



(Reference Translation)

# Financial Highlights



for the Nine Months ended December 31, 2021

## Note

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

Securities Code: 7247



February 10, 2021

**MIKUNI** CORPORATION

## Net Sales and Composition Ratio by Business Segment

**Other Business**

Welfare vehicles, nursing care equipment, consumer products

3%

**Turf-Care Equipment**

Sales of Turf-care equipment etc.

5%

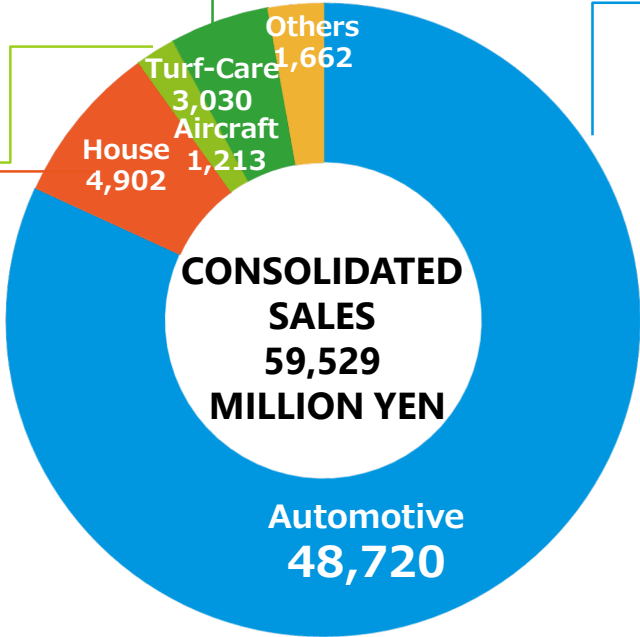
**Aircraft Parts Import and Sales**

Precision forged products, etc.

2%

**Household Appliances Device Products**

8%



### Automotive-related Products

82%

» for Four-wheelers  
AUTOMOBILE



» for Two-wheelers  
MOTORCYCLE



Electronic Fuel Injection Systems  
Carburetors, Pumps

(Previous Accounting Standards)  
**Net Sales and Composition Ratio  
by Business Segment**

**Other Business** 

Welfare vehicles, nursing care equipment, consumer products

**Turf-Care Equipment** 

Sales of Turf-care equipment etc.

**Aircraft Parts Import and Sales** 

Precision forged products, etc.

**Household Appliances Device Products** 

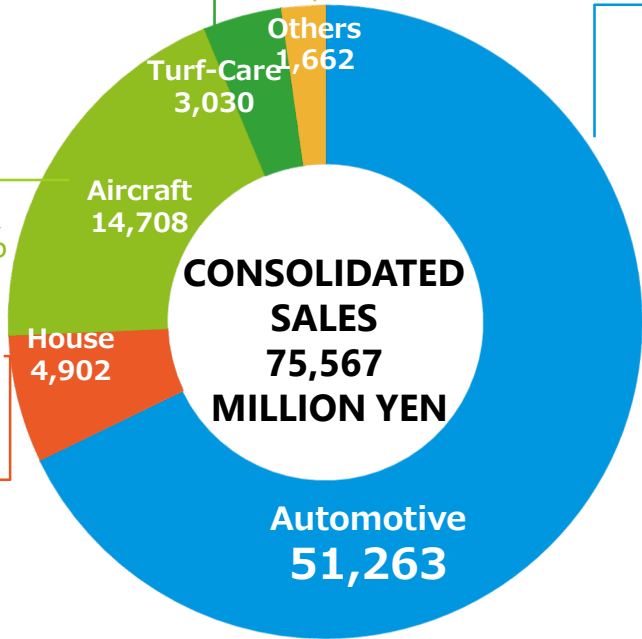
Safety shut-off devices for gas appliances, gas control devices and other various flow control devices

2%

4%

19%

6%



(Note)  
The above values are only for reference based on the previous accounting standards.

