

(securities Code 5957 in the First section of  
the Tokyo Stock Exchange)

# Results Briefing for the 116th Business Period ending December 31, 2021

**NITTOSEIKO**

Taking new steps forward together



Transitioned to the "Prime Market" on April 4.  
I will.

1. Summary of Business Results for the 116th Fiscal Year Ending Dec 2021
2. Forecast for the 117th Fiscal Year Ending Dec 2022
3. Promoting Sustainability Management
4. Efforts by Segment
5. Management Approach

■ Explained by  
Masami Zaiki, President



# 1. Summary of Business Results for the 116th Fiscal Year Ending Dec 2021

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# Financial Highlights 16th Fiscal Year Ending Dec 2021 (Consolidated)

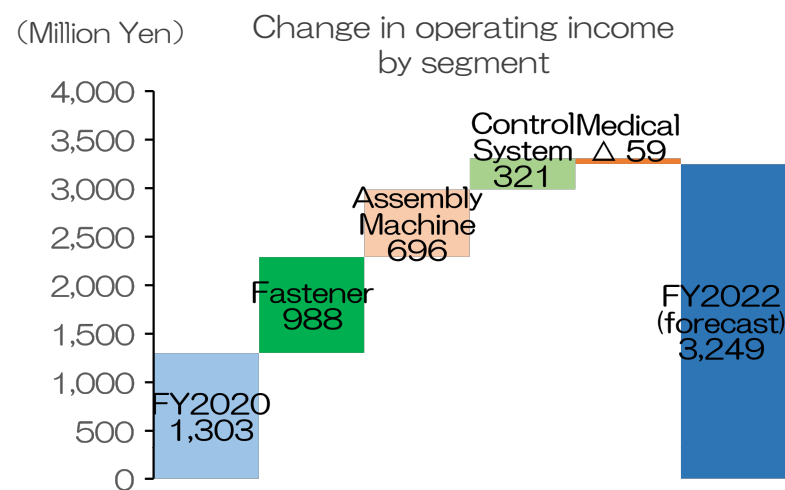
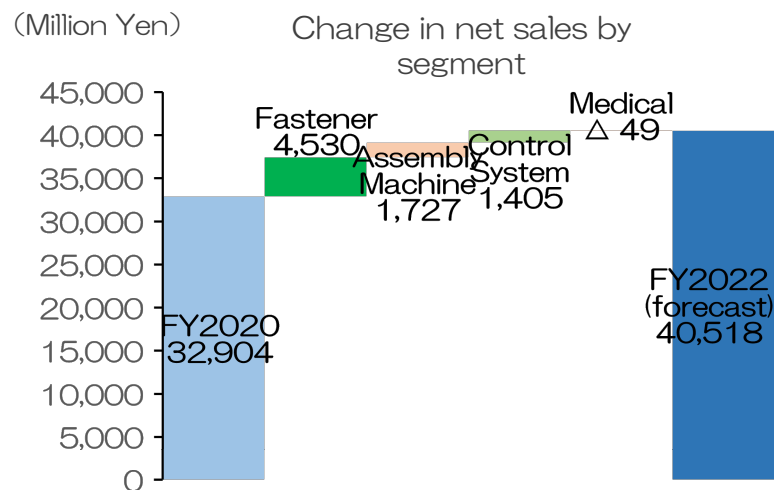


Unit: Million yen / %	Year ending Dec. 2020		Year ending Dec 2021		YoY comparison		Year ending Dec 2021 Compared to forecast (as of Nov. 10, 2021)		
	Amount	Ratio (%)	Amount	Ratio (%)	Amount change	% Change	Forecast amount	Amount change	% Change
<b>Net sales</b>	32,904	100.0	<b>40,518</b>	100.0	7,614	23.1	41,000	Δ481	Δ1.2
Gross profit	7,640	23.2	10,285	25.4	2,644	34.6			
Selling, general and administrative expenses	6,337	19.3	7,035	17.4	698	11.0			
<b>Operating income</b>	1,303	4.0	<b>3,249</b>	8.0	1,945	149.3	3,200	49	1.6
<b>Ordinary income</b>	1,418	4.3	<b>3,487</b>	8.6	2,069	145.9	3,300	187	5.7
Net income for current period before income taxes	1,359	4.1	3,606	8.9	2,246	165.2			
Net income attributed to shareholders of the parent company	764	2.3	2,200	5.4	1,435	187.7	2,000	200	10.0
Net income per share (yen)	20.78		59.63				54.15		

- Sales grew in most business segments, including automobile and electrical and electronic parts. Sales increased by 23.1% y-o-y, surpassing the record high of 40 billion yen.
- We focused on utilizing digital technology and improving productivity and cost efficiency. Operating income increased by approx. 2.5 times from the same period of the previous year.
- In addition to Indonesia, where an integrated screw production system was established in May last year, sales at local subsidiaries in Taiwan, China and other countries were strong, reflecting the recovery of the global economy.
- Sales of screw components were strong due to increased demand in products such as game machines (stay-at-home product), power tools, and bicycles (social distancing product).
- The assembly machine business, including screw tightening machines, is on a recovery track due to increased demand for new production lines and large-scale facilities for CASE and EV-related products.
- Sales of analytical instruments etc. were strong at consolidated subsidiary Nittoseiko Analytech Co. Contributed to sales increase.

# Net Sales and Operating Income by Segment (Consolidated) **NITTOSEIKO**

(Unit: Million yen / %)		Year ending Dec 2020	Year ending Dec 2021	YoY comparison	
				Amount change	% Change
Fastener	Net sales	23,366	27,896	4,530	19.4
	Operating income	557	1,545	988	177.1
	Profit ratio	2.4	5.5		
Assembly Machine	Net sales	5,454	7,182	1,727	31.7
	Operating income	911	1,608	696	76.4
	Profit ratio	16.7	22.4		
Control System	Net sales	4,010	5,416	1,405	35.0
	Operating income	△164	156	321	—
	Profit ratio	△4.1	2.9		
Medical	Net sales	73	23	△49	△67.5
	Operating income	△1	△61	△59	—
	Profit ratio	△2.1	△256.3		



# Overview of results by segment - Fastener Division



Unit: Mil yen/ %	Year ending Dec 2020	Year ending Dec 2021	YOY comparison	
	Amount	Amount	Amount	% Change
Net sales	23,366	27,896	4,530	19.4
Automobile	8,759	10,287	1,529	17.4
Electrical and electronic parts	3,816	4,971	1,155	30.3
Housing and construction	4,116	4,752	635	15.5
Household goods	2,101	2,825	723	34.5
IT and digital equipment	1,090	1,232	142	13.0
Precision equipment	1,159	1,080	△78	△6.8
Medical	279	349	70	25.1
Energy sector	202	131	△70	△35.1
Others	1,844	2,269	424	23.0
Operating Income	557	1,545	988	177.1

- ◆Automobile
  - Strong sales of anti-loosening screws such as “GIZA TITE” and “ALUMITITE”, and screws with embedded washers for ECU boards, mainly for EV and battery-related applications.
- ◆Electrical and electronic parts
  - Demand for home appliances is rising as the stay-at-home lifestyle becomes established. Sales of screw products for home appliances increased significantly.
- ◆Housing and construction
  - Sales of screw products for housing equipment contributed amid firm housing demand.
- ◆Household goods
  - Special stay-at-home demand. Sales of precision screws for game machines and power tools increased significantly.
- ◆IT and digital equipment
  - Semiconductor shortages continue, but screw products for PCs and smartphones are strong thanks to the trend of remote working.

