

Financial Results

for the Year Ended March 31, 2022

(Extract)



DAIICHI JITSUGYO CO., LTD.

May 24, 2022



Review for FACE2021, Medium-term Business Plan

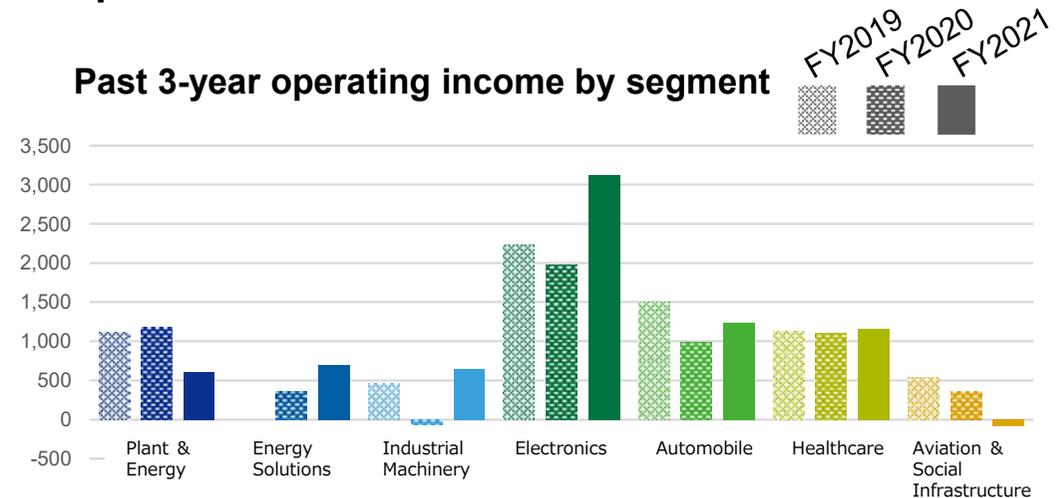
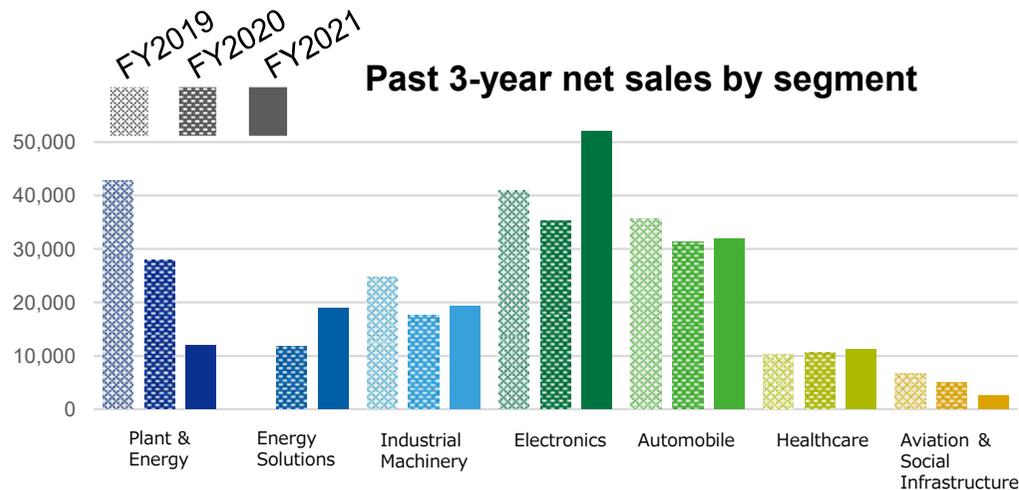
- **Quantitative Targets**
- **Qualitative Targets**

FACE2021 Quantitative Targets

(Yen in millions)	FY2019	FY2020	FY2021 Results (A)	FACE2021 Targets (B)	Difference (A - B)	Achievement rate (A / B)
Net sales	161,476	140,029	148,075	185,000	△ 36,924	80.0%
Operating income	6,998	5,729	6,866	8,300	△ 1,433	82.7%
Ordinary income	7,426	6,464	7,792	8,500	△ 707	91.7%
Profit attributable to owners of parent	4,876	4,754	5,363	5,700	△ 336	94.1%
ROE	10.4%	9.3%	9.6%	10.0% or higher	—	—

(Note) The Company has adopted the “Accounting Standard for Revenue Recognition” etc. since the first quarter of FY2021.