**Automotive-related Products**

68%

» for Four-wheelers  
AUTOMOBILE



» for Two-wheelers  
MOTORCYCLE



Electronic Fuel Injection Systems  
Carburetors, Pumps

## **3Q of FY ending March 31, 2022 (from April 1, 2021 to December, 31 2021)**

**Adopted "Accounting Standard for Revenue Recognition" and other standards, sales decreased by 2.0% and operating income returned to profitability**

- The auto related products business, the mainstay of the company's business, has recovered significantly, and the company continues to focus on realizing the growth scenario of the revised medium-term plan.
- Full-year forecasts remain unchanged due to concerns about parts procurement difficulties in the supply chain.
- (Reference) According to the previous accounting method, net sales for the third quarter increased 24.4% YoY.

## **OPERATING RESULTS BY SEGMENT**

### **Automotive Products Business**

- Sales recovered to pre-infectious disease spread (FY 2019) levels. Operating income ratio improved due to improved production efficiency and fixed cost reductions.
- Business in India grew as planned, contributing to higher sales and profit.
- In North America, the number of customers expanded. In addition, demand for outdoor leisure-related products increased due to the impact of COVID-19.

### **Household Appliances Device Products Business**

- Sales increased due to a review of product strategy.
- Operating loss due to difficulty in procuring parts and materials, as well as higher raw material and logistics costs.

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## OPERATING RESULTS BY SEGMENT

### Aircraft Component Import and Sales Business

- Sales decreased significantly due to the application of the "Accounting Standard for Revenue Recognition" and other regulations.
- Operating income increased, partly due to the contribution of new businesses.

### Turf-Care Equipment, etc. Sales Business

- Sales increased due to a recovery in capital investment by customers such as golf courses, as well as a focus on after-sales services.
- Returned to profitability mainly due to expansion of after-sales service business and the effect of spin-off from Mikuni Corporation.

### Other Businesses

- Sales and income increased due to strong sales of welfare and nursing care equipment.

# Summary of Income Statement

9 months ended December 31, 2021

	9 months of FY ending March, 2021	9 months of FY ending March, 2022	(Reference) Previous Accounting Standards 9 months of FY ending March, 2022	Full-year forecast for FY ending March, 2022
(Millions of yen)				
Net sales	60,745	59,529	75,567	84,400
Operating income	(915)	2,804	2,921	3,400
Ordinary income	(848)	2,534	2,637	3,000
Net income attributable to owners of the parent	(1,671)	1,341	1,444	1,200
Net income per share (yen)	(49.75)	39.98	43.05	35.73
Dividend per share (yen)	0.00	5.00	—	10.00
Exchange rate against the U.S. dollar (yen)				
Average rate for the period	107.55	108.58		(Assumed rate for the full year: US\$ = 109 yen)
Year-end	105.80	111.92		

(Note) 1. Amounts less than one million yen are discarded.

2. In order to apply the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29) from the beginning of the fiscal year ending March 31, 2022, the above consolidated earnings forecasts are forecasts after applying the Accounting Standard.

# Net Sales and Operating Income by Business Segment



9 months ended December 31, 2021

## Net Sales and Operating Income by Business Segment

(9 months, FY ended Mar. 2021 and 9 months, FY ending Mar. 2022)

(Millions of Yen)	9 months of FY ending March, 2021		9 months of FY ending March, 2022		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	41,323 68.0%	(764) —	48,720 81.8%	2,826 5.8%	7,397	17.9%	3,591	—
Household Appliances	4,135 6.8%	(213) —	4,902 8.2%	(276) —	766	18.5%	(62)	—
Aircraft Component	12,099 19.9%	214 1.8%	1,213 2.0%	239 19.8%	(10,886)	(90.0%)	25	11.7%
Turf-Care Equipment	1,947 3.2%	(103) —	3,030 5.1%	12 0.4%	1,082	55.6%	115	—
Other Business	1,239 2.0%	(48) —	1,662 2.8%	1 0.1%	423	34.2%	50	—
Total	60,745	(915) —	59,529	2,804 4.7%	(1,215)	(2.0%)	(3,719)	—

- (Note) 1. Amounts less than one million yen are discarded.  
2. The figures for the first half of the fiscal year ending March 31, 2022 are after the application of "Accounting Standard for Revenue Recognition" etc.  
3. Figures in parentheses are negative values.

