



## Consolidated Financial Results for Fiscal Year Ended March 31, 2023 (Under Japanese GAAP)

May 10 2023

Listed company name: MITSUBA Corporation

Listing: Tokyo Stock Exchange

Securities code: 7280

URL <https://www.mitsuba.co.jp/>

Representative: (Title) Representative Director,  
President

(Name) Katsuyoshi Kitada

Inquiries: (Title) General Manager of Accounting  
and Finance Department

(Name) Koji Ogino

(TEL) 0277-52-0113

Scheduled date of the annual general  
meeting of shareholders: June 22, 2023

Scheduled date to commence  
dividend payments: June 7, 2023

Scheduled date of securities report filing: June 22, 2023

Preparation of supplementary materials on financial results: : Yes

Holding of financial results briefing: : Yes (for analysts)

(Yen amounts are rounded down to nearest million, unless otherwise noted.)

### 1. Consolidated financial results for fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 2023	319,500	11.5	6,718	(6.5)	6,049	(19.7)	1,185	-
Fiscal year ended March 2022	286,482	6.4	7,187	(15.9)	7,529	(13.9)	83	(88.5)

(Note) Comprehensive income Fiscal year ended March 2023 ¥7,946 million [(40.0)%] Fiscal year ended March 2022 ¥13,244 million [(1.5)%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended March 2023	26.49	20.59	1.8	1.8	2.1
Fiscal year ended March 2022	1.87	1.46	0.1	2.2	2.5

(Reference) Share of profit (loss) of entities accounted for using equity method Fiscal year ended March 2023 ¥27 million Fiscal year ended March 2022 ¥69 million

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Million yen	Million yen	%	Yen
Fiscal year ended March 2023	328,452	86,958	20.3	1,143.28
Fiscal year ended March 2022	342,750	88,201	19.8	1,052.91

(Reference) Equity As of March 31, 2023 ¥66,768 million As of March 31, 2022 ¥68,024 million

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
As of March 31, 2023	29,618	(9,168)	(20,677)	74,301
As of March 31, 2022	11,746	(6,842)	(12,775)	73,267

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
As of March 31, 2022	Yen -	Yen 0.00	Yen -	Yen 3.00	Yen 3.00	Million yen 134	% 160.0	% 0.3
As of March 31, 2023	Yen -	Yen 0.00	Yen -	Yen 3.00	Yen 3.00	Million yen 134	% 11.3	% 0.3
Fiscal year ending March 2024 (Forecast)	Yen -	Yen 0.00	Yen -	Yen 3.00	Yen 3.00		% 1.8	

Note: "Cash dividends" above presents the status of dividends related to common stocks. Please refer to "Cash dividends of class stock," mentioned later, for the status of dividends related to class stocks (unlisted) that have different rights from common stocks that the Company issues.

3. Consolidated earnings forecast for the fiscal year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Percentages indicate change from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First 6 months	160,000	4.5	6,000	-	6,500	228.6	3,000	-	60.33
Full year	322,000	0.8	15,000	123.2	15,000	148.0	8,000	574.9	165.34

\* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation) : None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations : Yes
- 2) Changes in accounting policies due to other reasons : None
- 3) Changes in accounting estimates : None
- 4) Restatement : None

(3) Number of issued shares (common shares)

- 1) Total number of issued shares at the end of the period (including treasury shares)
- 2) Number of treasury shares at the end of the period
- 3) Average number of shares outstanding during the period

As of March 31, 2023	45,581,809 shares	As of March 31, 2022	45,581,809 shares
As of March 31, 2023	825,819 shares	As of March 31, 2022	825,524 shares
As of March 31, 2023	44,756,098 shares	As of March 31, 2022	44,756,405 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(1) Non-consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 2023	138,512	6.0	(1,777)	-	2,141	(10.3)	(466)	-
Fiscal year ended March 2022	130,679	3.3	135	-	2,387	302.5	2,768	-
	Basic earnings per share		Diluted earnings per share					
	Yen		Yen					
Fiscal year ended March 2023	(10.42)		-					
Fiscal year ended March 2022	61.86		48.09					

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Million yen	Million yen	%	Yen
Fiscal year ended March 2023	221,571	34,736	15.7	427.57
Fiscal year ended March 2022	236,069	42,320	17.9	478.60

(Reference) Equity Fiscal year ended March 2023 ¥34,736 million Fiscal year ended March 2022 ¥42,320 million

\* Financial results reports are exempt from audits conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts, and other special matters

Earnings forecasts and other forward-looking statements in this report are based on information currently available to the Company and certain assumptions that the Company deems reasonable. Therefore, actual results and others may differ materially due to a variety of factors.

Please refer to “(4) Future Outlook in 1. Overview of Operating Results” on page 3 of the attachment material for cautionary notes regarding underlying assumptions for and the use of earnings forecasts.

(How to access the supplementary materials on financial results)

The Company plans to hold an online financial results briefing on May 19, 2023. The materials on financial results to be used at this briefing are scheduled to be posted on the Company’s website.

#### Cash dividends of class stock

The following is the breakdown of dividends per share related to class stocks that have different rights from common stocks.