• Despite a backdrop of production cutbacks due to a shortage of semiconductors, sales of precision screws increased due to increased demand for game machines, PCs, and other home devices from the pandemic. Sales of general screws for automotive ECUs were also strong due to the evolution of electronic controls.



Unit: Mil yen/ %	Year ending Dec 2020	Year ending Dec 2021	YOY comparison	
	Amount	Amount	Amount	% Change
Net sales	5,454	7,182	1,727	31.7
Automobile	3,722	4,293	571	15.3
Electrical and electronic parts	612	924	311	51.0
Energy sector	147	634	486	331.3
Housing and construction	180	314	134	74.4
IT and digital equipment	78	139	61	78.2
Household goods	13	61	47	369.2
Game machines	85	54	△31	△36.5
Medical	52	6	△46	△88.5
Others	565	757	191	34.0
Operating income	911	1,608	696	76.4

◆Automobile

- Investments in new production lines and large-scale facilities for CASE-related and EV-related products were strong.
- The U.S., China, South Korea, and Thailand made significant contributions due to increased demand for new vehicle models and new energy vehicles, etc., for which capital investment is active.

◆Electrical and electronic parts

- Demand for production facilities for home appliances and other products increased significantly as stay-at-home lifestyle becomes established.

◆Energy sector

- Demand for gas meter-related production and inspection facilities increased significantly.

◆Housing and construction

- Demand for heating systems and other facilities increased, and sales continued to increase substantially.

◆IT and digital equipment

- Although demand for HDD-related products and telecommunication base station-related products was sluggish due to semiconductor shortages, demand for smartphone-related products increased.

- On track for recovery due to continued strong demand for CASE-related products, IT-related demand, and large-scale facilities for specific users. Sales increased 31.7% y-o-y.
- Overseas, sales increased due to increased orders for production facilities for new vehicle models, new energy vehicles, and IT-related products.

# Overview of Results by Segment - Control System Division **NITTOSEIKO**

Unit: Mil yen/ %	Year ending Dec 2020	Year ending Dec 2021	YOY comparison	
	Amount	Amount	Amount	% Change
Net sales	4,010	5,416	1,405	35.0
Chemical and pharmaceuticals	1,240	1,326	85	6.9
Energy sector	505	1,164	657	130.5
Housing and construction	333	553	220	66.1
Ship building	209	407	198	94.7
Automobile	168	365	196	117.3
Electrical and electronic parts	1	204	202	—
Food	116	113	△2	△2.6
Others	1,438	1,284	△152	△10.7
Operating income	△164	156	321	—

- ◆Chemical and pharmaceuticals
  - Demand for analytical equipment, such as elemental analyzers and moisture meters, is strong.
- ◆Energy sector
  - Demand for analyzers and other products increased due to the renewal of facilities, the launch of the new “NSX5000V series”, and increased demand for export. This contributed significantly to increase in sales.
- ◆Housing and construction
  - Recovery trend due to demand for replacement of the new product “Geokarte IV”.
- ◆Ship building
  - Significant increase due to active renewal of flowmeters in response to stricter exhaust gas regulations for ships.
- ◆Automobile
  - Despite a background of cautious capital investment, including reduced production of automobiles due to a shortage of semiconductors, sales increased substantially due to demand for products such as the “MISTOL” parts inspection system, for which labor-saving is a key concept.

- Analytical equipment contributed significantly to sales growth in the chemical/pharmaceutical and energy sectors.
- Sales of parts inspection equipment were strong due to increased demand from the automobile industry, which is moving toward labor-saving.
- Flowmeter sales were strong, especially in the pharmaceutical and shipbuilding industries.
- Recovery trend due to strong replacement demand for new geotechnical survey equipment.



Unit: Mil yen/ %	Year ending Dec 2020	Year ending Dec 2021	YOY comparison	
	Amount	Amount	Amount	% Change
Net sales	73	23	Δ49	Δ67.5
Medical	73	23	Δ49	Δ67.5
Others	—	—	—	—
Operating income	Δ1	Δ61	Δ59	—

## ◆Medical

- We are working to expand sales channels through medical equipment sales companies, develop clinical trials, and reduce costs for “FREELED”.

However, the prolonged damage caused by the pandemic did not improve the business conditions of medical institutions or ease their refrain from visits.

- With regard to “bio-soluble high-purity magnesium for medical use,” we are promoting efforts to commercialize the product as soon as possible, including the formation of a consortium with medical institutions and the establishment of a manufacturing system.

Approximately 26.5 % of consolidated sales are overseas



## Summary of Overseas Business Results (Q4 of FY 2021)

Area	Net sales ratio by area	Country	Compared to Q4 FY20	Notes
East Asia (Excluding Japan)	35.8%	China	120%	Demand for screws for game machines and IT-related equipment increased due to stay-at-home demand. Investment in automobile-related production equipment was also strong.
		Korea	118%	Sales of automobile-related production equipment and other products were strong.
		Taiwan	134%	Sales of screw products for home appliances increased significantly due to rising demand. Demand for automobile-related screws and production equipment was also strong.
South-East Asia	43.3%	Thailand	118%	Demand for automobile-related screws, screw tightening machines, etc. remained strong.
		Malaysia	112%	Demand for electrical and electronic parts and IT and precision equipment is strong.
		Indonesia	145%	Demand for IT and precision equipment, electrical and electronic parts, and automobile-related products increased significantly.
North America	12.8%	USA	127%	Recovery trend in automobile-related production facilities.
Europe	4.8%	---	272%	Demand for analytical equipment and other products from Nitto Seiko Analytech increased significantly.
Others	3.2%	---	151%	Demand for assembly machinery business products increased significantly.

Balance Sheet 116th Fiscal Year Ending Dec 2021 (Consolidated) **NITTOSEIKO**

Unit: Mil yen/ %	Year ending Dec 2020		Year ending Dec 2021		YoY comparison	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
<b>Assets</b>						
Total current assets	27,704	59.9	32,646	64.1	4,941	17.8
Cash and deposits	9,287	20.1	11,415	22.4	2,128	22.9
Notes, accounts receivable-trade, and electronically recorded receivables	10,543	22.8	12,084	23.7	1,541	14.6
Inventories	6,916	15.0	7,926	15.6	1,009	14.6
Total fixed assets	18,517	40.1	18,277	35.9	△239	△1.3
Tangible Fixed Assets	12,933	28.0	13,092	25.7	158	1.2
Intangible fixed assets	1,421	3.1	1,281	2.5	△140	△9.9
Investments and other assets	4,162	9.0	3,904	7.7	△258	△6.2
<b>Total assets</b>	<b>46,222</b>	<b>100.0</b>	<b>50,924</b>	<b>100.0</b>	<b>4,701</b>	<b>10.2</b>
<b>Liabilities</b>						
Total current liabilities	11,618	25.1	13,675	26.9	2,056	17.7
Notes and accounts payable-trade and electronically recorded liabilities	6,674	14.4	8,069	15.8	1,395	20.9
Short-term debt (including current portion of long-term debt and bonds)	2,847	6.2	2,610	5.1	△236	△8.3
Total fixed liabilities	4,745	10.3	4,546	8.9	△199	△4.2
<b>Total liabilities</b>	<b>16,364</b>	<b>35.4</b>	<b>18,221</b>	<b>35.8</b>	<b>1,857</b>	<b>11.4</b>
<b>Net assets</b>						
Capital stock	3,522	7.6	3,522	6.9	—	—
Capital and Retained Earnings	25,202	54.5	26,993	53.0	1,791	7.1
Treasury stock	△1,279	△2.8	△1,254	△2.5	25	0.0
<b>Total net assets</b>	<b>29,858</b>	<b>64.6</b>	<b>32,702</b>	<b>64.2</b>	<b>2,844</b>	<b>9.5</b>