## Net Sales and Operating Income by Business Segment

(9 months, FY ended Mar. 2021 and 9 months, FY ending Mar. 2022)

	9 months of FY ending March, 2021		Previous Accounting Standards (Reference purpose only)		9 months of FY ending March, 2022		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				
(Millions of Yen)										
Automotive Products	41,323 68.0%	(764) —			51,263 67.8%	2,940 5.7%	9,939	24.1%	3,704	—
Household Appliances	4,135 6.8%	(213) —			4,902 6.5%	(272) —	766	18.5%	(59)	—
Aircraft Component	12,099 19.9%	214 1.8%			14,708 19.5%	239 1.6%	2,608	21.6%	25	11.7%
Turf-Care Equipment	1,947 3.2%	(103) —			3,030 4.0%	12 0.4%	1,082	55.6%	115	—
Other Business	1,239 2.0%	(48) —			1,662 2.2%	1 0.1%	423	34.2%	50	—
Total	60,745 —	(915) —			75,567 3.9%	2,921 3.9%	14,821	24.4%	3,837	—

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



# Transition of Quarterly Net Sales and Operating Income

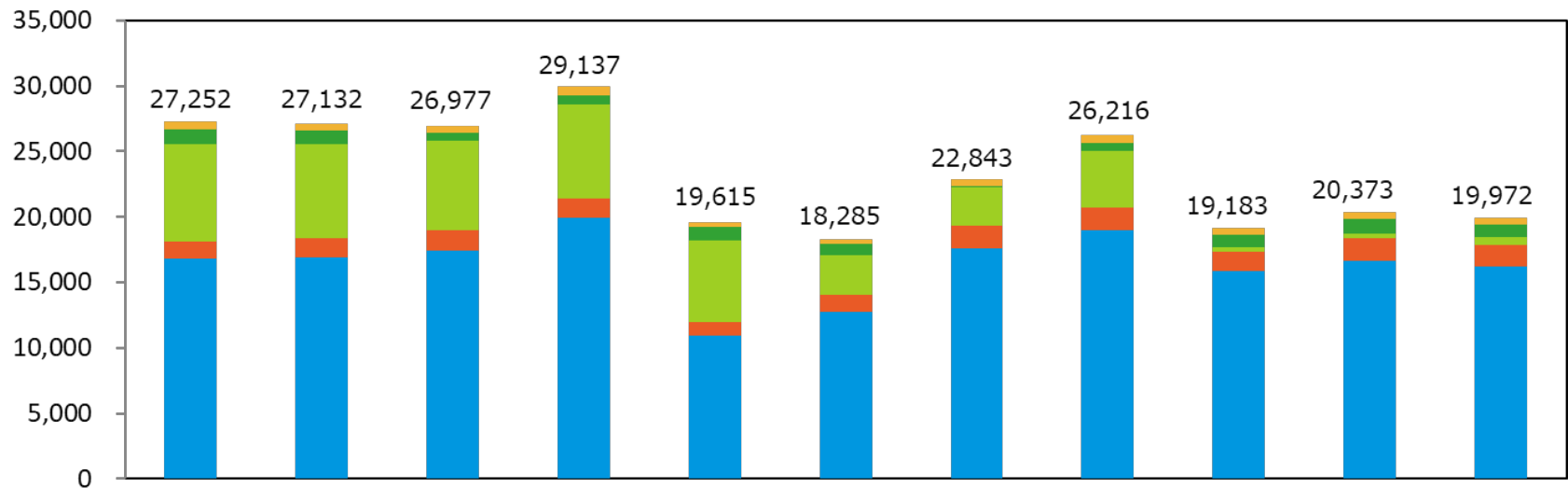


9 months ended December 31, 2021

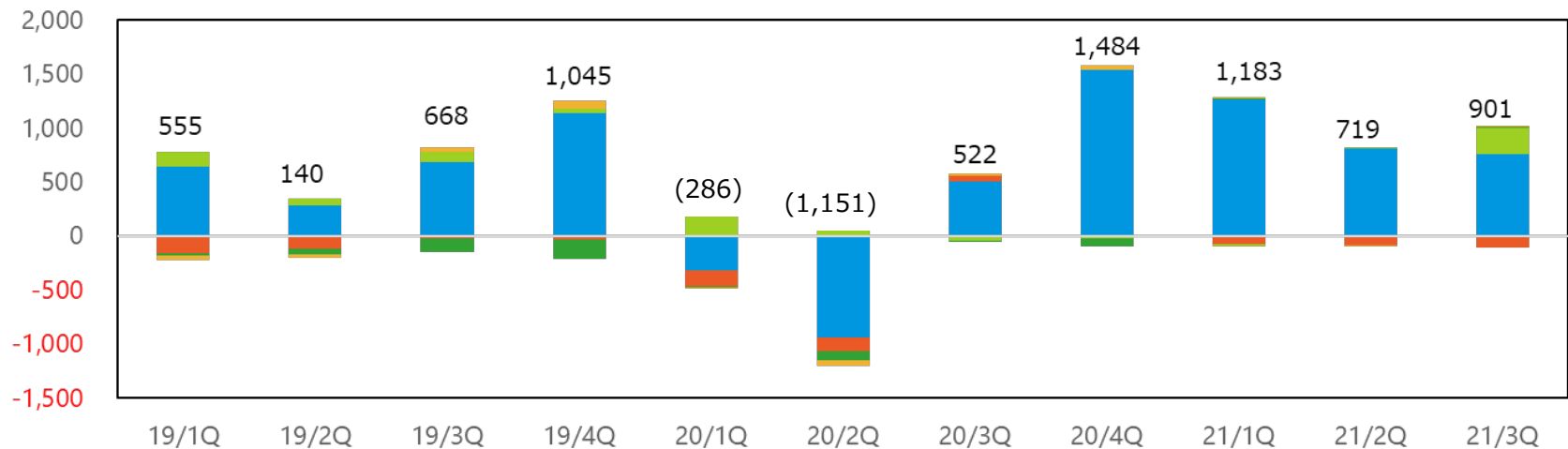
■ Automotive Products Business 
 ■ Household Appliances Device Products Business 
 ■ Aircraft Parts Import and Sales Business 
 ■ Turf-Care Equipment Sales Business 
 ■ Other Business

(Millions of yen)

Net Sales



Operating Income (loss)