- ✓ **Electronics Business drove three-year financial performance.**
- ✓ **Healthcare Business’s field expansion**
- ✓ **Energy Solutions Business’s expansion**



1. Evolution of domain-based management system, and enhancing profitability

- New Business Divisions Established (Automotive, Energy Solutions Business)
- Business Field Expansion (Healthcare, Aviation & Infrastructure)
- Enhancing profitability is a continuous challenge.

2. Strengthening the driving force of management

- Established our new Corporate Strategy Div.
- Laid the groundwork towards growth
- Introduction of new HR system

3. Enhancement of corporate quality

- The Governance Committee fulfilled its function.
- Acquired BBB+ (Positive)



New Management Philosophy

- **New Management Philosophy**
- **Sustainability Initiatives**

Mission

**Connecting People, Connecting Technology
and Enriching the World.**

Vision

Next-generation engineering trading firm

Striving to be a business partner that is one step ahead of the times, and that contributes to the growth of customer businesses and the realization of a sustainable society on a global scale by continuously providing value with our company's engineering function as its core.

Value

TRUST

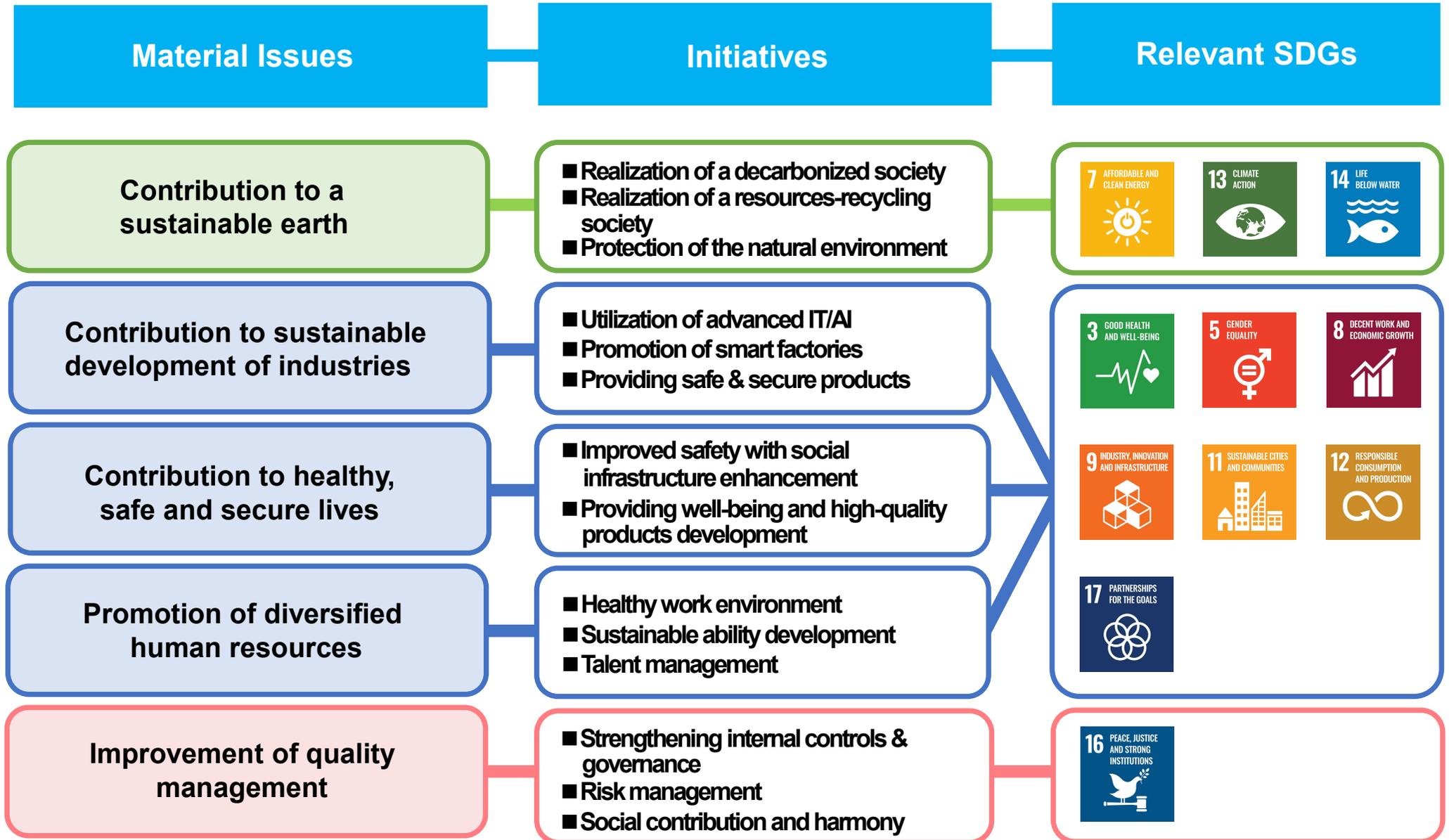
We strive to be a company that is rewarding, respects individuals, and allows them to experience growth, while cooperating with internal and external parties to align our goals with the expectations of our stakeholders and our social responsibilities.