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Class A stock	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 2022	-	0.00	-	60,085.90	60,085.90
Fiscal year ended March 2023	-	0.00	-	60,000.00	60,000.00
Fiscal year ending March 2024 (Forecast)	-	0.00	-	60,000.00	60,000.00

Note: The number of unredeemed class A shares above is 10,000 shares. 15,000 Class A shares were issued on September 30, 2020, and 5,000 shares were acquired and canceled on March 31, 2023. And the dividends for the fiscal year ended March 2023 will be paid out from capital surplus. For details, please refer to “Breakdown of dividends to be paid out from capital surplus” described below.

#### Breakdown of dividends to be paid out from capital surplus

The following is a breakdown of dividends for the fiscal year ended March 2023 that will be paid out from capital surplus.

Record date	Fiscal year-end	Total
Dividend per share	60,000.00 yen	60,000.00 yen
Total dividends	600 million yen	600 million yen

Note: Ratio of decrease of net assets: 0.065

○ Table of Contents of Attachments

1. Overview of Operating Results .....	2
1. Overview of Operating Results for the Fiscal Year under Review .....	2
(2) Overview of Financial Position for the Fiscal Year under Review .....	3
(3) Overview of Cash Flows for the Fiscal Year under Review .....	3
(4) Future Outlook .....	3
(5) Basic Policy Concerning the Allocation of Profits and Dividends for the Fiscal Year under Review and Next Fiscal Year .....	4
2. Basic Approach to Selection of Accounting Standards .....	4
3. Consolidated Financial Statements and Key Notes .....	5
(1) Consolidated Balance Sheet .....	5
(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income .....	7
Consolidated Statement of Income .....	7
Consolidated Statement of Comprehensive Income .....	8
(3) Consolidated Statement of Changes in Equity .....	9
(4) Consolidated Statement of Cash Flows .....	11
(5) Notes to Consolidated Financial Statements .....	13
(Notes to Assumptions for Going Concern) .....	13
(Significant Accounting Policies for Preparing Consolidated Financial Statements) .....	13
(Changes in Accounting Policies) .....	13
(Changes in Presentation Method) .....	13
(Segment Information) .....	14
(Matters Related to Revenue Recognition) .....	16
(Per Share Information) .....	17
(Important Subsequent Events) .....	17

## 1. Overview of Operating Results

### 1. Overview of Operating Results for the Fiscal Year under Review

In the consolidated fiscal year under review, while the global economy was on a recovery trend after the COVID-19 pandemic came to an end, the pace of the economic recovery slowed due to reasons such as high inflation caused by the prolongation of the situation in Russia and Ukraine, and the accompanying monetary tightening in Europe and the United States, and the renewed spread of infections following the easing of China's zero-COVID policy. In Japan, although sluggish external demand was a factor in an economic downturn towards the end of the year, personal consumption recovered, due partly to governmental support measures, and both control of COVID-19 infections and economic activity were achieved.

In the automotive industry, the number of four-wheeled vehicles sold globally was 80,976 thousand units in calendar year 2022 (down 0.4% year-on-year) due to the impact of semiconductor supply shortages. In the U.S., the number of cars sold was 13,903 thousand units in the calendar year (down 7.8% year-on-year), falling below the previous year for the first time in two years. In Europe, Russia's invasion of Ukraine and rising energy prices coincided, and the number of cars sold reached 11,309 thousand units (down 4.0% year-on-year), falling below the previous year for the first time in two years. Due to policies such as tax cuts on internal combustion vehicles and subsidies for electric vehicles, the number of cars sold in China reached 26,864 thousand units in the calendar year (up 2.2% year-on-year), surpassing the previous year for the second consecutive year. In Japan, the number of cars sold was 4,386 thousand units in FY2022 (up 4.0% year-on-year), surpassing the previous year for the first time in four years. The number of registrations was 2,693 thousand units (up 1.2% year-on-year), increasing for the first time in six years, and the number of registrations of mini cars was 1,693 thousand units (up 8.9% year-on-year), increasing for the first time in four years.

On the other hand, global sales of two-wheeled vehicles were 15,608 thousand units for the calendar year (up 7.9% year-on-year), a year-on-year increase for two consecutive years, due to India, the largest market for motorcycles, bringing COVID-19 infections under control. Indonesia recovered in the second half, totaling 5,221 thousand units for the calendar year (up 1.6% year-on-year), a year-on-year increase for the second consecutive year.

In Japan, the number sold was 362 thousand units in the calendar year (down 4.5% year-on-year), a year-on-year decrease for the first time in two years, due to declines in motorcycle type 2 (125 cc or less) and mini-size motorcycle (250 cc or less).

Under these circumstances, the Group steadily pursued the policies in the Medium-Term Management Plan that started from FY2020: "Business restructuring," "Reinforcement of corporate structure," and "Measures aimed at next generation businesses." During the consolidated fiscal year under review, as part of the selection and concentration of businesses, the Company transferred all of the equity interest in its subsidiary, Oshima Electric Works Co., Ltd., to Murakami Corporation on April 1, 2022, to withdraw from the door mirror and automobile lamp business, and disbanded Mitsuba Europe Limited, a subsidiary of the Company, as of March 31, 2023. Moreover, in order to strengthen our financial position, the Company has worked on the improvement of profitability by increasing prices and reducing expenses globally to respond to cost increases including soaring raw material prices, and the Company has also worked on inventory reductions, holding down capital investment and reducing cross-shareholdings from the perspective of asset efficiency. The Company implemented the early redemption of some preferred shares on March 31, 2023.

