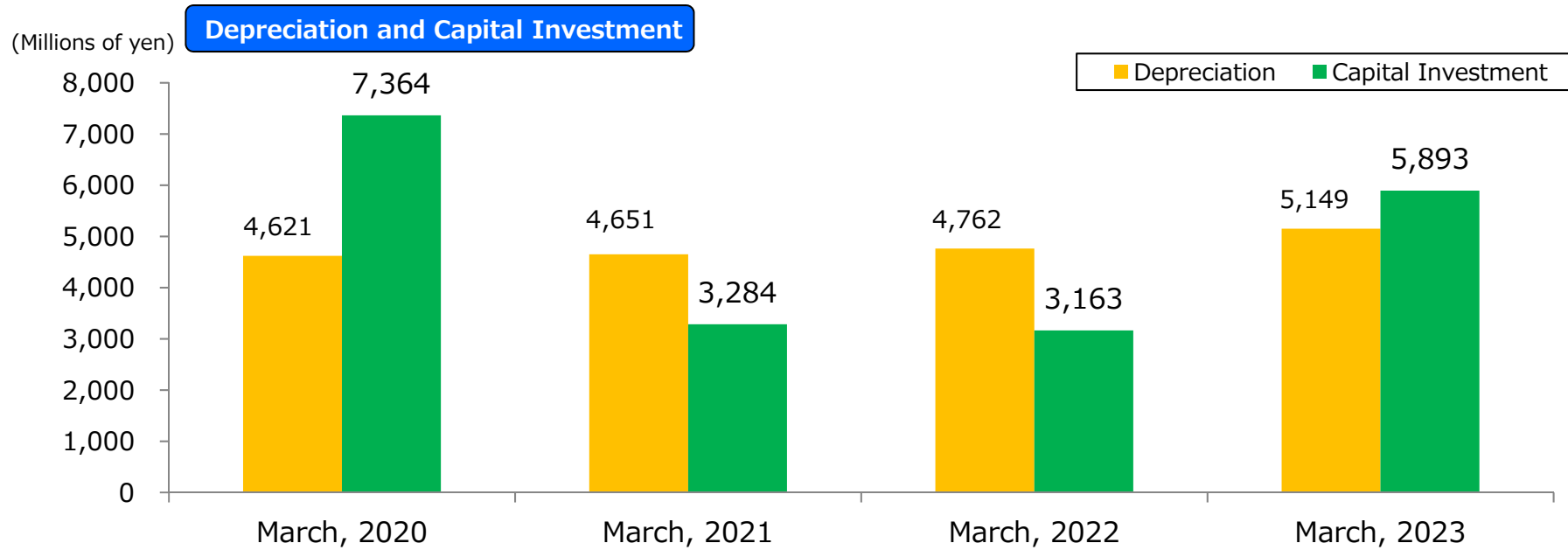
Transition of Cash Flow



Operating cash flow was positive 4,880 million yen. Investment cash flow was negative 5,441 million yen due to a large increase in expenditures for capital investment compared to the previous year. Free cash was slightly negative

(Millions of yen)





Forecast for the Fiscal Year Ending March 31, 2024

Forecast for
FY ending March 31, 2024

Net Sales and Operating Income by Business Segment



Net Sales and Operating Income by Business Segment (Results for the previous FY and forecast for the current FY)

(Millions of yen)	FY ended March, 2023		(Forecast) FY ending March, 2024		Change in Net Sales		Change in Operating Income	
	Net Sales	Operating Income	Net Sales	Operating income	Amount	Ratio	Amount	Ratio
	Sales ratio	Operating income ratio	Sales ratio	Operating income ratio				
Automotive Products	77,197 82.3%	3,362 4.4%	83,000 83.8%	3,650 4.6%	5,803	7.5%	288	8.6%
Household Appliances	6,786 7.2%	(636) —	6,700 6.8%	(200) —	(86)	(1.3%)	436	—
Aircraft Component	2,545 2.7%	347 13.7%	2,000 2.0%	400 17.5%	545	(21.4%)	53	15.3%
Turf-care Equipment	4,806 5.1%	63 1.3%	4,800 4.8%	100 1.0%	(6)	(0.1%)	37	58.7%
Other Business	2,509 2.7%	(48) —	2,500 2.5%	50 2.0%	(9)	(0.4%)	98	—
Total	93,847	3,089 3.3%	99,000	4,000 4.0%	5,153	5.5%	911	29.5%

Note: 1. Amounts less than one million yen are discarded.
2. Figures in parentheses are negative values.

Summary of Income Statement



(Millions of yen)	FY2021 ended March, 2022	FY2022 ended March, 2023	Forecast for FY2023 ending March, 2024
Net sales	80,789	93,847	99,000
Operating income	3,318	3,089	4,000
Ordinary income	3,137	2,644	3,300
Net income attributable to owners of the parent	1,318	▲1,682	1,600
Net income per share (yen)	39.31	▲50.13	47.67
Dividend per share (yen)	10.00	10.00	20.00*
Exchange rate against the U.S. dollar (yen)			
Average rate for the period	109.90	131.62	(Assumed exchange rate: =135yen)
Year-end	115.02	132.70	

Note: Amounts less than one million yen are discarded. Figures in parentheses are negative values.