GROWTH

We aim to achieve continuous growth through aggressive investment in growth markets and expansion of business domains, while contributing to manufacturing through our unique engineering capabilities.

CONTRIBUTION

We contribute to the realization of a sustainable society by actively tackling important social issues through management transparency and continuous improvement of the quality of the company.

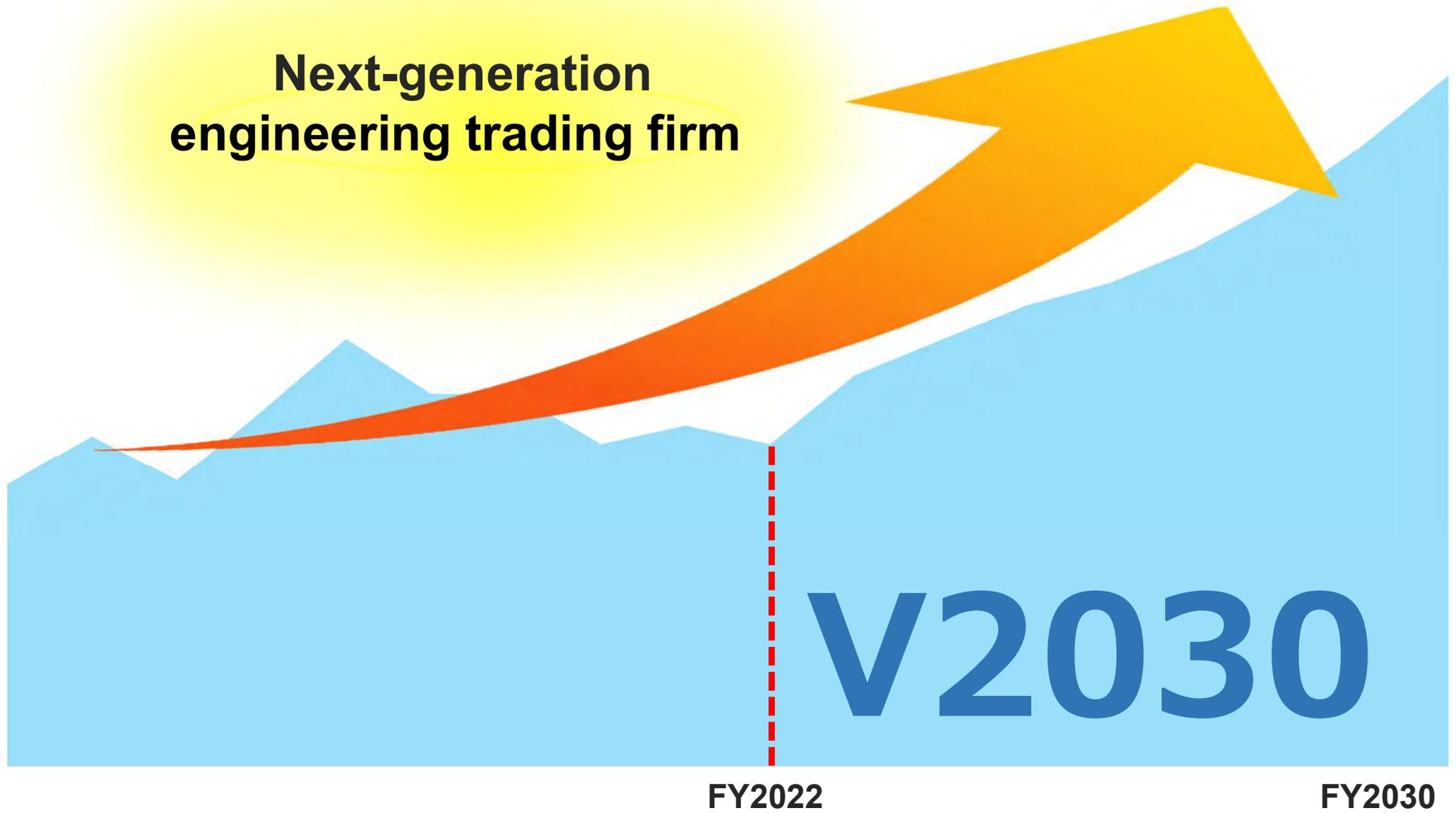


Growth Strategies V2030 (Vision2030)

- Growth Curve to be Developed
- Basic Strategies
- Investment Strategies
- Quantitative Targets

V2030 Growth Curve

Next-generation
engineering trading firm



1. Aggressive investments

- Investments towards business expansion, strengthening, and creation, as well as solutions to social issues

2. Management focus on long-term, value, in addition to short-term profit

- Build management base, for medium- to long-term profitability by improving capital efficiency.

3. Contributing to various stakeholders: Customers, employees, suppliers, communities, and shareholders

- Achieve a sustainable society by addressing our materialities.

4. Shift from product-only sales to products and integrated solutions business model

- Proposals for embedded-services business, and subscriptions models, etc.

