



May 11, 2022

To Shareholders,

Company name: MITSUBA Corporation
Name of representative: Katsuyoshi Kitada, Representative Director, President
(Securities code: 7280 Prime Market of Tokyo Stock Exchange)
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Notice on the Difference between the Full-year Consolidated Earnings Forecast and Results for the Fiscal Year Ended March 2022 and the Recording of Non-operating Income (Foreign Exchange Gains)

MITSUBA Corporation announces the occurrence of the difference between the full-year consolidated earnings forecast, announced on March 23, 2022, and results, publicized today, for the fiscal year ended March 2022 (from April 1, 2021 to March 31, 2022).

In addition, the Company advises on the recording of non-operating income (foreign exchange gains) in the fourth quarter of the fiscal year ended March 2022 (from January 1, 2022 to March 31, 2022).

Details

1. Difference between the full-year consolidated earnings forecast and results for the fiscal year ended March 2022 (from April 1, 2021 to March 31, 2022).

	Consolidated net sales	Consolidated operating profit	Consolidated ordinary profit	Profit attributable to owners of parent	Basic earnings per share
Previous earnings forecast (A)	Millions of yen 285,000	Millions of yen 5,000	Millions of yen 4,000	Millions of yen (3,000)	Yen (87.14)
Results (B)	286,482	7,187	7,529	83	1.87
Increase (decrease) (B-A)	1,482	2,187	3,529	3,083	
Change (%)	0.5	43.7	88.2	-	
(Reference) Results of the previous fiscal year (Fiscal year ended March 2021)	269,202	8,548	8,748	732	16.36

2. Reasons for the difference between earnings forecast and results

The Company pushed through selling price improvement to the end of the term amid rising costs, resulting mainly from increasing costs of materials triggered by surging raw materials prices, and soaring distribution expenses caused by disruptions in logistic networks. As a result, added value improved, then operating profit rose above the earnings forecast. In addition to the increase in operating profit, ordinary profit also exceeded the earnings forecast due to the recording of foreign exchange gains brought about by a sudden and sharp fluctuation in the foreign exchange market toward the end of the term. Consequently, profit attributable to owners of parent rose to 83 million yen.

For details, please refer to “Consolidated Financial Results for Fiscal Year Ended March 31, 2022 (Under Japanese GAAP),” announced today.

3. Details of non-operating income

Foreign exchange gains of 1,095 million yen were recorded in non-operating income in the fourth quarter of the consolidated fiscal year under review as a result of the sharp fluctuation in the foreign exchange market. The above amount was mainly generated as a result of foreign-currency-denominated accounts receivable that the Group held being revaluated with term-end exchange rates.

For the impact of the recording of the above foreign exchange gains on financial results and others, please refer to “Consolidated Financial Results for Fiscal Year Ended March 31, 2022 (Under Japanese GAAP),” announced today (dated May 11, 2022).