* includes a commemorative dividend of 10 yen per share for the 100th anniversary of the Company's founding.

Mid- and Long-term Initiatives

- Liquidation of Chengdu Mikuni and transfer of motorcycle parts production to Zhejiang Mikuni
- Strengthening of Tianjin Mikuni's functions



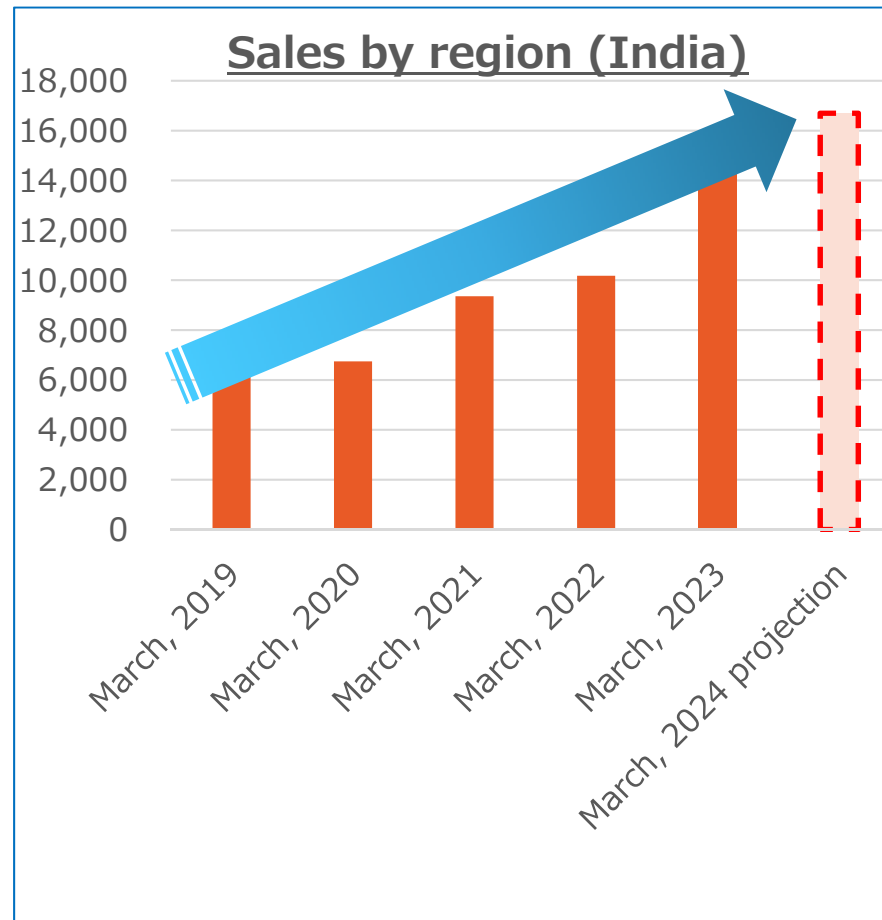
Production transfer from Chengdu Mikuni to Zhejiang Mikuni progressed as planned and mass production started without delay.

Mobility business in India remains favorable



- ✓ Expanding business with major local manufacturers in the world's largest motorcycle market
- ✓ In the four-wheel market, enhancing business base with customers such as Maruti Suzuki and Tata

(Millions of yen)

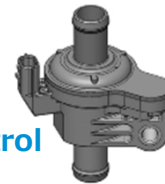


We will lift the sales ratio of EV products to higher than 70% of our automobile (four-wheeler) business segment by 2030

➤ **Our CCV is used in Nissan e-POWER**
 Our CCV (Coolant Control Valve) is used in the engine for the 2nd generation e-POWER of the new Serena of Nissan Motor.



Coolant Control Valve



Products for EV



HEV/PHEV



BEV



➤ **EV compatible**

- ✓ Set up new production line of electric oil pumps in Shanghai
- ✓ Delivering electric oil pumps to light EV trucks
- ✓ Began mass production and supply of accelerator pedal modules to a U.S. BEV (battery electric vehicle) venture.



Electric Oil Pump



accelerator pedal module



Disclaimer

1. This document has been prepared on a consolidated basis.
2. This document summarizes the financial results and earnings forecasts that have already been announced, and is provided solely for the purpose of providing information to investors, and is not intended as a solicitation to buy or sell.
3. The forward-looking statements, including earnings forecasts, contained in this document are based on information available as of the date of the announcement, and actual results may differ from these forecasts due to various factors.
4. Statements regarding business performance, etc., have been prepared based on various data that are believed to be reliable, but we do not guarantee their accuracy.

For more information, please contact

Corporate Planning Department
Corporate Division
Phone: +81-3-3833-0532

Mikuni Corporation
13-11, Sotokanda 6-chome, Chiyoda-ku, Tokyo 101-0021, Japan
URL <https://www.mikuni.co.jp/>