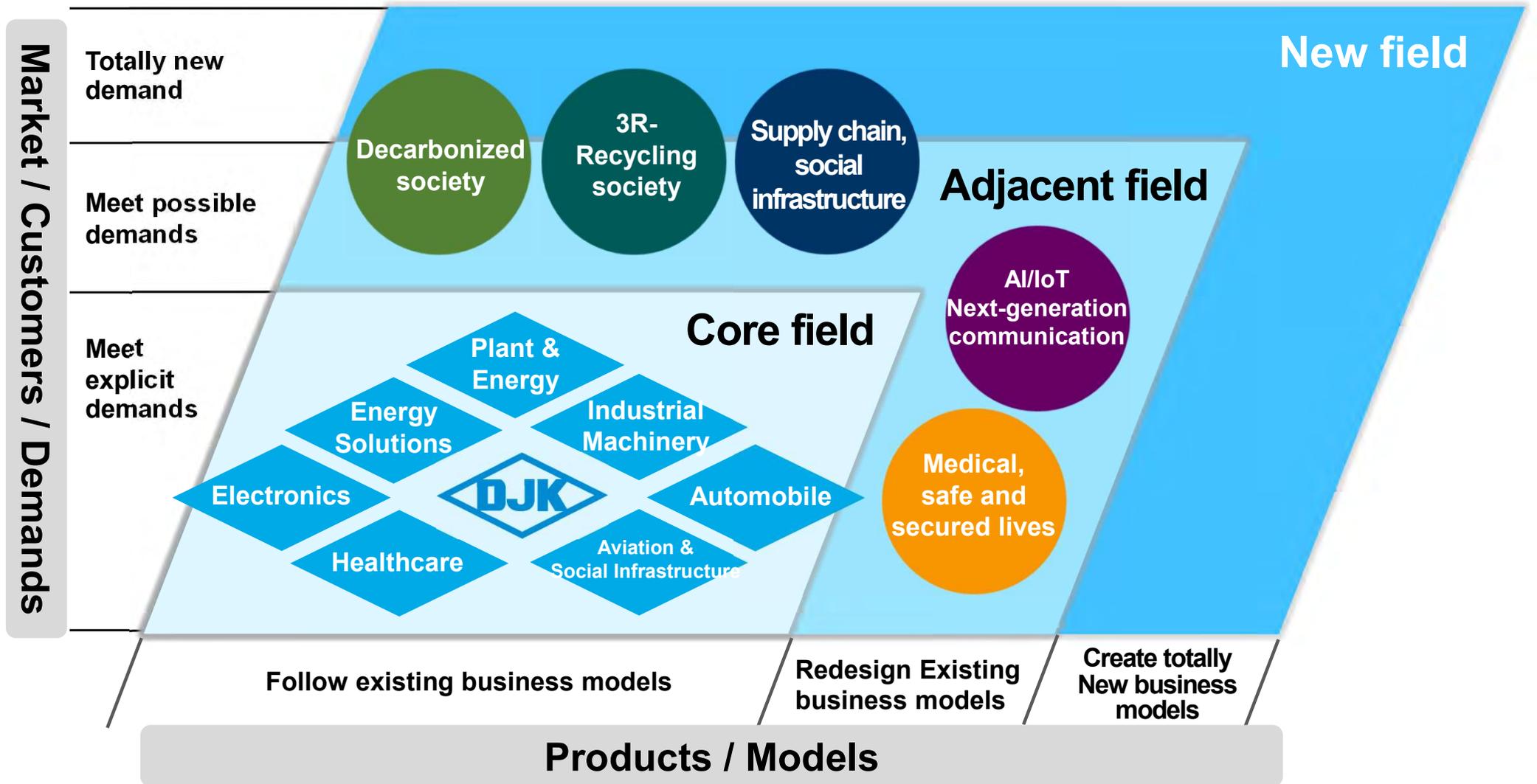
5. Capturing global growth

- Make more business dealings with foreign companies.

6. Promotion of digital transformation

- Significantly improve productivity, and creation of innovative business models.