# Cash Flow Statement for the Fiscal Year Ending Dec 2021 (Consolidated)



Unit: Mil yen	Year Ending Dec 2020	Year Ending Dec 2021		
	Amount	Amount	Amount change	% Change
CF from operating activities ※①	3,368	3,650	281	8.4
CF from investing activities ※②	△3,164	△993	2,171	—
(Free CF) ※①+②	204	2,657	2,452	—
CF from financing activities	△871	△704	166	—
Net increase (decrease) in cash and cash equivalents	△712	2,136	2,848	—
Cash and cash equivalents at beginning of period	9,012	8,299	△712	△7.9
Cash and cash equivalents at end of period	8,299	10,435	2,136	25.7

## 2. Forecast for the 117th Fiscal Year Ending Dec 2022

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The forecasts contained in this document are based on information currently available to the Company and certain assumptions that the Company considers reasonable and may differ from actual results due to various factors in the future.

# Forecast for Fiscal Year Ending Dec 2022 (Consolidated) **NITTOSEIKO**

Unit: Million yen / %	Year ending Dec. 2021		Year ending Dec 2022 (Forecast)		YoY comparison	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount change	% Change
Net sales	40,518	100.0	42,500	100.0	1,981	4.9
Operating income	3,249	8.0	3,400	8.0	150	4.6
Ordinary income	3,487	8.6	3,500	8.2	12	0.3
Net income attributed to shareholders of the parent company	2,200	5.4	2,200	5.2	0	0.0
Net income per share (yen)	59.63		59.57			

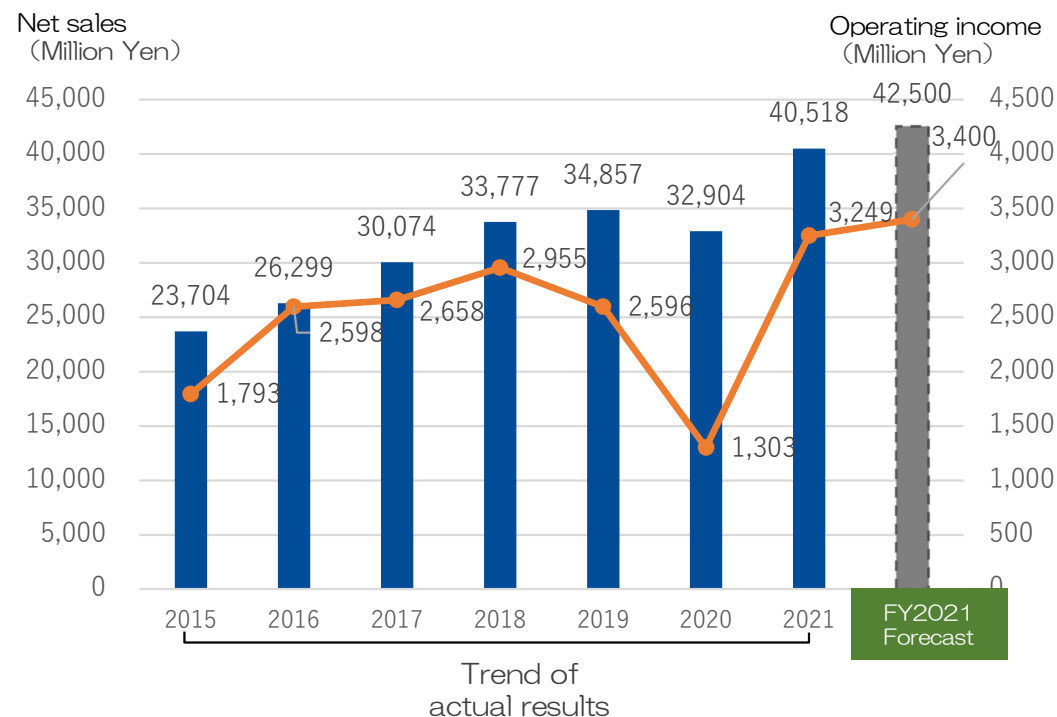
- In the first half of the year, although production delays due to the shortage of semiconductors will remain, production in the automobile industry is expected to be strong due to a trend toward increased production to recover from the slump in production caused by the pandemic. Especially, sales related to EVs and ECUs, which will be installed in next-generation vehicles, are expected to be strong.
- Demand is expected to be strong for screw products that improve resource efficiency and reduce weight in order to achieve carbon neutrality.
- Sales of screw tightening machines are expected to be strong due to the resumption of capital investment plans that had been postponed or cancelled due to semiconductor shortages.
- Demand for measuring instruments is expected to remain strong due to the development of materials and changes in existing materials caused by environmental issues.
- Expect to see increased demand related to renewable energy. Flowmeter demand is expected to increase due to increased construction of special vessels for facility construction.
- In the medical business, we will strengthen cooperation with sales companies and aim to conduct clinical trials of magnesium-related development products.



# Forecast for Fiscal Year Ending Dec 2022 (Consolidated) **NITTOSEIKO**

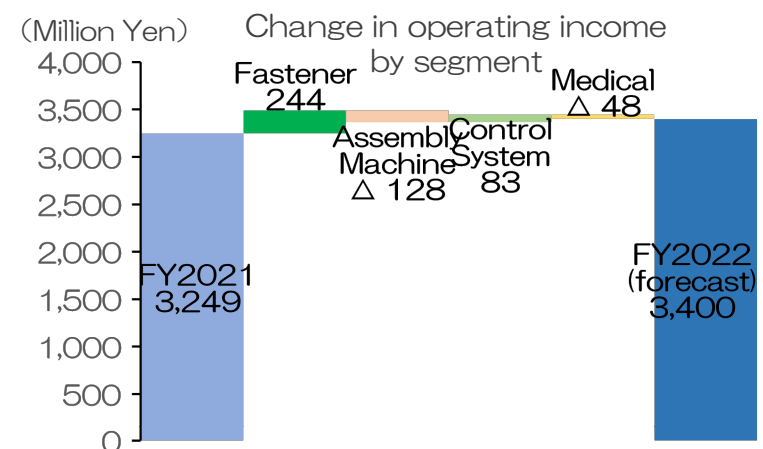
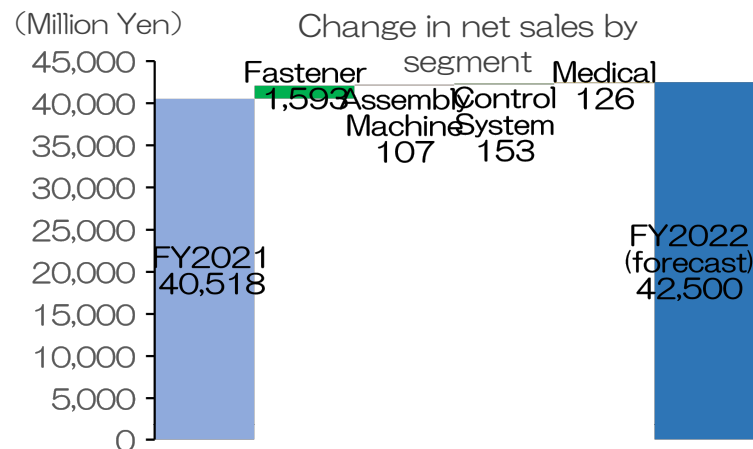
単位：百万円/%	Year ending Dec. 2021		Year ending Dec 2022 (Forecast)		YoY comparison	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount change	% Change
Net sales	40,518	100.0	42,500	100.0	1,981	4.9
Operating income	3,249	8.0	3,400	8.0	150	4.6
Ordinary income	3,487	8.6	3,500	8.2	12	0.3
Net income attributed to shareholders of the parent company	2,200	5.4	2,200	5.2	0	0.0
Net income per share (yen)	59.63		59.57			

