



(Reference Translation)

Financial Results Briefing



for the Six Months ended September 30, 2023



November 29, 2023

MIKUNI CORPORATION

Securities identification code: 7247

Financial Results Briefing

November 29, 2023 Wednesday 14:00-15:00
at Mikuni Building

Agenda

1. Consolidated Financial Results for the Six Months ended September 30, 2023
2. Forecast for the Fiscal Year ending March 31, 2024
3. Topics
4. Q&A Session

Speakers

Hisataka IKUTA

Satoshi FUJIMORI

Shiniji YAMADA

President, CEO & COO

Director, Senior Executive Officer, CFO

Executive Officer,

General Manager of Corporate Management Dept.

Consolidated Financial Results for the Six Months ended September 30, 2023

Note

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

OLD

Automotive Related Products
» Automobile
» Motorcycle



Household Appliances Device Products



Aircraft Parts Import and Sales



Turf-care Equipment

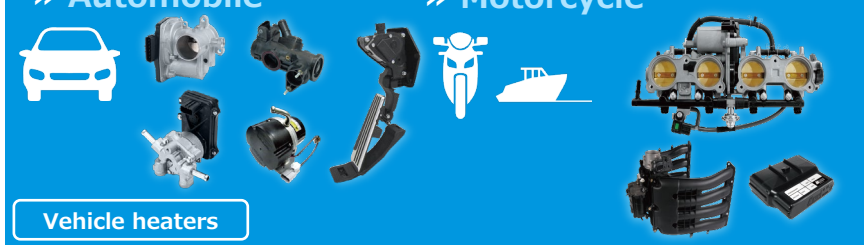


Other Business



NEW

Mobility
» Automobile
» Motorcycle



Vehicle heaters

Gas Techno



Trading

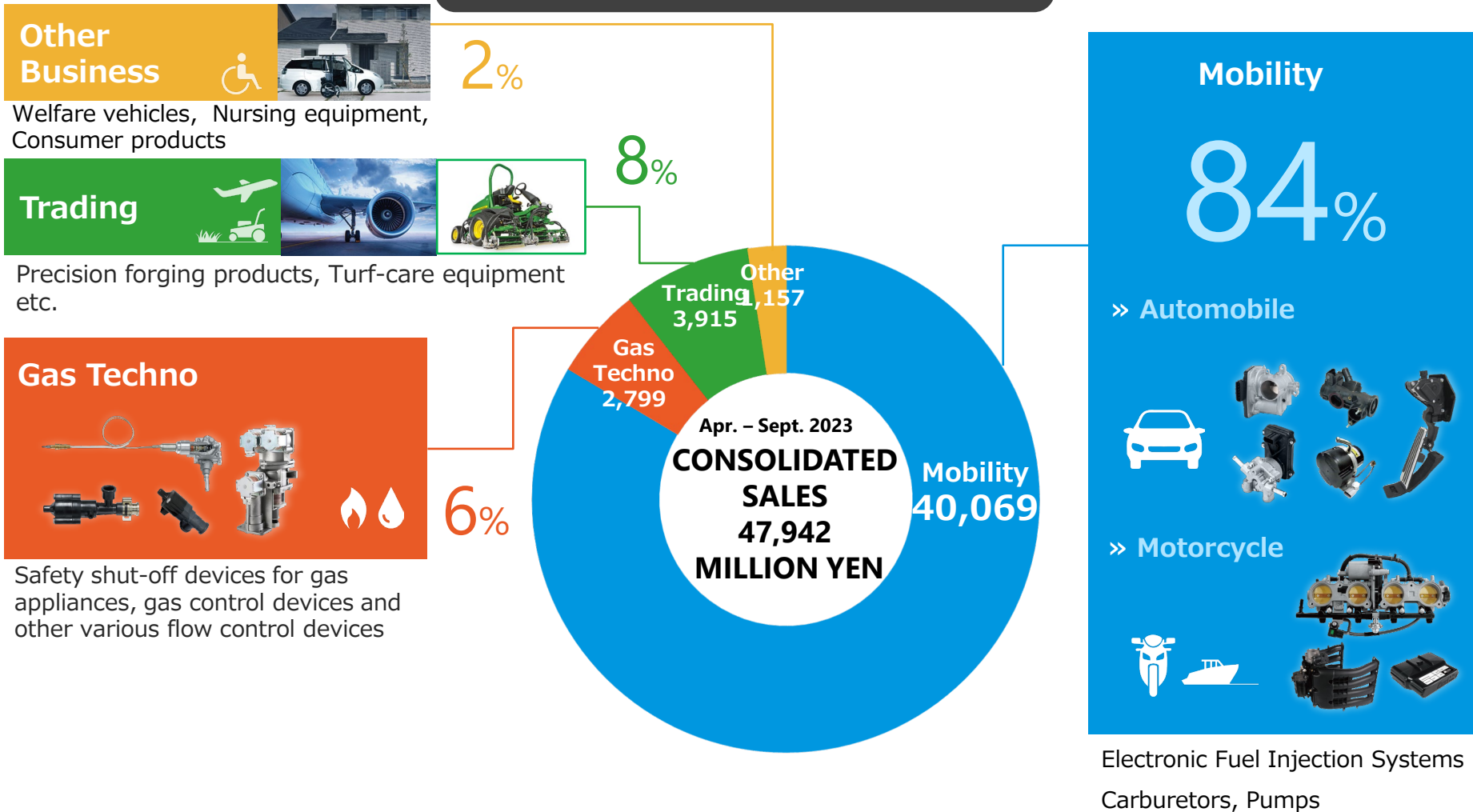


Other Business



Reviewed the business portfolio and changed the reportable segments from the viewpoint of management approach from the first quarter of the current fiscal year. The "Aircraft parts import and sales business" and the "Turf-care Equipment business" were merged into the trading business, and the "Automobile related products business" was renamed the "Mobility business, The "Household Appliances Device Products Business" was renamed the "Gas Techno Business." Vehicle heaters, which was included in the Other Business segment, was transferred to the Mobility Business segment.