As a result, the consolidated financial results for the consolidated fiscal year under review are as follows: consolidated net sales increased from the previous year to 319,500 million yen (up 11.5% year-on-year), partly due to the easing of the impact of COVID-19 infections, an ease in production cutbacks of auto manufacturers caused by semiconductor supply shortages, and the effect of yen depreciation. However, consolidated operating profit decreased from the previous year to 6,718 million yen (down 6.5% year-on-year) and consolidated ordinary profit decreased from the previous year to 6,049 million yen (down 19.7% year-on-year) because of rising material costs due to the soaring prices of raw materials. On the other hand, since there were no extraordinary losses such as expenses due to the impact of COVID-19 infections or a provision for business restructuring, which we recorded in the previous fiscal year, profit before income taxes was 5,855 million yen. (up 19.6% year-on-year) and profit attributable to owners of parent was 1,185 million yen (profit attributable to owners of parent was 83 million yen in the previous term), increases over the previous year.

Operating results by business segment are presented as follows.

In the Transportation equipment-related operations, although net sales increased year-on-year to 299,540 million yen (up 11.7% year-on-year), as mentioned above, segment profit decreased to 4,564 million yen (down 15.6% year-on-year) due to a combination of cost-increasing factors.

In the Information service operations, since software development and system sales for the police, local governments, gas companies, and manufacturers trended strongly, net sales were 17,234 million yen (up 11.2% year-on-year) and segment profit was 1,760 million yen (up 23.4% year-on-year).

In Other operations, although revenue decreased in supplies business due to a shortage of semiconductor supply, overall segment sales were 6,697 million yen (up 0.3% year-on-year), and segment profit was 377 million yen (up 8.8% year-on-year).

## (2) Overview of Financial Position for the Fiscal Year under Review

At the end of the consolidated fiscal year under review, total assets were 328,452 million yen (342,750 million yen at the end of the previous consolidated fiscal year), down 14,298 million yen year on year. Current assets decreased by 8,522 million yen to 198,189 million yen, and non-current assets decreased by 5,776 million yen to 130,262 million yen.

The main reasons for the decrease in current assets were decreases of 1,956 million yen in notes receivable, 1,966 million yen in merchandise and finished goods, and 1,520 million yen in raw materials and supplies.

The main reasons for the decrease in non-current assets were decreases of 637 million yen in buildings and structures, 3,712 million yen in machinery, equipment and vehicles, and 442 million yen in tools, furniture and fixtures, due to the progress of the depreciation of property, plant and equipment.

At the end of the consolidated fiscal year under review, total liabilities were 241,493 million yen (254,549 million yen for the previous consolidated fiscal year), down 13,055 million yen year-on-year. Current liabilities increased by 15,066 million yen to 130,513 million yen, and non-current liabilities decreased by 28,121 million yen to 110,980 million yen.

The increase in current liabilities was caused mainly by an increase of 19,086 million yen in short-term borrowings due to long-term borrowings scheduled for repayment within one year increasing. The main reason for the decrease in non-current liabilities was a decrease of 28,255 million yen in long-term borrowings due to repayments to financial institutions and long-term borrowings scheduled for repayment within one year being transferred to short-term borrowings.

At the end of the consolidated fiscal year under review, net assets totaled 86,958 million yen (88,201 million yen at the end of the previous consolidated fiscal year), down 1,243 million yen year-on-year. The main reason was a decrease in the capital surplus of 7,101 million yen due to the acquisition and cancellation of 5,000 class A shares, although foreign currency translation adjustment increased by 5,650 million yen.

## (3) Overview of Cash Flows for the Fiscal Year under Review

Cash and cash equivalents on a consolidated basis (hereinafter referred to as “Cash”) for the consolidated fiscal year under review were 74,301 million yen at the end of the consolidated fiscal year under review, an increase of 1,034 million yen from the end of the previous consolidated fiscal year.

Free cash flows for the consolidated fiscal year under review were a positive 20,449 million yen (a positive 4,903 million yen in the previous fiscal year).

### (Cash flows from operating activities)

Cash provided by operating activities was 29,618 million yen (up 152.1% year-on-year). The main reasons were profit before income taxes of 5,855 million yen, depreciation of 16,816 million yen, a decrease in trade receivables of 2,916 million yen, and a decrease in inventories of 6,046 million yen.

### (Cash flows from investing activities)

Cash used by investing activities was 9,168 million yen (6,842 million yen for the previous fiscal year). This was caused mainly by purchase of property, plant and equipment of 9,837 million yen.

### (Cash flows from financing activities)

Cash used by financing activities was 20,677 million yen (12,775 million yen for the previous fiscal year). This was due primarily to repayments of long-term borrowings of 10,874 million yen, purchase of treasury shares of 5,900 million yen, and dividends paid of 2,982 million yen (including dividends to non-controlling shareholders).