- In the automobile industry, the trend is toward increased production to recover from the slump in production caused by the Corona disaster, and it is expected to be strong.
- Sales are expected to continue to be strong in EV-related products and ECU-related products used in next-generation automobiles. We expect sales growth in the fastener and assembly machine businesses.
- Demand for measuring equipment is expected to remain strong as a result of material development and changes to existing materials due to environmental issues.
- The medical business aims to conduct clinical trials of magnesium-related development products.



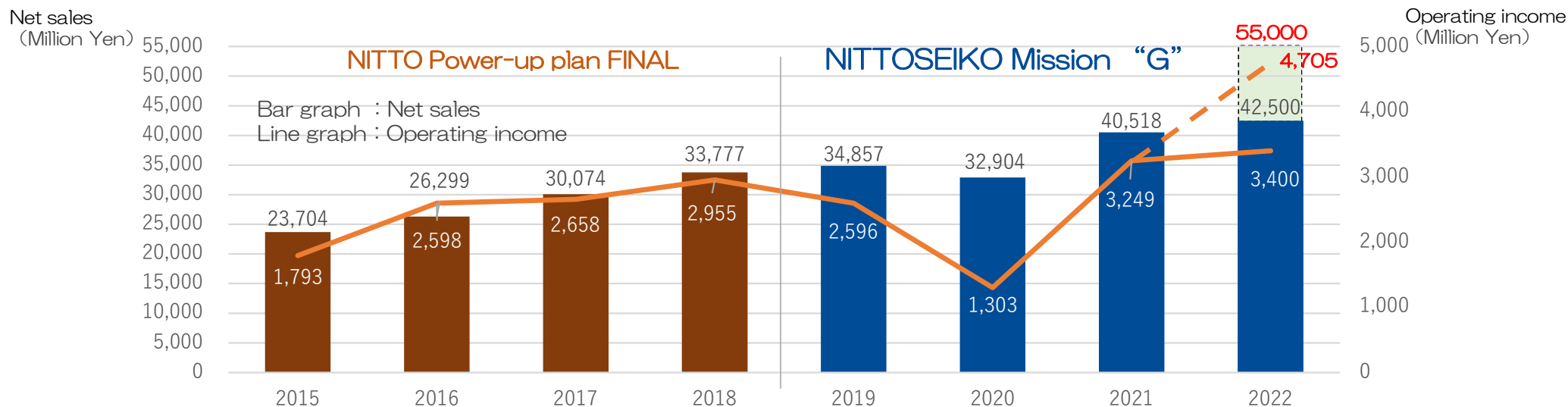
# Sales and Operating Income Forecast by Segment (Consolidated) **NITTOSEIKO**

Unit: Million yen / %		Year ending 2021	Year ending 2022 (Forecast)	YoY comparison	
				Amount change	% Change
Fastener	Net sales	27,896	29,490	1,593	5.7
	Operating income	1,545	1,790	244	15.8
	Profit ratio	5.5	6.1		
Assembly Machine	Net sales	7,182	7,290	107	1.5
	Operating income	1,608	1,480	△128	△8.0
	Profit ratio	22.4	20.3		
Control System	Net sales	5,416	5,570	153	2.8
	Operating income	156	240	83	53.1
	Profit ratio	2.9	4.3		
Medical	Net sales	23	150	126	529.5
	Operating income	△61	△110	△48	—
	Profit ratio	△256.3	△73.3		



# Comparison with Medium-Term Management Plan (Consolidated) **NITTOSEIKO**

単位：百万円/%	Year ending Dec 2022 (Forecast)		NITTOSEIKO Mission “G” Final plans for the year		Compared to plan	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount change	% Change
Net sales	42,500	100.0	55,000	100.0	12,500	△22.7
Operating income	3,400	8.0	4,705	8.6	1,305	△27.7
Net income	2,200	5.2	2,896	5.3	696	△24.0



- The switch to low-center-of-gravity management due to the Corona disaster in 2020 and the temporary suspension of measures based on the medium-term management plan had a significant impact on the business plan.
- In low-center-of-gravity management, the Company aims to strengthen its earnings structure by reviewing productivity and operational efficiency through the abolition of preconceptions and digitalization efforts.

unit : Million Yen	Year ending 2020	Year ending 2021	Year ending 2022 (Forecast)
	Amount	Amount	Amount
設備投資	1,313	1,171	1,300
減価償却費	1,176	1,294	1,350
研究開発費	630	715	730

## Main use of capital investment (2021)

### Capital investment for quality improvement

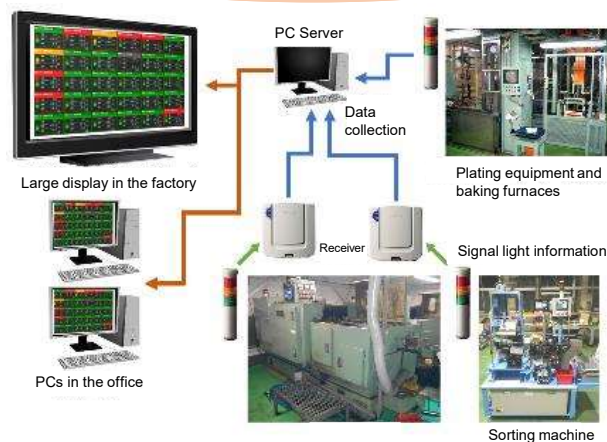
Upgrade of plating equipment to improve quality and enhance productivity



Renewal of in-house plating equipment to improve plating quality and enhance production of screw products

### Introduction of Smart Factory

Strengthen monitoring of operating conditions of production facilities



Strengthen monitoring of production status and data recording to visualize the status of the manufacturing site