Net Sales and Composition Ratio by Business Segment



6 Months ended Sept. 30, 2023 Summary of Income Statement

(Millions of yen)	6 months ended Sept. 30, 2022	6 months ended Sept. 30, 2023	Change	Forecast for FY ended March, 2024
Net sales	44,810	47,942	3,132	99,000
Operating income	724	1,187	463	4,000
Ordinary income	429	973	544	3,300
Net income attributable to owners of the parent	(587)	105	692	1,600
Net income per share (yen)	(17.49)	3.15	20.64	47.67
Dividend per share (yen)	5.00	5.00	—	20.00 Including the 100th anniversary dividend of 10.00 yen
Exchange rate against the U.S. dollar (yen)				
Average rate for the period	123.14	135.00		Assumed exchange rate :
Year-end	136.68	144.99		135

Note:

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

Six Months Ended September 30, 2023 (April - September 2023)

- Consolidated net sales increased 7.0% due to higher sales in the Mobility and Trading businesses.
- Despite higher raw material prices, operating income increased 64.0% due to efforts to improve profitability and the impact of foreign exchange rates.

OPERATING RESULTS BY SEGMENT**Mobility Business**

- Impact of parts shortages in the supply chain gradually eased.
- Sales increased 8.4% due to continued strong performance in India and the impact of foreign currency exchange rate fluctuations, etc.
- Operating income increased 37.4% due to efforts to improve productivity.

Gas Techno Business

- Sales declined 10.8% due to slow demand recovery and the impact of real estate market conditions in China.
- Operating loss narrowed due to cost reductions within the business segment.

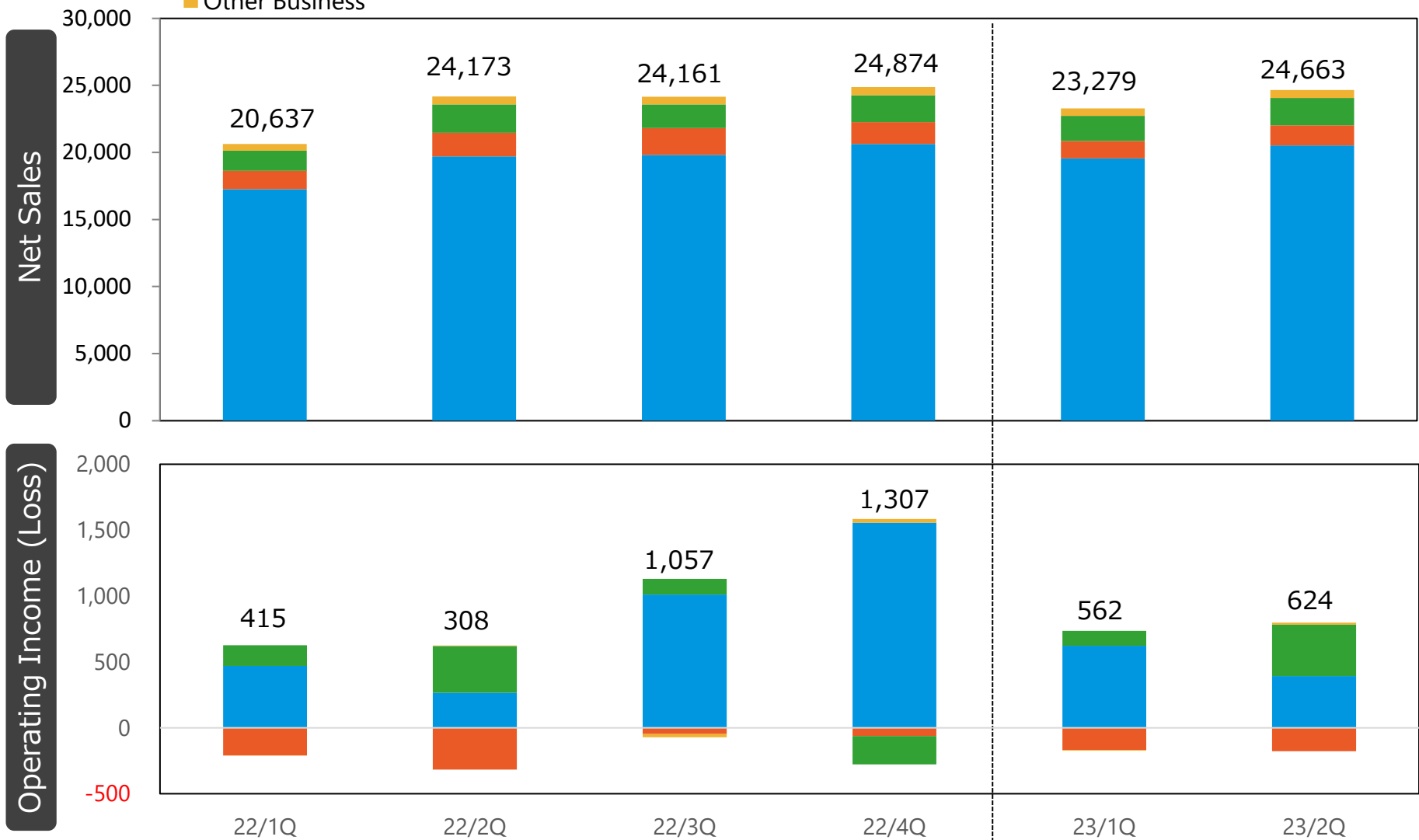
Trading Business

- Sales increased 4.9% due to strong sales of welfare and nursing care equipment.
- Operating income increased, absorbing higher procurement costs for imported products.