## (4) Future Outlook

Regarding the future outlook for the global economy, although it is expected that the recovery from the impact of COVID-19 infections will continue, albeit moderately, uncertainties remain such as the resumption of the spread of infections and the impacts of Russia's invasion of Ukraine.

In the automotive industry too, although the impacts of COVID-19 infections have eased, the impact of the semiconductor shortage continues, and the production and sale of vehicles in countries around the world remain uncertain.

As announced in “Notice Regarding Formulation of Medium-Term Management Plan” dated March 15, 2023, the Group has finished the “12th Medium-Term Management Plan” currently being promoted, aimed at responding to environmental changes with a sense of urgency, and has formulated a new “Medium-Term Management Plan (2023-2027)” starting from the fiscal year ending March 31, 2024.

In this environment, the Company has made the following full-year consolidated earnings forecast for the fiscal year ending March 2024 (from April 1, 2023 to March 31, 2024). Consolidated net sales of 322,000 million yen (up 0.8% year-on-year), consolidated operating profit of 15,000 million yen (up 123.2% year-on-year), consolidated ordinary profit of 15,000 million yen (up 148.0% year-on-year) and profit attributable to owners of parent of 8,000 million yen (up 574.9% year-on-year).

(5) Basic Policy Concerning the Allocation of Profits and Dividends for the Fiscal Year under Review and Next Fiscal Year

The Company has a basic policy of returning profit to shareholders stably while reinforcing its management foundation, and will strive to make an appropriate allocation of profits by taking its financial performance, the payout ratio, and circumstances around the Company into account.

Regarding retained earnings, the Company intends to return the favor to shareholders for their support by making better use of retained earnings for R&D, capital expenditure, overseas expansion, new business investment and others while reinforcing its financial structure, thereby connecting such efforts to future growth.

Taking the financial performance of the current fiscal year into consideration, the Company has decided to distribute a term-end dividend of three yen per share for the consolidated fiscal year under review. For Class A stocks, a dividend of the amount prescribed by the Company's articles of incorporation will be distributed.

For the next fiscal year, the Company plans to distribute an annual dividend of three yen per share at the moment.

## 2. Basic Approach to Selection of Accounting Standards

The Group's policy is to prepare the consolidated financial statements under the Japanese GAAP for the time being in consideration of the comparability of the consolidated financial statements between periods and between companies. Regarding the application of IFRS, the Group's policy is to respond appropriately after considering and taking into account various circumstances in Japan and overseas.



### 3. Consolidated Financial Statements and Key Notes

#### (1) Consolidated Balance Sheet

(Unit: Millions of yen)

	Previous consolidated fiscal year (as of March 31, 2022)	Consolidated fiscal year under review (as of March 31, 2023)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	74,556	75,792
Notes receivable - trade	3,741	1,785
Accounts receivable - trade	47,024	48,910
Contract assets	149	380
Merchandise and finished goods	14,115	12,148
Work in process	5,735	5,718
Raw materials and supplies	43,072	41,552
Other	18,333	11,932
Allowance for doubtful accounts	(17)	(30)
<b>Total current assets</b>	<b>206,711</b>	<b>198,189</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	81,160	82,654
Accumulated depreciation	(48,971)	(51,103)
<b>Buildings and structures, net</b>	<b>32,188</b>	<b>31,551</b>
Machinery, equipment and vehicles	173,317	175,558
Accumulated depreciation	(130,845)	(136,798)
<b>Machinery, equipment and vehicles, net</b>	<b>42,472</b>	<b>38,759</b>
Tools, furniture and fixtures	52,632	53,040
Accumulated depreciation	(47,649)	(48,499)
<b>Tools, furniture and fixtures, net</b>	<b>4,983</b>	<b>4,541</b>
Land	7,824	7,790
Leased assets	8,970	9,500
Accumulated depreciation	(3,694)	(4,744)
<b>Leased assets, net</b>	<b>5,276</b>	<b>4,755</b>
Construction in progress	6,639	6,283
<b>Total property, plant and equipment</b>	<b>99,385</b>	<b>93,681</b>
<b>Intangible assets</b>		
Software	1,238	978
Software in progress	75	10
Other	2,102	2,695
<b>Total intangible assets</b>	<b>3,416</b>	<b>3,683</b>
<b>Investments and other assets</b>		
Investment securities	15,882	15,713
Long-term loans receivable	2,384	2,496
Deferred tax assets	1,377	1,770
Long-term prepaid expenses	1,488	1,560
Retirement benefit assets	11,331	10,583
Other	771	773
Allowance for doubtful accounts	(0)	(0)
<b>Total investments and other assets</b>	<b>33,236</b>	<b>32,897</b>
<b>Total non-current assets</b>	<b>136,038</b>	<b>130,262</b>
<b>Total assets</b>	<b>342,750</b>	<b>328,452</b>

(Unit: Millions of yen)