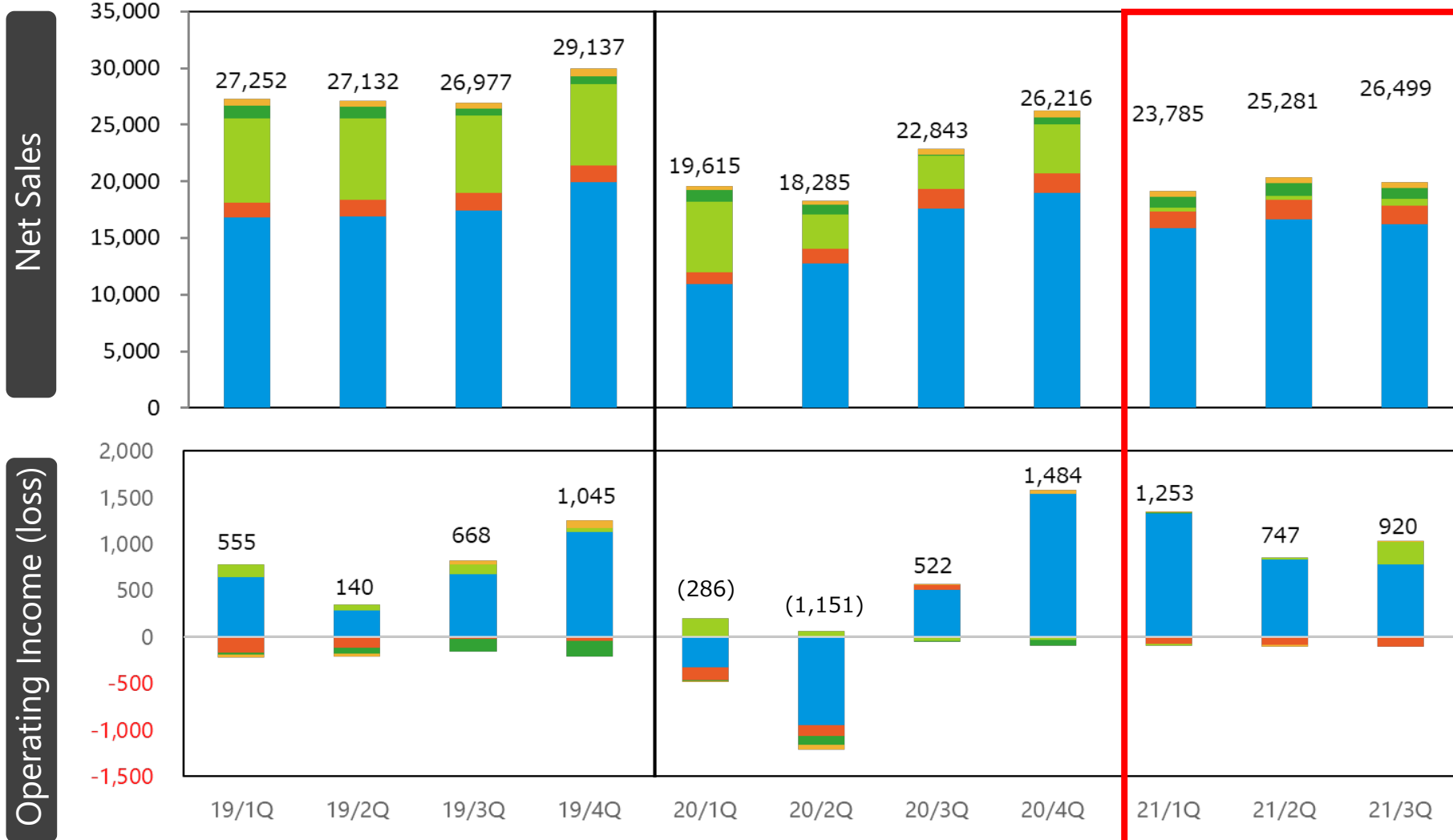
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# Transition of Quarterly Net Sales and Operating Income



■ Automotive Products Business 
 ■ Household Appliances Device Products Business 
 ■ Aircraft Parts Import and Sales Business 
 ■ Turf-Care Equipment Sales Business 
 ■ Other Business

(Millions of yen)



**Previous Accounting Standards  
(Reference purpose only)**

(Note) 1. Amounts less than one million yen are discarded.  
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# Summary of Balance Sheet