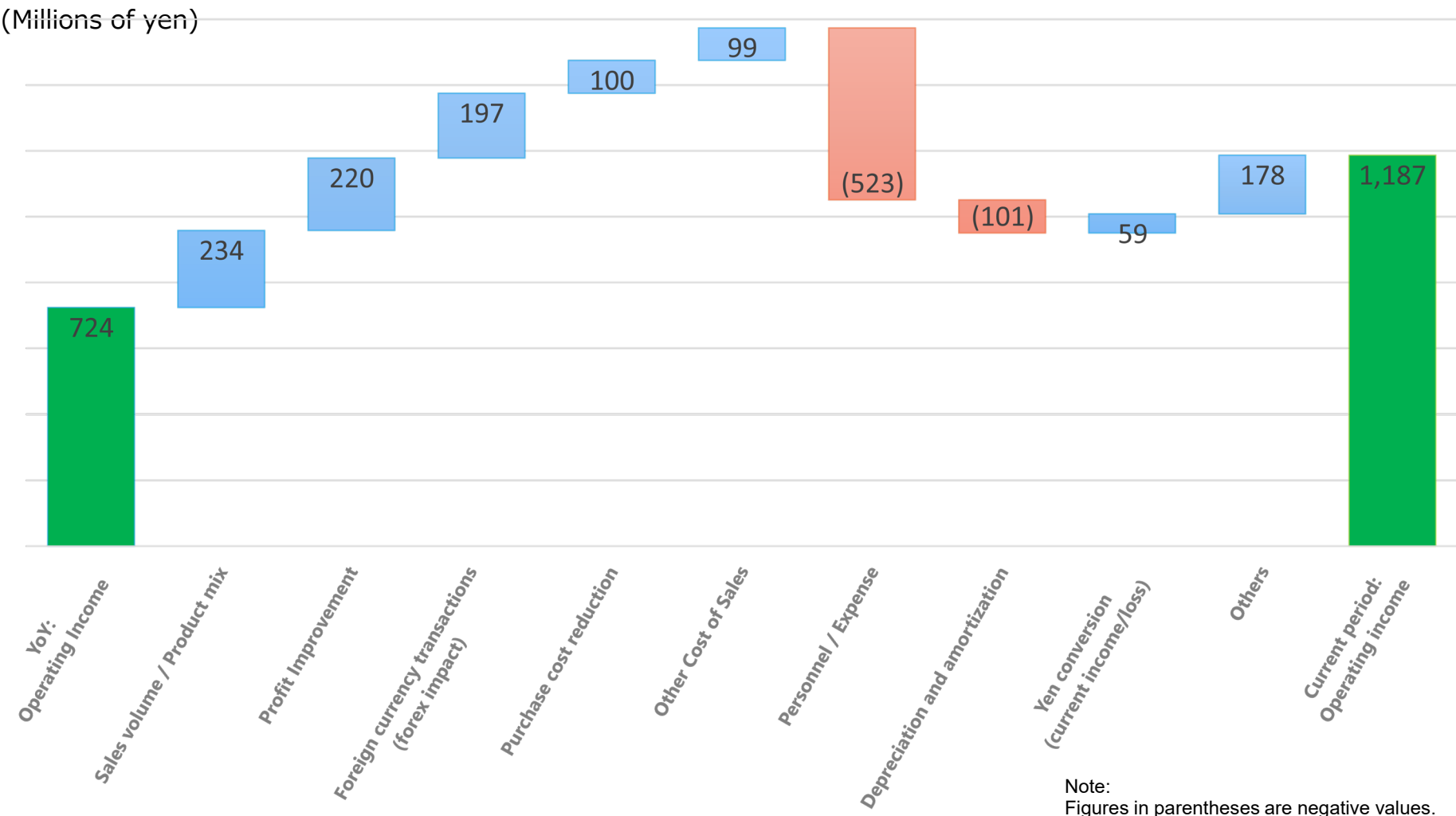
- Automotive Products Business
- Household Appliances Device Products Business
- Aircraft Parts Import and Sales Business
- Turf-Care Equipment Sales Business
- Other Business

(Millions of yen)



Note:
Amounts less than one million yen are discarded.

Increased volume and price increases, as well as the impact of foreign exchange rates, absorbed the increase in expenses and secured a year-on-year increase in income.



Note:
Figures in parentheses are negative values.

Net Sales and Operating Income by Business Segment



6 Months ended Sept. 30, 2023

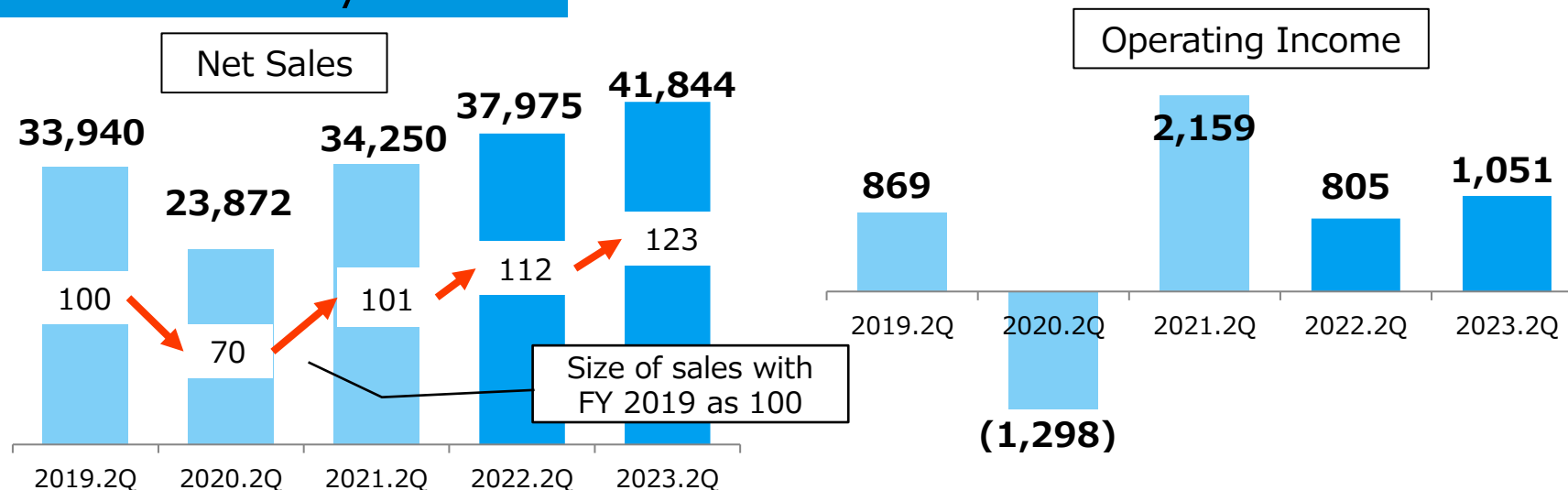
Net Sales and Operating Income by Business Segment (Apr. – Sept. , 2022 and 2023)