	Previous consolidated fiscal year (as of March 31, 2022)	Consolidated fiscal year under review (as of March 31, 2023)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	25,382	20,397
Short-term borrowings	56,714	75,801
Current portion of bonds payable	30	30
Lease liabilities	3,285	3,259
Accounts payable	14,940	15,983
Accrued expenses	2,266	2,891
Income taxes payable	1,856	2,365
Contract liabilities	223	296
Provisions		
Provision for bonuses	3,392	3,603
Provision for bonuses for directors (and other officers)	90	119
Provision for product warranties	1,312	1,524
Provision for loss on orders received	36	67
Provision for settlement payments	300	300
Provision for business restructuring	2,420	632
Total provisions	7,551	6,247
Other	3,195	3,242
Total current liabilities	115,447	130,513
Non-current liabilities		
Bonds payable	1,045	1,015
Long-term borrowings	121,827	93,571
Lease liabilities	5,186	5,183
Long-term accounts payable - other	22	6
Deferred tax liabilities	7,498	7,432
Retirement benefit liability	2,595	2,911
Asset retirement obligations	145	145
Other	781	715
Total non-current liabilities	139,101	110,980
Total liabilities	254,549	241,493
Net assets		
Shareholders' equity		
Share capital	5,000	5,000
Capital surplus	33,471	26,370
Retained earnings	27,199	28,250
Treasury shares	(603)	(603)
Total shareholders' equity	65,067	59,017
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	582	738
Foreign currency translation adjustment	4,650	10,301
Re-measurements of defined benefit plans	(2,276)	(3,288)
Total accumulated other comprehensive income	2,956	7,751
Non-controlling interests	20,177	20,189
Total net assets	88,201	86,958
Total liabilities and net assets	342,750	328,452

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income  
(Consolidated Statement of Income)

(Unit: Millions of yen)

	Previous consolidated fiscal year (From April 1, 2021 to March 31, 2022)	Consolidated fiscal year under review (From April 1, 2022 to March 31, 2023)
Net sales	286,482	319,500
Cost of sales	247,573	279,457
Gross profit	38,908	40,043
Selling, general and administrative expenses	31,721	33,324
Operating profit	7,187	6,718
Non-operating income		
Interest income	562	1,002
Dividend income	396	429
Foreign exchange gains	1,621	746
Lease revenue	75	48
Share of profit of entities accounted for using equity method	69	27
Other	1,386	1,058
Total non-operating income	4,112	3,311
Non-operating expenses		
Interest expenses	1,937	2,126
Cost of lease revenue	204	178
Foreign withholding tax	661	765
Other	967	911
Total non-operating expenses	3,770	3,981
Ordinary profit	7,529	6,049
Extraordinary income		
Gain on sale of non-current assets	1,236	130
Gain on sale of investment securities	1,008	155
Gain on liquidation of subsidiaries	-	137
Other	64	84
Total extraordinary income	2,310	508
Extraordinary losses		
Loss on sale of non-current assets	491	24
Loss on retirement of non-current assets	304	112
Impairment losses	22	114
Loss on valuation of inventories	-	245
Provision for product warranties	528	-
Losses related to transaction investigation	20	5
Loss on disaster	1,586	-
Business restructuring expenses	480	113
Provision for business restructuring	1,420	-
Other	86	85
Total extraordinary losses	4,941	701
Profit before income taxes	4,898	5,855
Income taxes - current	2,809	2,993
Income taxes - deferred	272	(7)
Total income taxes	3,082	2,985
Profit	1,815	2,869
Profit attributable to non-controlling interests	1,731	1,684
Profit attributable to owners of parent	83	1,185

## (Consolidated Statement of Comprehensive Income)

(Unit: Millions of yen)

	Previous consolidated fiscal year (From April 1, 2021 to March 31, 2022)	Consolidated fiscal year under review (From April 1, 2022 to March 31, 2023)
Profit	1,815	2,869
Other comprehensive income		
Valuation difference on available-for-sale securities	(654)	155
Foreign currency translation adjustment	12,765	5,790
Re-measurements of defined benefit plans, net of tax	(791)	(1,151)
Share of other comprehensive income of entities accounted for using equity method	109	281
Total other comprehensive income	11,429	5,076
Comprehensive income	13,244	7,946
Comprehensive income attributable to		
Owners of parent	9,977	5,979
Non-controlling interests	3,266	1,966

## (3) Consolidated Statement of Changes in Equity

Previous consolidated fiscal year (from April 1, 2021 to March 31, 2022)

(Unit: Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,000	33,926	26,986	(603)	65,309
Cumulative effects of changes in accounting policies			(49)		(49)
Restated balance	5,000	33,926	26,936	(603)	65,260
Changes during period					
Dividends of surplus		(450)			(450)
Profit attributable to owners of parent			83		83
Purchase of treasury shares				(0)	(0)
Change in scope of consolidation			179		179
Change in ownership interest of parent due to transactions with non-controlling interests		(5)			(5)
Net changes in items other than shareholders' equity					
Total changes during period	-	(455)	262	(0)	(192)
Balance at end of period	5,000	33,471	27,199	(603)	65,067