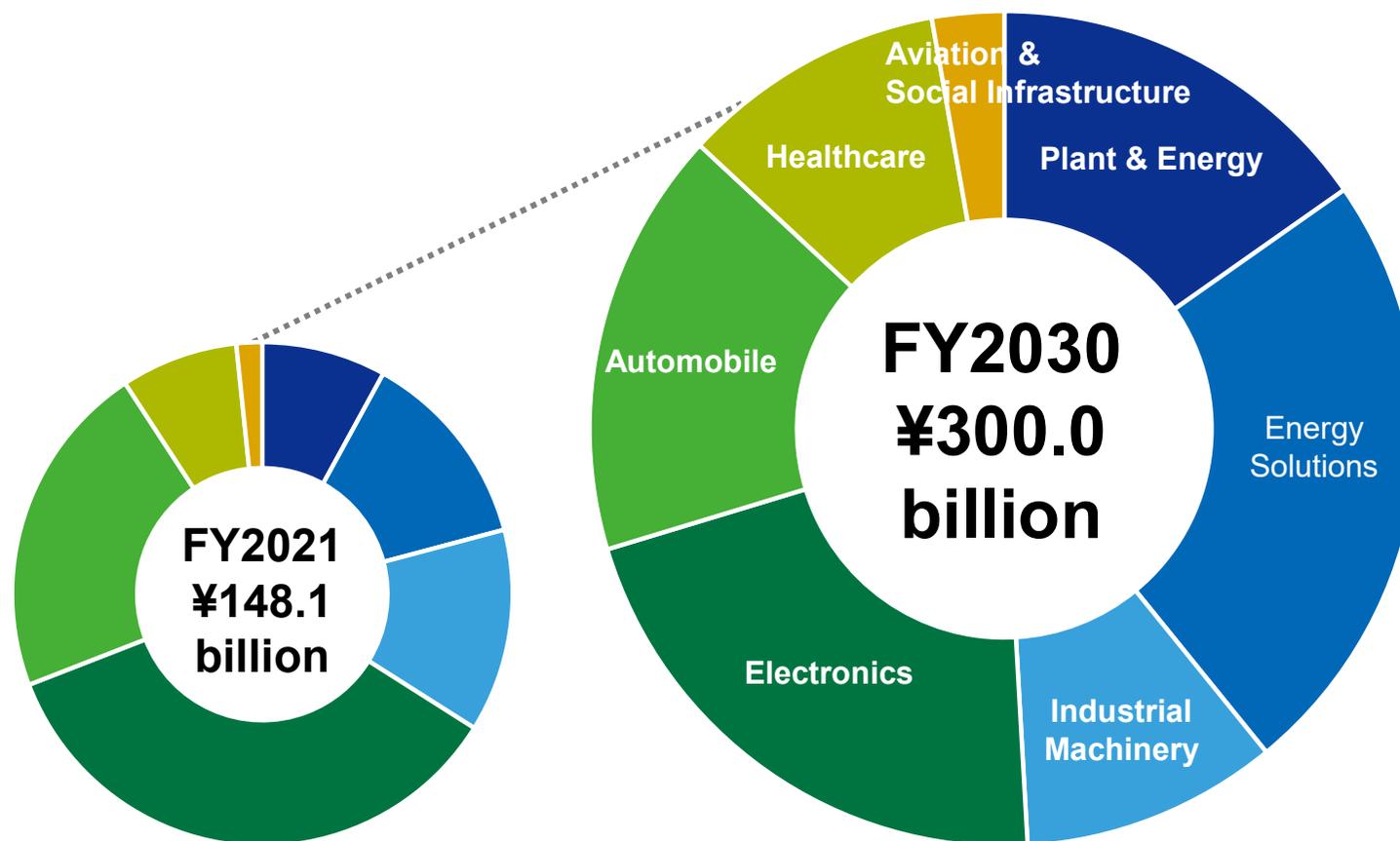
V2030 Investment Strategies



V2030 Quantitative Targets

Net sales	Operating income	ROE
¥300.0 billion	¥12.5 billion	10%

Comparison of sales composition by segment





New Medium-term Business Plan, MT2024

- **MT2024 Positioning in V2030**
- **Qualitative Targets**
- **Specific Challenges**
- **Themes Focused by Segment**
- **Quantitative Targets**
- **Financial Targets by Segment**

MT2024 Positioning in V2030

**Next-generation
engineering
trading firm**



V2030 Basic Strategies

1. Aggressive investments
2. Management focus on long-term value, in addition to short-term profit
3. Contributing to various stakeholders: Customers, employees, suppliers, communities, and shareholders
4. Shift from product-only sales to products and integrated solutions business model
5. Capturing global growth
6. Promotion of digital transformation

MT2024 Qualitative Targets

1. Business strategies for growth
 - ① Strengthening of engineering capabilities
 - ② Strategic business investment
 - ③ Expansion of businesses with global companies
 - ④ Progressing digital transformation
2. Strengthening of management base
 - ① Deepening of corporate governance
 - ② Strengthening of risk management
 - ③ Strengthening of financial strategies
 - ④ Strengthening of human resources strategies
 - ⑤ Promotion of sustainability management

1. Business Strategy

① Strengthen engineering capabilities

- Strengthen our one-of-a-kind engineering capabilities, to strive to be *the* next-generation engineering trading firm.