(単位：百万円)	6 Months ended September, 2022		6 Months ended September, 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				
Mobility	36,971	738	40,069	1,014	3,098	8.4%	276	37.4%
	82.5%	2.0%	83.6%	2.5%				
Gas Techno	3,138	(526)	2,799	(343)	(338)	(10.8%)	182	—
	7.0%	—	5.8%	—				
Trading	3,597	508	3,915	506	317	8.8%	(2)	(0.5%)
	8.0%	14.1%	8.2%	12.9%				
Others	1,103	3	1,157	10	54	4.9%	7	212.5%
	2.5%	0.3%	2.4%	0.9%				
Total	44,810	724	47,942	1,187	3,132	7.0%	463	64.0%
		1.6%		2.5%				

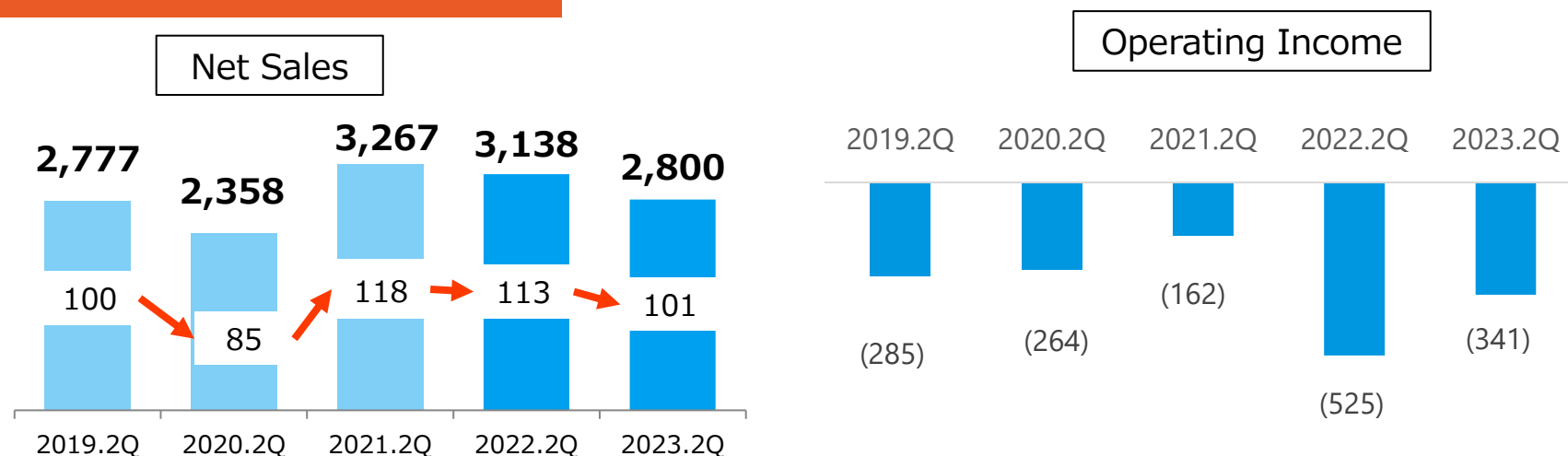
(Note) 1. Amounts less than one million yen are discarded.
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Mobility

(Millions of yen)



Gas Techno



Note: Amounts less than one million yen are discarded.

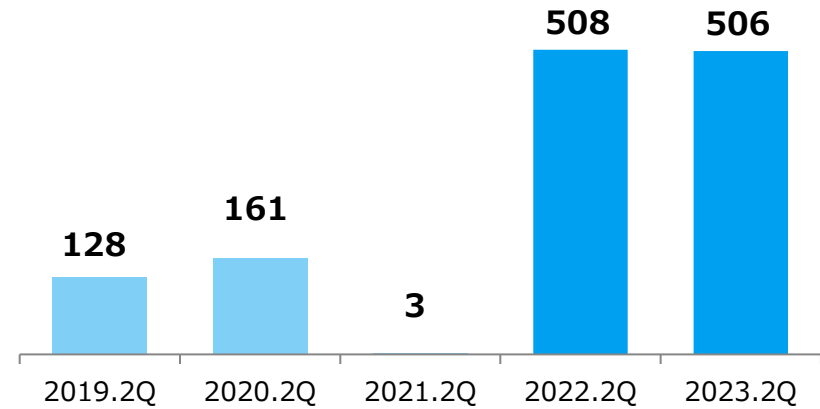
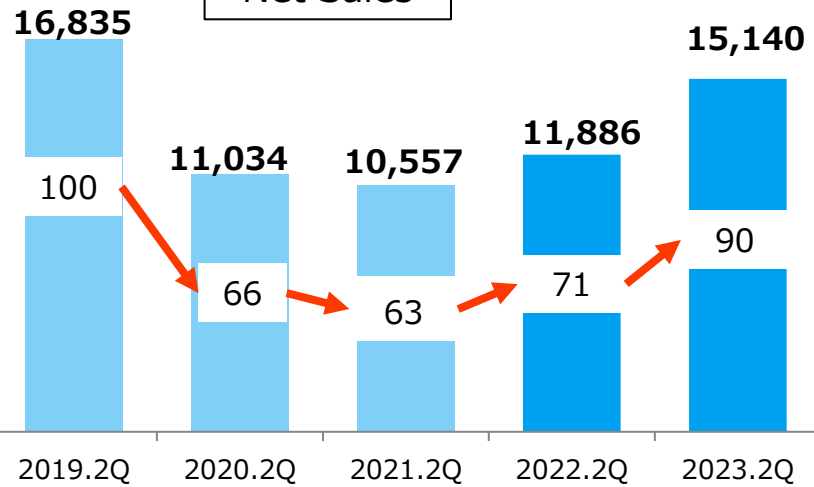
The sales for the first two quarters of FY2019 are set at 100 and the indexed sales for each fiscal year are noted within each bar.