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Re-measurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,212	(6,593)	(1,555)	(6,936)	17,845	76,217
Cumulative effects of changes in accounting policies						(49)
Restated balance	1,212	(6,593)	(1,555)	(6,936)	17,845	76,168
Changes during period						
Dividends of surplus						(450)
Profit attributable to owners of parent						83
Purchase of treasury shares						(0)
Change in scope of consolidation						179
Change in ownership interest of parent due to transactions with non-controlling interests						(5)
Net changes in items other than shareholders' equity	(629)	11,243	(720)	9,893	2,332	12,225
Total changes during period	(629)	11,243	(720)	9,893	2,332	12,033
Balance at end of period	582	4,650	(2,276)	2,956	20,177	88,201

Consolidated fiscal year under review (from April 1, 2022 to March 31, 2023)

(Unit: Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,000	33,471	27,199	(603)	65,067
Changes during period					
Dividends of surplus		(1,201)	(134)		(1,335)
Profit attributable to owners of parent			1,185		1,185
Purchase of treasury shares				(5,900)	(5,900)
Cancellation of treasury shares		(5,900)		5,900	-
Net changes in items other than shareholders' equity					
Total changes during period	-	(7,101)	1,051	(0)	(6,050)
Balance at end of period	5,000	26,370	28,250	(603)	59,017

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Re-measurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	582	4,650	(2,276)	2,956	20,177	88,201
Changes during period						
Dividends of surplus						(1,335)
Profit attributable to owners of parent						1,185
Purchase of treasury shares						(5,900)
Cancellation of treasury shares						-
Net changes in items other than shareholders' equity	156	5,650	(1,012)	4,794	12	4,807
Total changes during period	156	5,650	(1,012)	4,794	12	(1,243)
Balance at end of period	738	10,301	(3,288)	7,751	20,189	86,958

## (4) Consolidated Statement of Cash Flows

(Unit: Millions of yen)

	Previous consolidated fiscal year (From April 1, 2021 to March 31, 2022)	Consolidated fiscal year under review (From April 1, 2022 to March 31, 2023)
<b>Cash flows from operating activities</b>		
Profit before income taxes	4,898	5,855
Depreciation	16,491	16,816
Impairment losses	22	114
Loss on retirement of non-current assets	304	112
Loss (gain) on sale of investment securities	(970)	(108)
Loss (gain) on valuation of investment securities	-	32
Amortization of goodwill	13	13
Share of loss (profit) of entities accounted for using equity method	(69)	(27)
Increase (decrease) in allowance for doubtful accounts	(0)	12
Increase (decrease) in retirement benefit liability	202	166
Increase (decrease) in provision for bonuses	(396)	319
Increase (decrease) in provision for product warranties	137	138
Increase (decrease) in provision for business restructuring	(336)	(132)
Interest and dividend income	(958)	(1,431)
Interest expenses	1,937	2,126
Loss (gain) on sale of non-current assets	(744)	(105)
Decrease (increase) in trade receivables	4,855	2,916
Decrease (increase) in inventories	(2,446)	6,046
Decrease (increase) in retirement benefit assets	(685)	(403)
Decrease (increase) in other assets	(393)	7,038
Increase (decrease) in trade payables	(6,298)	(8,142)
Loss on valuation of inventories	-	245
Increase (decrease) in accounts payable - other	(1,014)	556
Increase (decrease) in accrued consumption taxes	(63)	(718)
Increase (decrease) in other liabilities	1,788	1,294
Subtotal	16,271	32,735
Interest and dividends received	1,092	1,546
Interest paid	(1,890)	(2,123)
Income taxes paid	(3,727)	(2,540)
Cash flows from operating activities	11,746	29,618

(Unit: Millions of yen)

	Previous consolidated fiscal year (From April 1, 2021 to March 31, 2022)	Consolidated fiscal year under review (From April 1, 2022 to March 31, 2023)
<b>Cash flows from investing activities</b>		
Payments into time deposits	(3)	(320)
Proceeds from withdrawal of time deposits	77	177
Purchase of property, plant and equipment	(10,919)	(9,837)
Proceeds from sale of property, plant and equipment	1,799	569
Purchase of intangible assets	(307)	(33)
Purchase of investment securities	(80)	(63)
Proceeds from sale of investment securities	2,116	470
Loan advances	(1,723)	(1,794)
Proceeds from collection of loans receivable	1,857	1,958
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	-	(262)
Other	339	(32)
<b>Cash flows from investing activities</b>	<b>(6,842)</b>	<b>(9,168)</b>
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	1,334	(821)
Proceeds from long-term borrowings	15,240	1,200
Repayments of long-term borrowings	(26,446)	(10,874)
Redemption of bonds	(30)	(30)
Repayments of lease liabilities	(1,912)	(2,311)
Purchase of treasury shares	(0)	(5,900)
Dividends paid	(450)	(1,335)
Dividends paid to non-controlling interests	(760)	(1,646)
Proceeds from sale and leaseback transactions	250	1,042
<b>Cash flows from financing activities</b>	<b>(12,775)</b>	<b>(20,677)</b>
Effect of exchange rate change on cash and cash equivalents	3,749	1,262
Net increase (decrease) in cash and cash equivalents	(4,121)	1,034
Cash and cash equivalents at beginning of period	77,389	73,267
Cash and cash equivalents at end of period	73,267	74,301



(5) Notes to Consolidated Financial Statements

(Notes to assumptions for going concern)

There are no applicable matters.