### Development of medical manufacturing plants

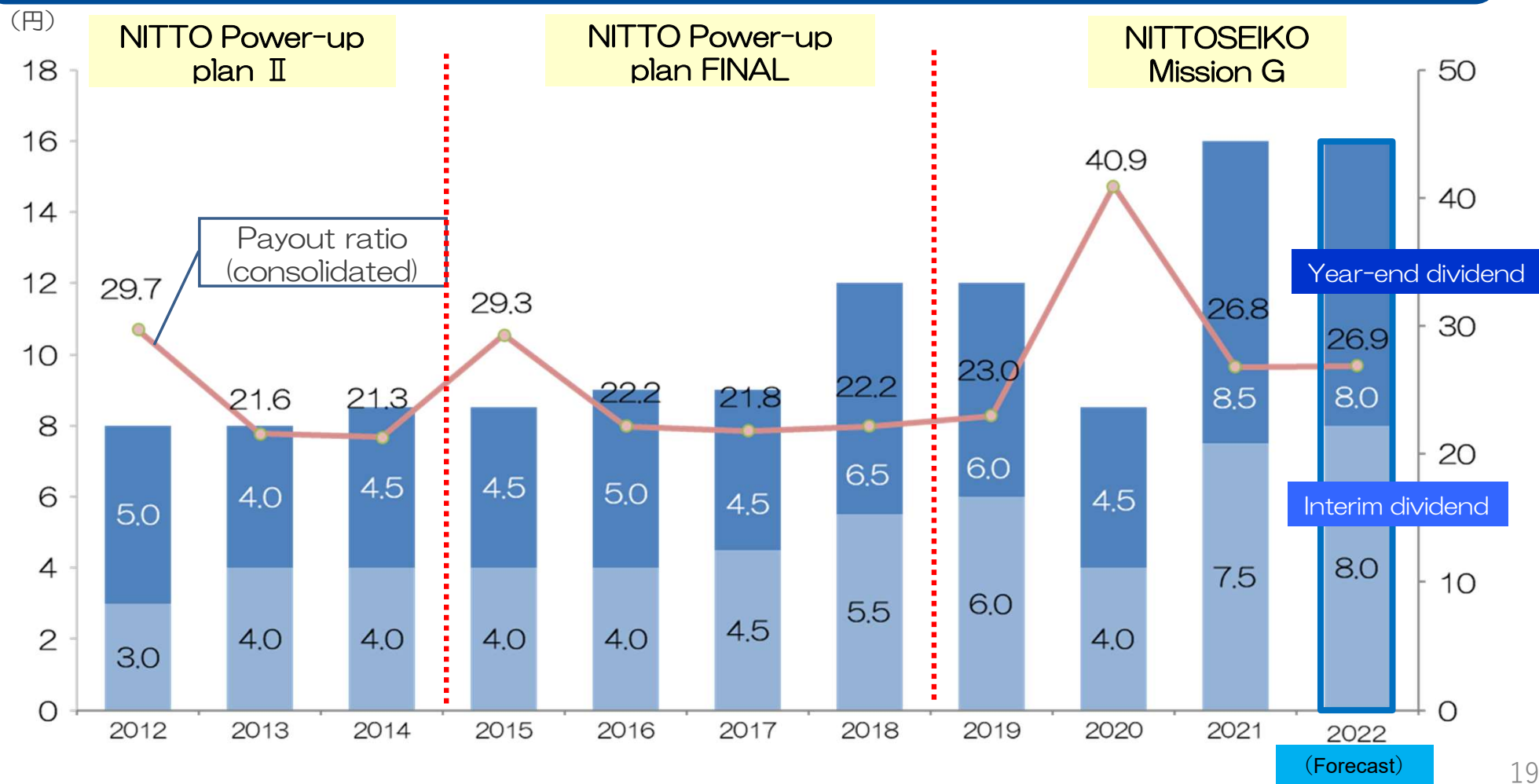
Promotion of medical business



Improved the environment for new product development by upgrading the medical manufacturing plant and R&D laboratory.

- Basic policy on profit distribution :  
Returning profits to shareholders=Continue to provide stable dividends appropriate to business performance

Interim dividend : 7.5 yen } Annual dividend of 16.0 yen  
 Year-end dividend : 8.5 yen



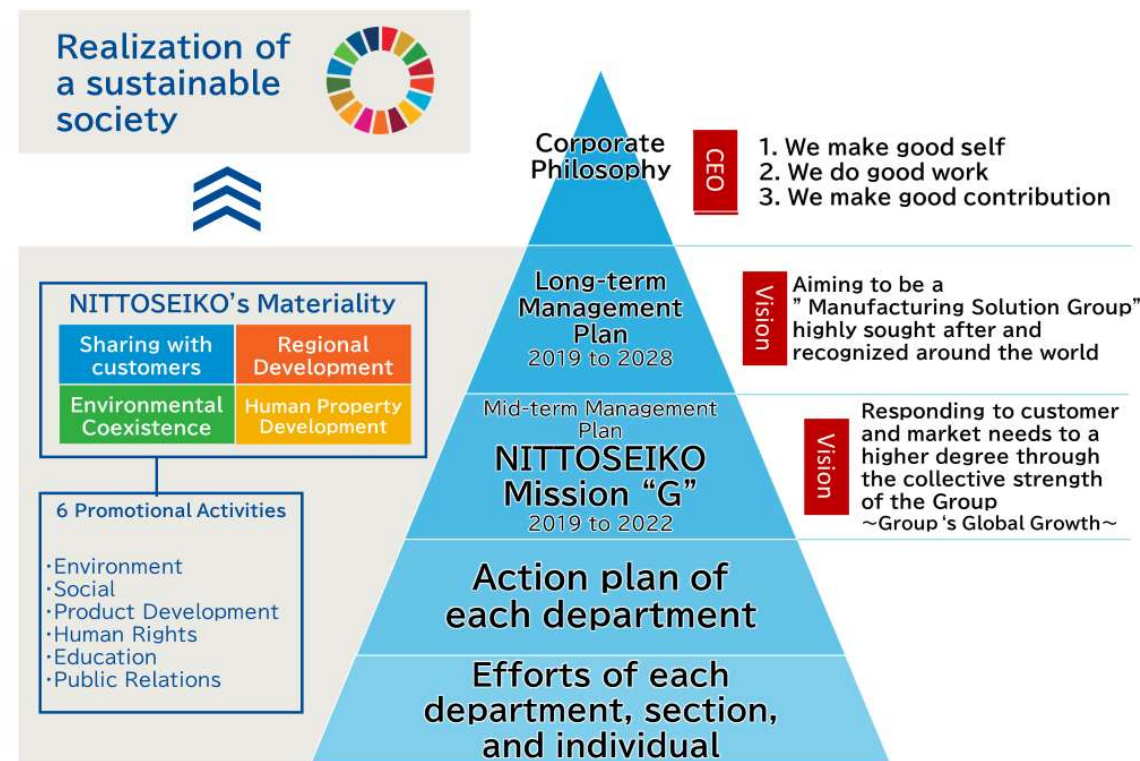
# 3. Promoting Sustainability Management

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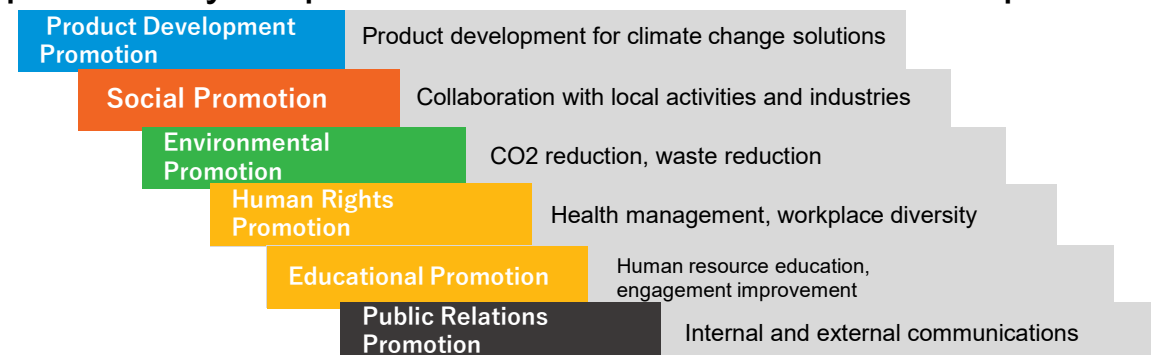