Trading

(Millions of yen)

Net Sales

Operating Income



Note: Amounts less than one million yen are discarded.

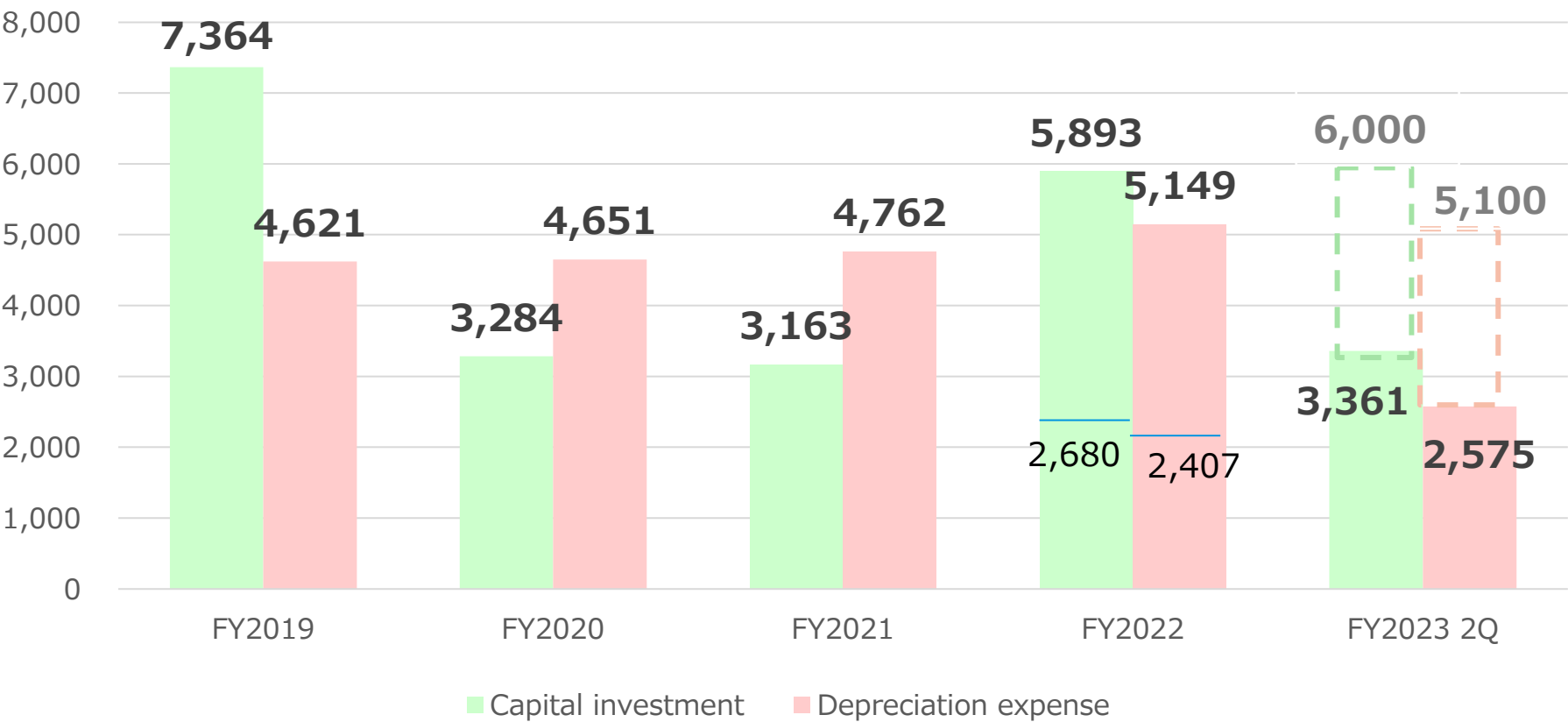
The sales for the first two quarters of FY2019 are set at 100 and the indexed sales for each fiscal year are noted within each bar.

(Millions of yen)	End of March 2023	End of September 2023	Change in amount
Current assets	53,402	58,434	5,031
Fixed assets	46,705	50,550	3,844
Total assets	100,108	108,984	8,875
Current liabilities	37,579	43,178	5,599
Fixed liabilities	30,330	29,888	△442
Net assets	32,199	35,917	3,718
Total liabilities and net assets	100,108	108,984	8,875
Shareholders' equity ratio	31.4%	32.1%	—
Net assets per share	936.50yen	1,041.44yen	—