(Significant Accounting Policies for Preparing Consolidated Financial Statements)

1. Matters related to the scope of consolidation

- Consolidated subsidiaries 41 companies
- Non-consolidated subsidiaries 2 companies

Because the Company transferred the shares of Oshima Electric Works Co., Ltd., and liquidated Mitsuba Europe Limited, these companies have been excluded from the scope of consolidation.

2. Matters related to the application of the equity method

- Number of affiliated companies accounted for by the equity method 2 companies
- Number of non-consolidated subsidiaries and affiliated companies not accounted for by the equity method 4 companies

Regarding non-consolidated subsidiaries and affiliated companies that are not accounted for by the equity method, their profit (loss) and retained earnings are small and do not have a material effect on the consolidated financial statements as a whole.

3. Matters related to the business year of consolidated subsidiaries

Of consolidated subsidiaries, the closing day of Corporacion Mitsuba de Mexico, S.A. de C.V. and nine other companies is December 31.

To prepare the consolidated financial statements, the Company uses financial statements based on the provisional settlement of accounts carried out as of March 31, which is the consolidated closing date. The last day of the business year of other consolidated subsidiaries is the same as the consolidated closing date.

(Changes in Accounting Policies)

The Company has adopted the “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31, June 17, 2021; hereinafter referred to as “Guidance on Fair Value Measurement”) from the beginning of the consolidated fiscal year under review, and will apply the new accounting policy established by the Guidance on Fair Value Measurement into the future in accordance with the transitional handling established in Paragraph 27-2 of the Guidance on Fair Value Measurement. This change has no impact on the consolidated financial statements.

(Changes in Presentation Method)

(Consolidated Statement of Income)

“Subsidies for employment adjustment,” which was listed separately under “Non-operating income” in the previous consolidated fiscal year, is presented under “Other” from the consolidated fiscal year under review because its financial significance has decreased. In order to reflect this change in presentation method, the consolidated financial statements for the previous consolidated fiscal year have been rearranged.

As a result, the 52 million yen of “Subsidies for employment adjustment” and 1,333 million yen of “Other” presented under “Non-operating income” in the consolidated statement of income for the previous consolidated fiscal year have been rearranged and presented as the 1,386 million yen of “Other.”

(Consolidated Statement of Cash Flows)

It was decided to present “Proceeds from sale and leaseback transactions” and “Purchase of treasury shares” separately under “Cash flows from financing activities” from the consolidated fiscal year under review because their financial significance has increased. In order to reflect this change in presentation method, the consolidated financial statements for the previous consolidated fiscal year have been rearranged.

As a result, the 250 million yen presented in “Increase (decrease) in other liabilities” under “Cash flows from operating activities” in the consolidated statement of cash flows for the previous fiscal year has been rearranged and presented as “Proceeds from sale and leaseback transactions” under “Cash flows from financing activities,” and the (0) million yen presented in “Other” under “Cash flows from operating activities” in the consolidated statement of cash flows for the previous fiscal year has been rearranged and presented as “Purchase of treasury shares.”

(Segment Information)

Segment information

1. Overview of reportable segments

The reportable segments of the Company are components of the Company for which separate financial information is available and which are subject to regular review by the Company's Board of Directors for making decisions on the allocation of management resources and assessing performance.

The Company sets three operations as reportable segments: "Transportation equipment-related operations," "Information service operations" and "Other operations".

Main finished goods and services of each segment

Transportation equipment-related operations..... Wiper systems, starter motors, fan motors, power window motors, and transportation and warehousing

Information service operations..... System integration services, IT system development and software development

Other operations..... Development and sale of automotive parts and accessories, consignment business, money-lending, electrical works, and civil engineering and construction

2. Calculation method of net sales, profit or loss, assets, liabilities, and other items by reportable segment

Accounting treatment methods for reportable segments are almost identical to the explanation of "Significant accounting policies for preparing consolidated financial statements".

Profit in reportable segments is based on operating profit.

Inter-segment revenues and transfers are based on market prices.

3. Information on the amounts of net sales, profit or loss, assets, liabilities, and other items by reportable segment

Previous consolidated fiscal year (from April 1, 2021 to March 31, 2022)

(Unit: Millions of yen)

	Reportable segment			Total	Adjustments (Note 1)	Amount reported on consolidated financial statements (Note 2)
	Transportation equipment- related operations	Information service operations	Other operations			
Net sales						
Sales to outside customers	267,411	13,453	5,616	286,482	-	286,482
Inter-segment sales or transfers	766	2,047	1,061	3,874	(3,874)	-
Total	268,177	15,501	6,678	290,357	(3,874)	286,482
Segment profit	5,405	1,426	346	7,179	8	7,187
Segment assets	326,626	16,523	15,171	358,321	(15,570)	342,750
Segment liabilities	249,385	6,260	12,731	268,378	(13,829)	254,549
Other items						
Depreciation	15,705	665	120	16,491	-	16,491
Investments in companies accounted for by equity- method	3,054	-	-	3,054	-	3,054
Increase in property, plant and equipment and intangible assets	10,148	1,415	49	11,613	(2)	11,610

(Note) 1. Adjustments are presented as follows.