## Sustainability Management

### Governance Structure

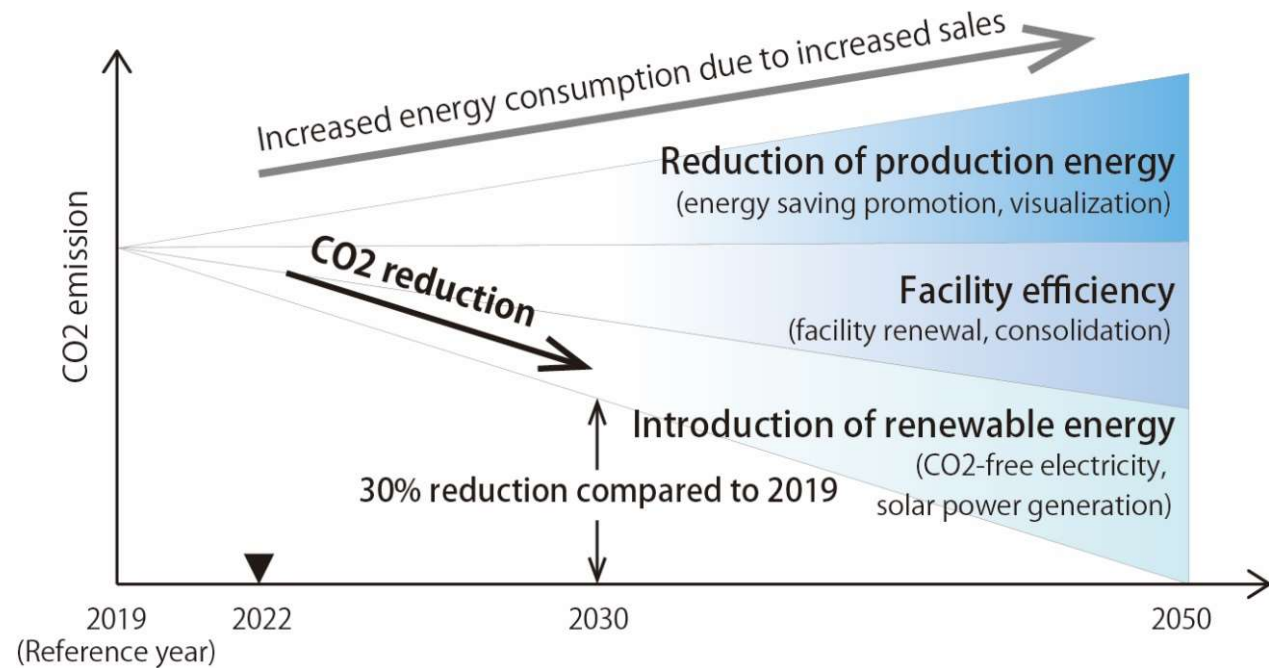


Each of the six promotion activities under the umbrella of the Sustainability Promotion Office is managed and operated by a specialized committee based on a plan.

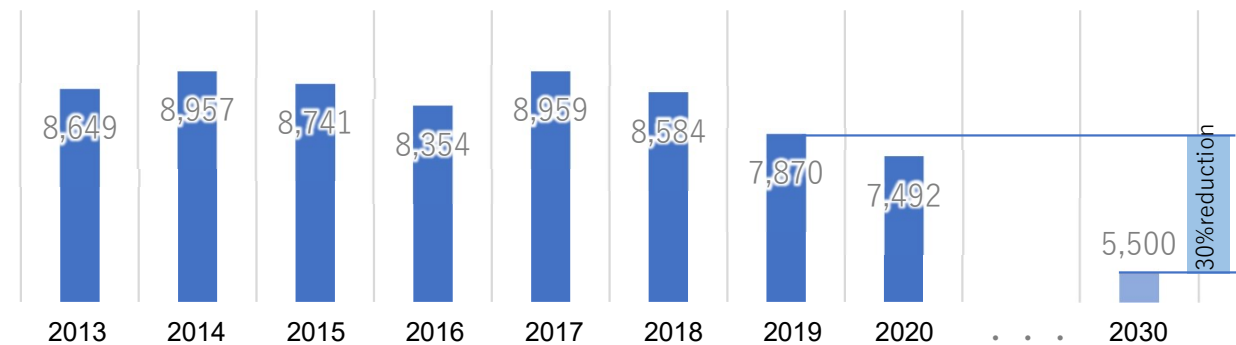


## Reduction of CO<sub>2</sub>

### Governance Structure



CO<sub>2</sub> EMISSIONS TARGET (t) – SCOPE1 + 2



### Engagement

#### Nicotto7 (Health Management)

Nicotto7 is a unique in-house initiative that sets seven items, including measures against lifestyle-related diseases, mental health, and improvement of work-life balance. We are currently developing a vibrant workplace with the participation of all employees.



### Certifications and Awards

#### Health Management Brand 2021

- Certified in March 2021



#### Excellent Health Management Corporation 2021 (White 500)

- Certified in March 2021



#### Sports Yell Company 2022

- Certified in January 2022



#### Certificate of Excellent Health Company "Silver"

- Awarded in February 2020



### Regional Development

#### Family Gourmet

For two months from July 2021, coupons were distributed to employees for meals and take-out at restaurants in Ayabe City for the purpose of community revitalization and welfare.

#### Naming Rights

We acquired the naming rights to the Ayabe Baseball Stadium in Ayabe City and will support the operation of this facility to support local activities. The facility hosts the Kyoto High School Baseball Championships in the summer.

## 4. Efforts by Segment

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~Fastener Business Initiatives~



## PT. NITTO ALAM INDONESIA



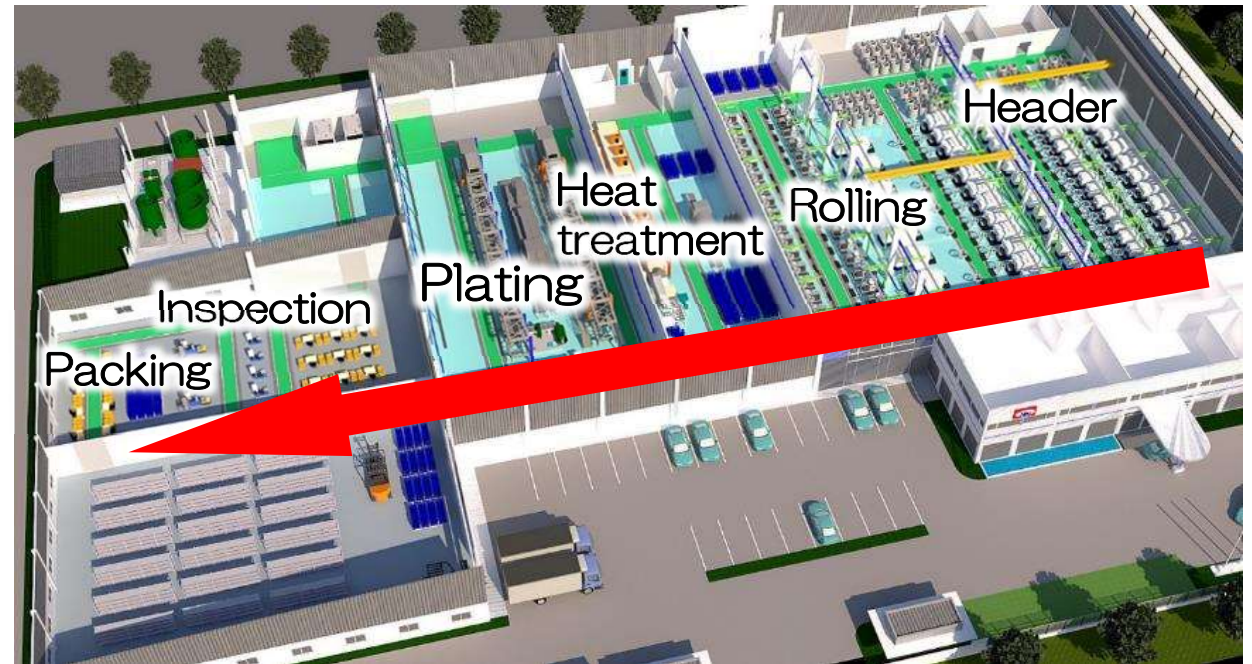
Facility start operation: May 2021

Capital investment purpose:  
Expand production capacity and  
stabilize quality through an integrated  
production system

Capital expenditures:  
Approx. 400 million yen

Equipment cost effect: Monthly  
production capacity improved by  
approx. 35%

## Factory No. 2 (Bekasi Province) Establishment of integrated production line



Manufactures cold heading parts mainly  
for the automobile industry.