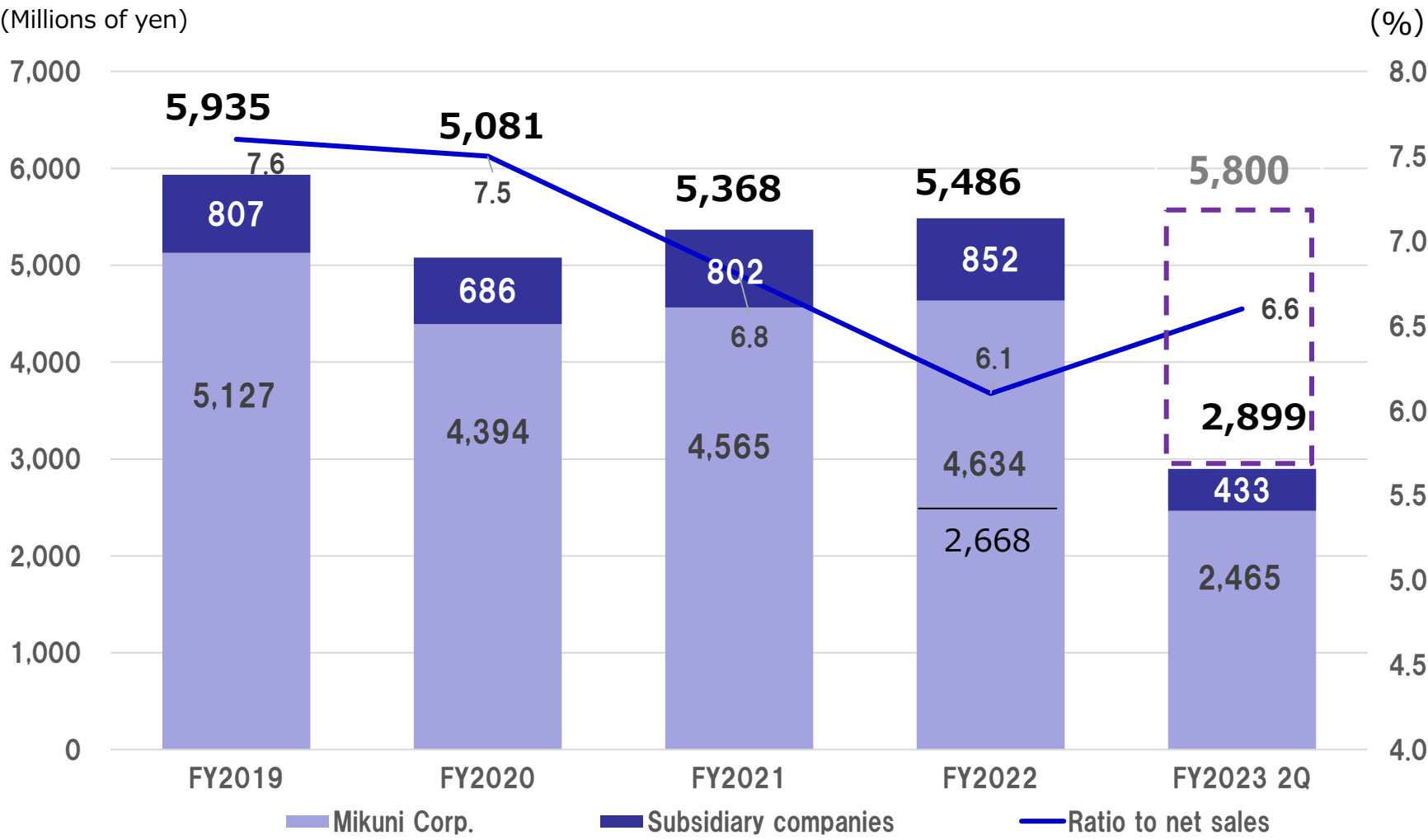
(Note) 1. Amounts less than one million yen are discarded.
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Capital investment increased YoY due to the construction of a second plant in Zhejiang Mikuni and investment for increased production in India. Depreciation expenses were generally on par with the same period of the previous year

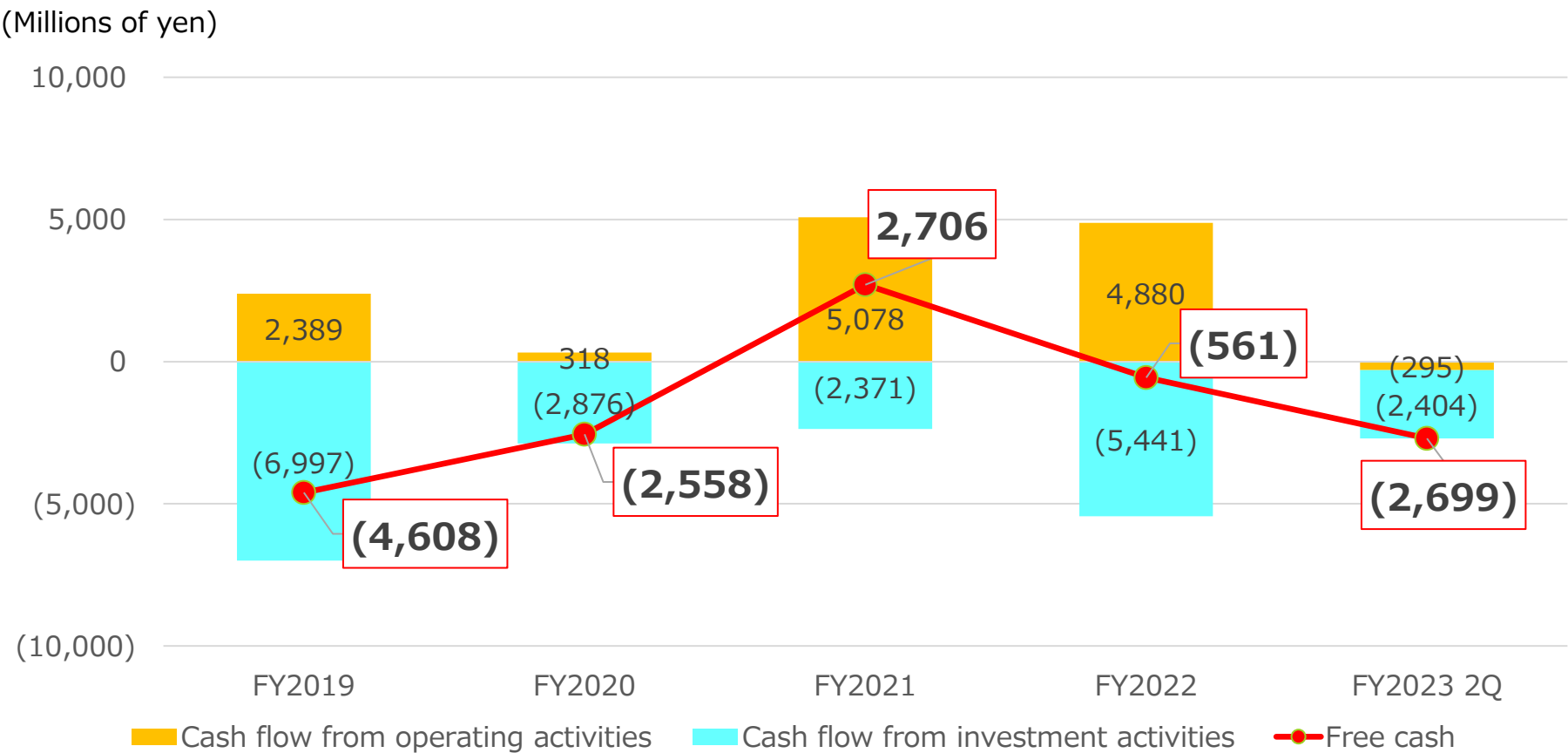
(Millions of yen)



R&D expenses increased slightly YoY, with 5.8 billion yen planned for FY2023.