② Strategic business investment

- Create economic values through our business, as well as make strategic investments for further growth.

③ Business expansion with global companies

- Develop more business dealings with foreign companies, through increased overseas staff and improved infrastructure, to capture global economic growth.

–Primary fields and global regions

Energy Solutions Business (LIB : Europe, Americas)

Healthcare Business

(Pharmaceutical products : Southeast Asia and India)

Industrial Machinery (Medical equipment : Americas)

④ Digital transformation

- Workload efficiency and improved productivity, leveraging digital technologies.
- Existing business expansion through big data and Create new businesses by proactively utilizing IoT & AI.
- Secure competent human resources for digital transformations, and improve employees' IT literacy.

2. Management Basis

① Governance

- Establish highly transparent corporate governance, along with addressing corporate governance code.

② Risk management

- Strengthen management framework for handing all sorts of business risks, to sustainably enhance a group-wide corporate value.

③ Finance strategy

- Implement reformation of our earning model by growth investments and improve capital efficiency, keeping a stable financial base.

④ Human resource strategy

- Aggressive investments in HR.
- Straighten training systems for all group companies' employees.
- Train, recruit, and post HR, which is directed to a highly professional and diverse organization.

⑤ Sustainability management

- Sustainable creation social and economic values, based upon management philosophy, and basic sustainability.

Themes Focused by Segment

Plant & Energy

Proactively expand business for various plants, as well as creating-energy business, to solve social issues (Decarbonization x Digital transformation x Green transformation)

Energy Solutions

Address the next-generation energy field on a global scale. Provide an array of solutions, leveraging strengths such as engineering capabilities.

Industrial Machinery

Build earth-friendly supply chains, by providing environmental technologies such as biodegradable plastics, and by capitalizing on engineering capabilities.

Electronics

Stably grow core business and promote smart factories.
Provide LOGITO, logistic automation solutions.

Automobile

Envision changes accompanied by electrification and autonomous driving, as business opportunities, and promptly address carbon neutral-related business.

Healthcare

Machine engineering : Competitive development of equipment
Production engineering : Engineering business's expansion
Business engineering : Expand Multifaceted business

Aviation & Social Infrastructure

Capture an across-the-industry transformation as business opportunities, and provide products with high added-value and high efficiency, and wide-ranging services