(1) The (3,874) million yen adjustment in net sales is an amount in elimination of inter-segment transactions.

(2) The 8 million yen adjustment in segment profit is an amount in elimination of inter-segment transactions.

(3) The (15,570) million yen adjustment in segment assets is an amount in elimination of inter-segment receivables

(4) The (13,829) million yen adjustment in segment liabilities is an amount in elimination of inter-segment payables.

(5) The (2) million yen adjustment in increases in property, plant and equipment and intangible assets is an amount in elimination of inter-segment transactions.

2. Segment profit is adjusted to be consistent with operating profit in the consolidated financial statements.

Consolidated fiscal year under review (from April 1, 2022 to March 31, 2023)

(Unit: Millions of yen)

	Reportable segment			Total	Adjustments (Note 1)	Amount reported on consolidated financial statements (Note 2)
	Transportation equipment- related operations	Information service operations	Other operations			
Net sales						
Sales to outside customers	298,782	15,168	5,549	319,500	-	319,500
Inter-segment sales or transfers	757	2,065	1,148	3,971	(3,971)	-
Total	299,540	17,234	6,697	323,472	(3,971)	319,500
Segment profit	4,564	1,760	377	6,702	16	6,718
Segment assets	309,472	18,866	15,259	343,598	(15,146)	328,452
Segment liabilities	234,334	7,763	12,795	254,893	(13,399)	241,493
Other items						
Depreciation	15,813	878	124	16,816	-	16,816
Investments in companies accounted for by equity- method	3,017	-	-	3,017	-	3,017
Increase in property, plant and equipment and intangible assets	7,908	2,236	57	10,202	(14)	10,187

(Note) 1. Adjustments are presented as follows.

- (1) The (3,971) million yen adjustment in net sales is an amount in elimination of inter-segment transactions.
  - (2) The 16 million yen adjustment in segment profit is an amount in elimination of inter-segment transactions.
  - (3) The (15,146) million yen adjustment in segment assets is an amount in elimination of inter-segment receivables
  - (4) The (13,399) million yen adjustment in segment liabilities is an amount in elimination of inter-segment payables.
  - (5) The (14) million yen adjustment in increases in property, plant and equipment and intangible assets is an amount in elimination of inter-segment transactions.
2. Segment profit is adjusted to be consistent with operating profit in the consolidated financial statements.

## (Matters Related to Revenue Recognition)

## Information on disaggregation of revenue from contracts with customers

Previous consolidated fiscal year (from April 1, 2021 to March 31, 2022)

(Unit: Millions of yen)

	Reportable segment			Total
	Transportation equipment-related operations	Information service operations	Other operations	
Japan	75,959	13,453	5,616	95,030
The Americas	59,398	-	-	59,398
Europe	19,166	-	-	19,166
Asia	50,601	-	-	50,601
China	62,286	-	-	62,286
Revenue from contracts with customers	267,411	13,453	5,616	286,482
Other revenue	-	-	-	-
Sales to outside customers	267,411	13,453	5,616	286,482

Consolidated fiscal year under review (from April 1, 2022 to March 31, 2023)

(Unit: Millions of yen)

	Reportable segment			Total
	Transportation equipment-related operations	Information service operations	Other operations	
Japan	77,881	15,168	5,549	98,599
The Americas	73,258	-	-	73,258
Europe	22,545	-	-	22,545
Asia	71,081	-	-	71,081
China	54,015	-	-	54,015
Revenue from contracts with customers	298,782	15,168	5,549	319,500
Other revenue	-	-	-	-
Sales to outside customers	298,782	15,168	5,549	319,500

(Per Share Information)

Item	Previous consolidated fiscal year (from April 1, 2021 to March 31, 2022)	Consolidated fiscal year under review (from April 1, 2022 to March 31, 2023)
Net assets per share (yen)	1,052.91	1,143.28
Basic earnings per share (yen)	1.87	26.49
Diluted earnings per share (yen)	1.46	20.59

(Note) Basic earnings per share and diluted earnings per share were calculated on the following basis.

Item	Previous consolidated fiscal year (from April 1, 2021 to March 31, 2022)	Consolidated fiscal year under review (from April 1, 2022 to March 31, 2023)
Basic earnings per share		
Profit attributable to owners of parent (millions of yen)	83	1,185
Amount that does not belong to shareholders of common stocks (millions of yen)	-	-
(Of which, preferred dividends (millions of yen))	(-)	(-)
Profit attributable to owners of parent related to common stocks (millions of yen)	83	1,185
Average number of common stocks during the period (thousands of shares)	44,756	44,756
Diluted earnings per share		
Adjustments in profit attributable to owners of parent (millions of yen)	-	-
(Of which, preferred dividends (millions of yen))	(-)	(-)
Number of increased common stocks (thousands of shares)	12,810	12,810
(Of which, class stocks (thousands of shares))	(12,810)	(12,810)

(Note) Since dividends were paid out from capital surplus to preferential shareholders for the previous consolidated fiscal year and the consolidated fiscal year under review, the amount that is not attributable to shareholders of common stocks is not deducted in the calculation.

(Important Subsequent Events)

There are no applicable matters.