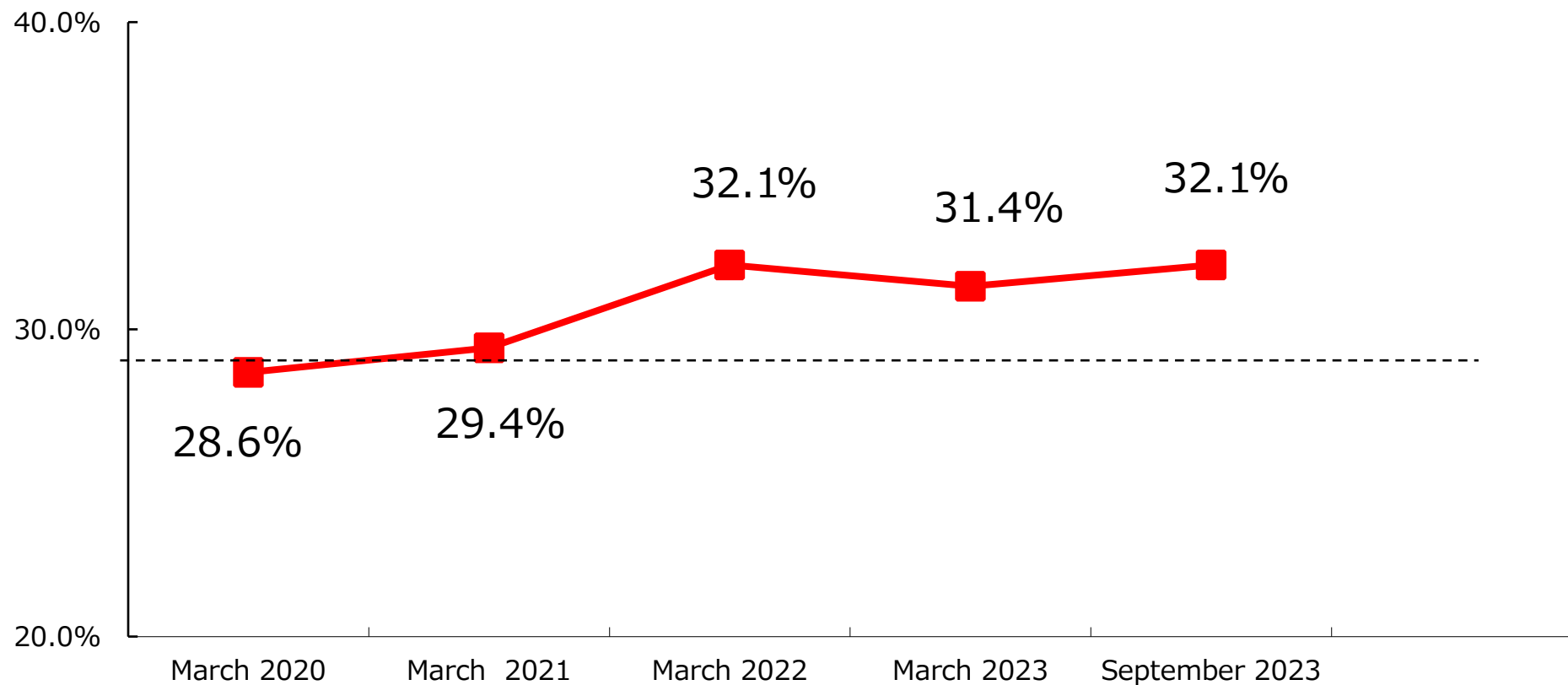


Negative operating cash flow due in part to the impact of the reorganization of production bases in China. Free cash was -2,699 million yen.



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

Total assets increased by 8.9 billion yen. While liabilities increased by 5.2 billion yen due to borrowing, net assets increased by 3.7 billion yen, due in part to an increase in the value of stock holdings (1.2 billion yen) and an increase in net assets of overseas subsidiaries (2.2 billion yen) due to yen depreciation. Capital adequacy ratio remained in the 30% range.



Forecast for the Fiscal Year Ending March 31, 2024

(Initial forecast unchanged)

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 includes dividend of 10.00 yen in commemoration of the 100th anniversary of the company's founding.
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