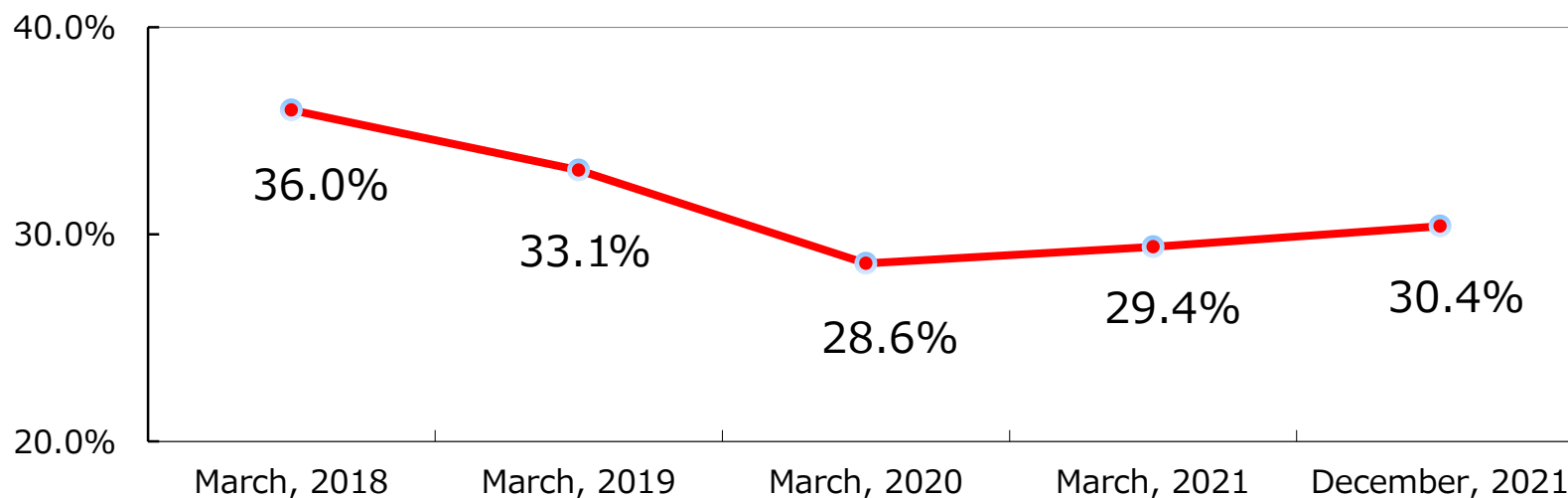
(Millions of yen)	End of March 2021	End of December 2021	Change in amount
Current assets	46,474	52,969	6,495
Fixed assets	47,417	46,216	(1,200)
Total assets	93,891	99,186	5,294
Current liabilities	31,218	33,550	2,332
Fixed liabilities	34,276	34,544	267
Net assets	28,396	31,091	2,694
Total liabilities and net assets	93,891	99,186	5,294
Shareholders' equity ratio	29.4%	30.4%	—
Net assets per share	822.12Yen	898.41Yen	—