In addition to meeting the needs for  
quick delivery and high quality, we aim  
to be an environmentally friendly plant  
with pollution control measures.

## K.M. Seiko and Pinning became subsidiaries



### K.M. Seiko FY2021 Results

Gross sales: 3,292 million yen

Operating profit : 415 million yen

Ordinary income : 423 million yen

Current net income : 284 million yen

### Pinning FY2021 Results

Gross sales : 616 million yen

Operating profit : 30 million yen

Ordinary income : 30 million yen

Current net income : 21 million yen

## Expansion of product lineup and strengthening fastening solutions

Expanding lineup of screws for the construction industry

Small

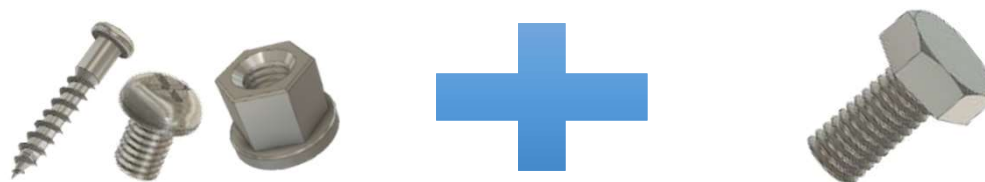
K.M. Seiko

Screw size

Big

Kyoei Manufacturing

## Strengthening fastening solutions



Cooperation in technology, production, and sales

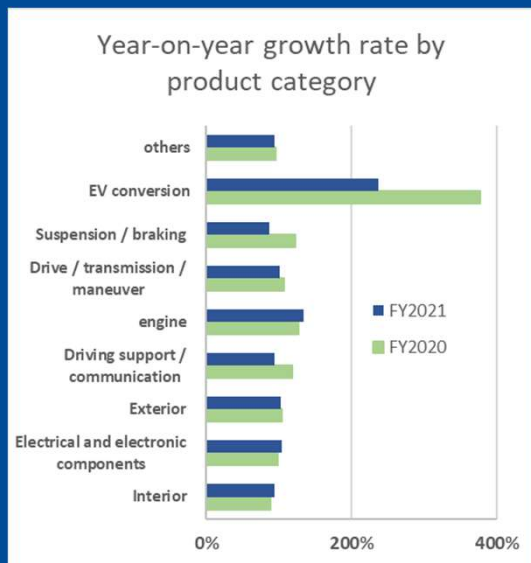
*Technology Know-how Sharing*

**Sharing of production facilities**

**Leveraging the sales network**

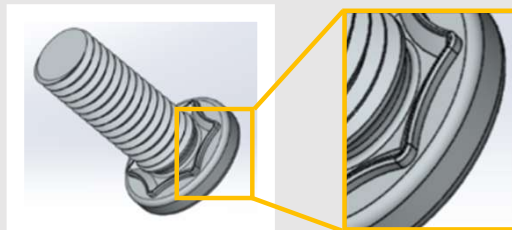


## Lightweight (reduce fuel cost)



Reduce warpage of thin parts due to weight reduction

### New Clinching Stud Bolts



Dissimilar metal bonding -New technology to bond multiple materials firmly at the atomic level

### AKROSE HYBRID



Self-tapping screws for soft metal

### ALUMITITE

Special thread shape reduces frictional resistance and prevents loosening from vibration and temperature changes.



Self-tapping screws for resin

### GIZATITE

Four equal grooves on the screw circumference provide a strong anti-loosening effect under severe conditions such as temperature changes and vibration.



## Anti-contamination measures (Electronic parts)

Screw chip adhesive type screw

### CP-GRIP



A screw with microcapsules filled with oil-based mucilage applied to the end of the screw. When the microcapsules are broken by fastening, the oozing mucilage sticks to the thread forming powder and friction powder. This prevents the powder from scattering and falling. Reduces frictional resistance with the mating material when forming female threads, improving screw-in performance.

Home appliances



Automobile

‘Lightweight’  
‘Reduced  
environmental  
impact’  
‘New lifestyles’

## Target Industry Outlook

### Automobile

- Manufacturers have announced bullish production plans to recover from the decline in production due to the shortage of semiconductors and are forecasting an upward trend.
- With increased investment in development for EVs, batteries and ECU-related products are expected to be stronger.
- We aim to increase orders for original tapping screws and new clinching stud bolts that can reduce assembly work costs and environmental impact for automobile manufacturers.

Outlook

Increase

### Electrical and electronics

- Overseas, we expect orders for high-volume products to increase due to commoditization, while in Japan we expect orders for high-value-added products used in luxury home appliances, etc. to increase. Expect profit margin increase.

Slight increase

### Household goods

- Although demand for game machines is expected to slow down due to a drop in stay-at-home demand, demand for products such as bicycles/fishing equipment/watches, etc., for which demand is increasing due to lifestyle changes, is expected to continue to be strong. ◦

Stable

### Energy sector

- We expect strong sales in anticipation of regular replacement demand from the public sector. In addition, AKROSE products are expected to be applied for the steady shift to aluminum parts in the future.

Slight increase

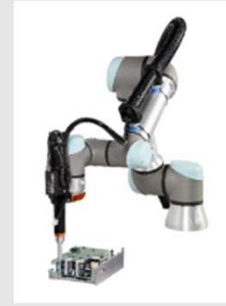
## 4. Efforts by Segment

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~Assembly Machine Business Initiatives~

Automation,  
human  
collaboration  
(Labor shortage)  
(Centralized  
management)  
(Social distance)

Screw Tightening Tool for Cooperative Robots **PD400UR series**



Screw tightening tool that can be mounted on cooperative robots manufactured by UR, a world-class robot manufacturer. A foothold for global expansion.

Screwdriver with torque display **NX driver (with EtherCAT)**



Enhanced function to communicate fastening information such as fastening results to management PCs, etc.



Screw Tightening Robot with Position Correction Camera **SR565Y θ-Z-VR**

Equipped with a position correction camera to compensate for misalignment of the object to be fastened. Realizes optimum screw fastening.



Multi-axis Automatic Screw Tightening Machine **FM5000**

Column-type multi-axis screw fastener capable of simultaneously fastening multiple screws. Contributes to reducing work time and preventing one-sided fastening of workpieces with packing.