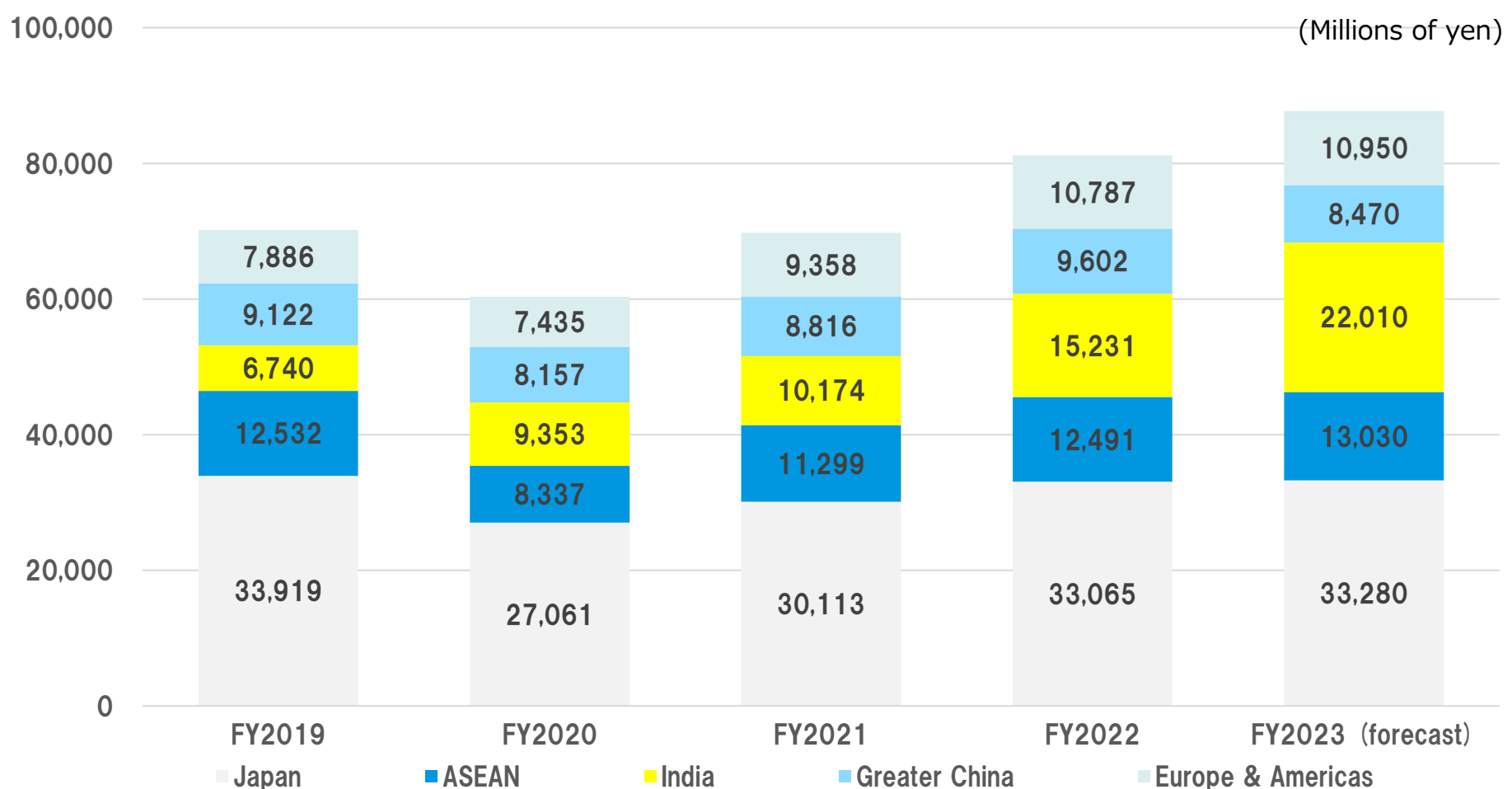
- (Note) 1. Amounts less than one million yen are discarded.
2. Figures in parentheses are negative values.

Net Sales and Operating Income by Business Segment (FY2022 and FY2023 forecast)

(Millions of yen)	FY2022 ended March, 2023		FY2023 (forecast) 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				
Mobility	77,197	3,362	83,000	3,650	5,803	7.5%	288	8.6%
	82.3%	4.4%	83.8%	4.6%				
Gas Techno	6,786	(636)	6,700	(200)	(86)	(1.3%)	436	—
	7.2%	—	6.8%	—				
Trading	7,351	410	6,800	500	(551)	(7.5%)	90	21.9%
	7.8%	5.6%	6.9%	7.4%				
Others	2,509	(48)	2,500	50	(9)	(0.4%)	98	—
	2.7%	—	2.5%	2.0%				
合計	93,847	3,089	99,000	4,000	5,153	5.5%	911	29.5%
		3.3%		4.0%				

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

Sales in India continue to increase and become the group's growth engine. ASEAN and Europe are on a recovery trend. In China, production bases were reorganized to create a structure that can respond to changes in the market.



Note: Amounts less than one million yen are discarded.

Topics

As of October 20, 2023, we have changed our listing classification on TSE from the Prime Market to the Standard Market.



- We have been listed on the prime market since the new market classification was established in April 2022. We were about to achieve the market capitalization of tradable shares, which we had not yet achieved in terms of the criteria for maintaining our listing on the market.
- Taking the opportunity of the special period for market change on TSE, our Board of Directors held a thorough discussion and decided that (1) the costs required to maintain the Prime listing criteria should be used to improve corporate value, and (2) it is unfair to ask current shareholders to bear the delisting risk in the event that the Prime listing criteria are not met. Therefore, we have made a resolution to transfer to the Standard Market and submitted an application on September 25 of this year (For details, please refer to the news release dated September 25 on our website.)
- We will continue our efforts to strengthen governance and enhance information disclosure to achieve sustainable growth and increase corporate value.



Logo for the 100th Anniversary



years of Mikuni
1923-2023

Launched the 100th anniversary website



挑戦する姿勢をより強くDNAとして胸に刻み
皆さまのご要望や社会課題に応じていくことを誓います。

株式会社 ミクニ 生田久貴
代表取締役社長

MIKUNI
つくる まもる ひらく

株式会社 ミクニ
東京都千代田区外神田6-13-11
<https://www.mikuni.co.jp/>





Create Preserve Open

- 3 simple verbs to express Mikuni's Corporate Philosophy.
- Each verb contains the action guidelines that Mikuni values.

Create

“Monozukuri” forms our foundation. With our own innovative technology supported by tradition and the skill of craftsmen, let us create products and services that satisfy our customers.

Preserve

Let us ensure quality by strictly complying with laws while giving consideration to the environment so that all people can use our products safely and with peace of mind. Let us preserve diverse personalities and lifestyles so that various employees can work with smiles.

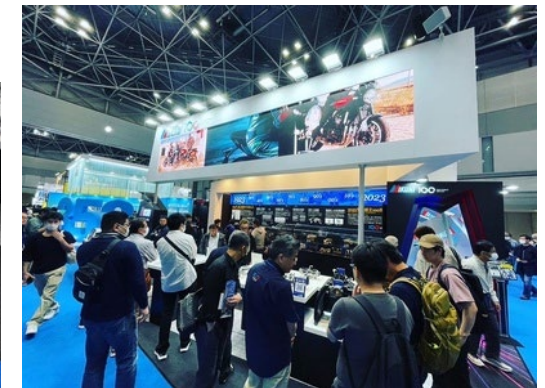
Open

Let us have dreams and make efforts to change ourselves and open up new possibilities, trends, and worlds with our own hands. And let us open up a prosperous society.

Theme:

As we celebrate our 100th anniversary, we thank all those who have walked along this journey with us and supported us, and mark Mikuni for the next era.

(October 25-26, 2023: Press Days, October 28-November 5, 2023 at Tokyo Big Sight)



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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