MT2024 Quantitative Targets

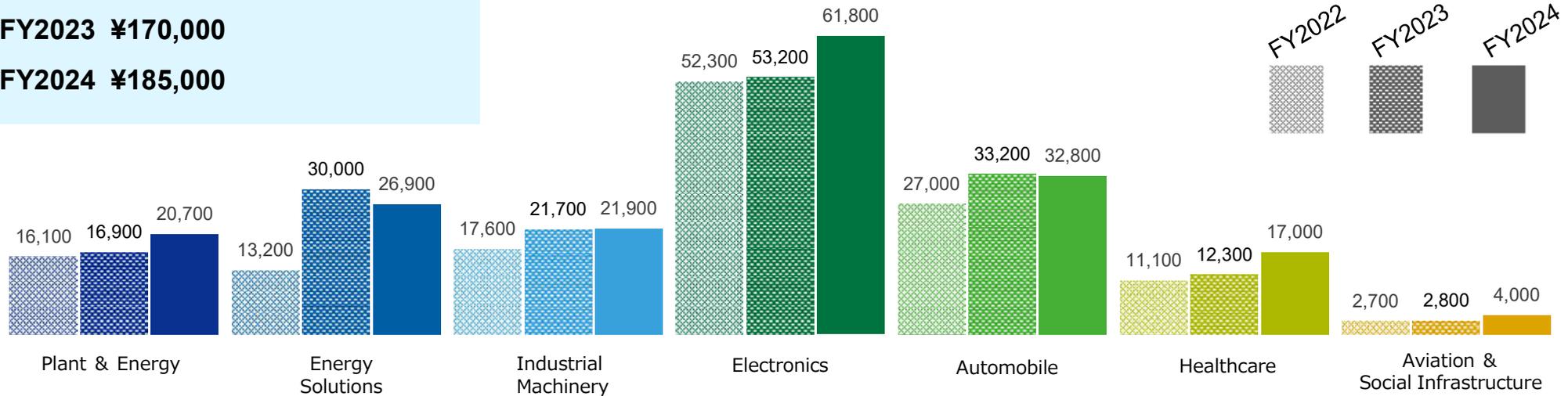
	MT2024			
	FY2021 Results	FY2022 Targets	FY2023 Targets	FY2024 Targets
(Yen in millions)				
Orders received	154,702	170,000	180,000	200,000
Net sales	148,075	140,000	170,000	185,000
Operating income	6,866	5,500	7,000	8,500
Ordinary income	7,792	5,800	7,200	8,700
Profit attributable to owners of parent	5,363	3,900	4,800	5,800
ROE	9.6%	10%		

Financial Targets by Segment

Total consolidated net sales
(Yen in millions)
FY2022 ¥140,000
FY2023 ¥170,000
FY2024 ¥185,000

Net sales

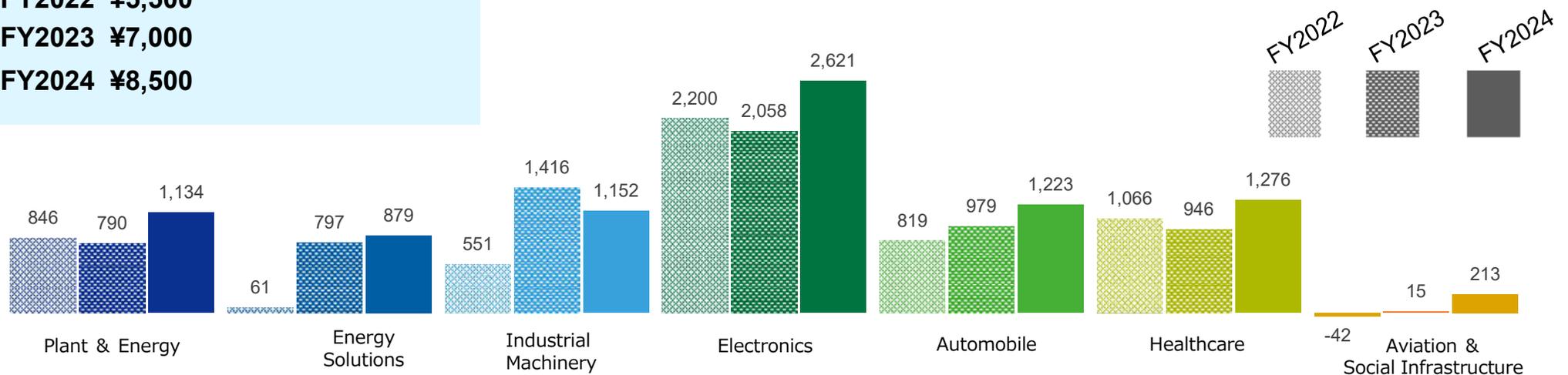
(Yen in millions)



Total consolidated operating income
(Yen in millions)
FY2022 ¥5,500
FY2023 ¥7,000
FY2024 ¥8,500

Operating income

(Yen in millions)





Data and projections contained in this material are based on the information available at the time of publication, and various factors could cause actual results to differ materially and adversely from those presented in such forward-looking statements. These statements are not guarantees and are subject to risks, uncertainties, and changes in circumstances that are difficult to predict.