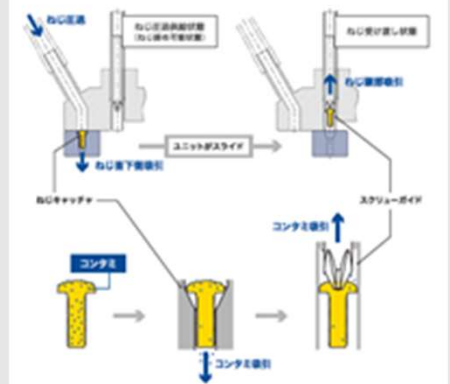


Prevention of  
contamination  
(Electronic  
parts)

Anti-contamination product (e.g. metal powder) **Anti-Contamination Screw Tightening Machine**



Air suction is used to remove metal powder, etc. adhering to screws and other parts just before fastening. Screws can be supplied by air pressure feed, which significantly reduces time compared to the take-out method in which screws are taken out by moving them to a predetermined position.



‘Human collaboration’  
‘Energy Transition’  
‘Labor Shortage’  
‘ICT’

## Target Industry Outlook

### Automobile

- Capital investment in production facilities for new car models and new energy vehicles is expected to continue.
- With the expected resumption of postponed and suspended capital investment, efforts will be focused on business negotiations and PR activities both domestically and internationally. ◦

### Outlook

Slight increase

### Housing and construction

- Expect to continue to receive orders related to boilers. ◦

Slight increase

### Energy sector

- Secured sales of large equipment for ultrasonic meter inspection systems and accompanying screw tightening equipment.
- Expect sales of equipment for storage batteries.

Stable

### IT and digital equipment

- Expect 5G and other telecommunications base station-related activities ◦

Stable

### Others

- Expect increased demand for robots against a backdrop of labor shortages.
- Expect effects of global deployment of new cooperative robots.

Increase

## 4. Efforts by Segment

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~Control System Business Initiatives~



Measurement and instrumentation  
(Quality Improvement)  
(Data Conversion)  
(Tamper-proof)  
(Work efficiency)

Mass flow meters, volumetric and other measurements

### Current meter



A lineup of flowmeters with various measurement methods to meet the demands of manufacturers in all fields, including the chemical, food, and shipbuilding industries.

Complies with the International harmonization explosion-proof Guideline Ex2015

### Explosion-proof batch counter



Operation settings can be made directly in the explosion-proof area. Quantitative batch control device with excellent visibility and operability. (Explosion-proof structure: Exd II BT4 Gb )

Image inspection and sorting equipment **Mistor/ Mistor Robot Type**

Standard-type capable of high-speed inspection of 50 to 1,000 nuts and bolts per minute for size, scratches, etc. Robot-type that gently grips and inspects vibration-resistant workpieces using a robot.



Industry standard ground survey machine **GeoKarte**



Reduces the burden on the tester by using Bluetooth to automatically change the test load and collect various test results. Automatic testing prevents data falsification. Expansion to Thailand and other overseas countries is underway.

Reduce environmental impact  
(Prevent environmental pollution)

Analyzer with automatic in-syringe dilution system **NSX-5000V Series**

Improved work efficiency and low running cost. Sample temperature control system enables proper collection and introduction of volatile liquid samples. Deployment in R&D and QC departments of petroleum refining, petrochemical, chemical industry, etc. ◦



Micro bubble cleaning device **BUB LIMO**

Uses microbubbles generated in water. No organic solvents are used, resulting in environmentally friendly cleaning.



‘Environment’  
‘High precision  
measurement’  
‘Safety’

## Target Industry Outlook

## Chemical, Medical, Food

Demand for analyzers, moisture analyzers, and other analytical instruments is expected to continue to increase both in Japan and overseas against the backdrop of environmental issues and other factors.


## Outlook



Increase

## Energy

Expect an increase in orders for flow meters and other products due to the switch to gas fuels as a result of the conversion to new fuels associated with carbon neutrality.



Slight  
increase

## Housing and construction

In Japan, replacement demand for the new GEOKARTE IV is expected for ground investigation for homes. Shipment of geotechnical survey equipment overseas is also expected to generate orders.



Steady

## Automobile

Demand for inspection equipment from automobile parts makers is expected to increase further as the shortage of workers becomes a growing problem.



Slight  
increase

## 4. Efforts by Segment

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~Medical Business Initiatives~

## Business alliance with TRANS GENIC



### Business Alliance Details

#### Medical Field Information Sharing

- Expand business areas by leveraging the assets of both companies in the medical field
- Professional development through mutual personnel exchange

Material & Product Development



Medical Trial

We aim to expand new business in the medical field by leveraging the strengths of both companies by strengthening collaboration between the development of products and materials of our Medical Business Division and the drug discovery support platform of the TRANS GENIC Group.

## Strengths of the TRANS GENIC Group

### Basic Research

- Creation and development of genetically engineered mice
- Contract analysis and synthesis of glycan chain
- High affinity antibody production and development

### Non-clinical Study

- Safety, genotoxicity, and ecotoxicity studies in small to large animals
- Pharmaceutical and efficacy testing on small to large animals

### Clinical Study

- Equivalence studies and food clinical trials for generic drug development
- Clinical trial administration and hospital support services
- PMDA application support

World's first!  
Medical bio-soluble  
high purity magnesium



Fracture treatment implants



Feature

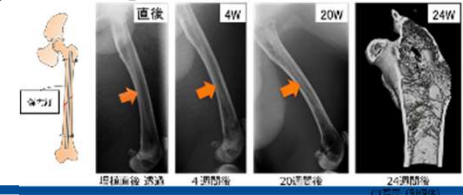
- High purity magnesium of 99.95% +, non-toxic and extremely safe.
- Starts dissolving after a certain period of time in vivo, then slowly dissolves completely over a longer period.

State of progress



## Preparing for clinical trials

- Preparation for biological safety testing
- Animal testing
- Procedures for testing

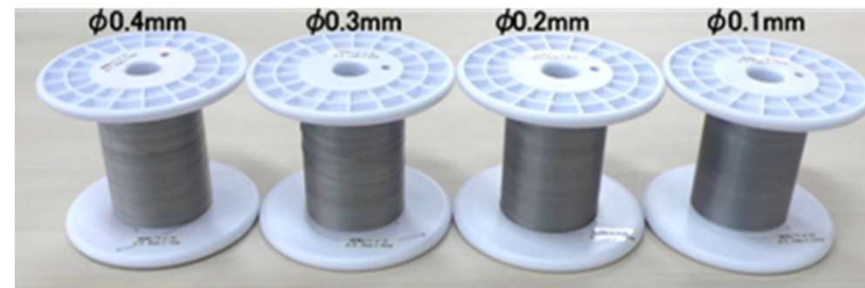


## Preparing for mass production

- Capital investment for mass production
- Confirmation of quality and performance stability

## Development status

- Established thin-wire technology for high-purity magnesium materials



# 5. Management Approach

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# Management Approach

1 We strive for 120% satisfaction in response to customer requests.

2 The purpose of management is the pursuit of wellbeing, where everyone is happy.

3 We aim to realize a sustainable society and company, based on our founding spirit of contributing to society in the public interest.

4 We will ensure a strong financial position to carry out all of these activities.



Forecasts of future performance contained in this document are based on information currently available to the Company and certain assumptions that the Company considers reasonable. Actual results may differ from these forecasts due to a variety of factors. Important factors that may affect actual results include, but are not limited to, economic conditions in Japan and overseas surrounding our business domain, demand trends for our products and services, exchange rates, and stock market trends. Factors that may affect our business performance are not limited to the above.