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

# Summary of Balance Sheet

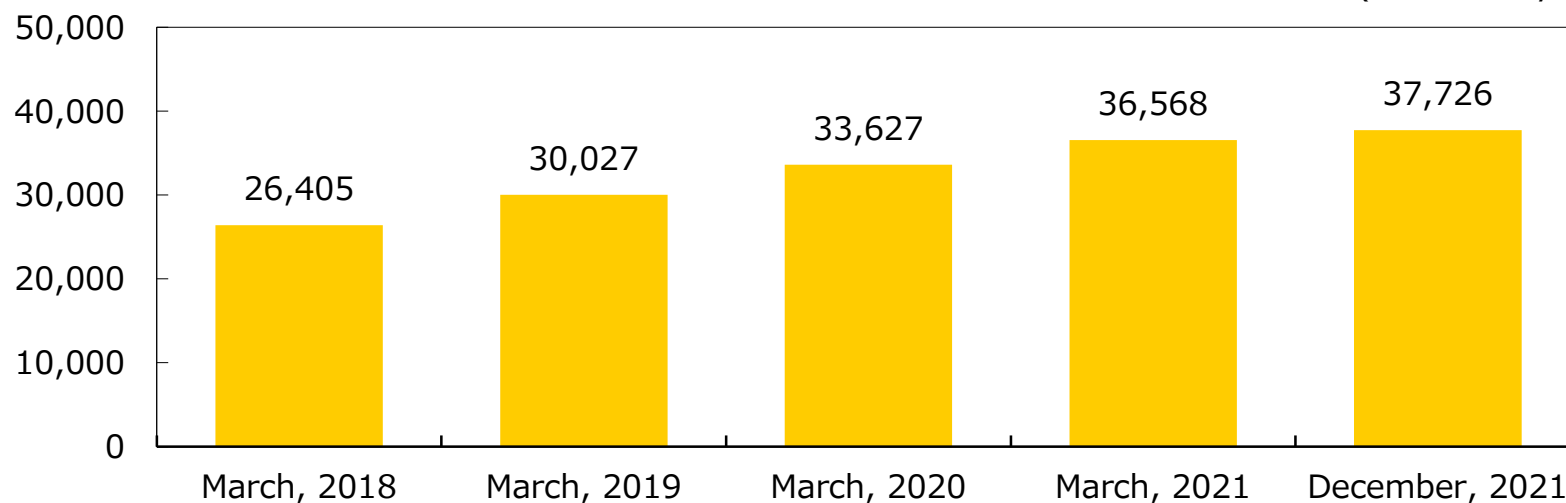
9 months ended December 31, 2021

## Transition of Capital Ratio



## Transition of Interest-Bearing Debt

(Millions of yen)



(Note) Amounts less than one million yen are discarded.

The Company resolved on December 20, 2021 to select the Prime Market in the new market segment of the Tokyo Stock Exchange (TSE) and disclosed the "Plan to Meet the Continued Listing Criteria for the New Market Segment".

## Outline of the Plan

<https://ssl4.eir-parts.net/doc/7247/tdnet/2061615/00.pdf>

### Basic Policy

Realize conformity to the standards for maintaining listing on the prime market by achieving our mid-term vision.

### The Mid-term Vision

Consolidated net sales of 95 billion yen, operating income of 5 billion yen, and operating margin of 5% in FY2023  
Achieve ROE in excess of cost of shareholders' equity.

### Specific Initiatives

- **Electrification of four-wheeled vehicles**

Accelerate development to increase the ratio of products for electric vehicles to more than 70% in FY2030.

- **Motorcycles and marine products, enhance our value in the market**

Enhance environmental performance and further increase market presence.

- **Growth in India**

Turning stricter environmental regulations for motorcycles into an opportunity for our business.  
Building a strong customer base in the four-wheeled vehicle business.

## INDIA

### Expands New Business with TATA Motors

Mikuni India Private Limited (MID), a subsidiary of the Company in India, received orders from Tata Motors Limited for the intake VVT (Variable Valve Timing, Tata's part name for it is V.V.T Actuator) to be installed in 1.2L gasoline engines and started deliveries in December 2021. Intake VVT is an engine component that contributes to the reduction of CO2 emissions and exhaust gases by improving fuel efficiency of vehicles and is expected to be in high demand in the Indian market in the coming years.



Mikuni India Private Limited

## Automotive Electrification

### New Production Line for Electric Oil Pumps for Electric Vehicles Installed in Shanghai

We have decided to install a new production line for electric oil pumps at our consolidated subsidiary in China, Mikuni (Shanghai) Co. In addition to Japanese electric vehicle manufacturers, the new line will supply Chinese E-axle (electric vehicle drive unit) manufacturers. It is also expected to export from China to other regions. The immediate annual production capacity is 300,000 units, to be increased in response to demand.



This photo shows the current electric oil pump. The product manufactured in Shanghai will be a next-generation electric oil pump that is smaller, lighter, and more efficient.

## 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.

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