

Our philosophy is to Contribute to Society Through the Expansion of Business.

Financial Results Briefing for the Fiscal Year Ended March 31, 2022

Evolving into a strong and valuable company through
changes and challenges.

SEIKA CORPORATION (TSE Prime Market: 8061)



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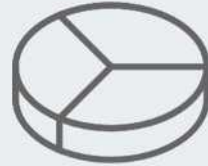
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01

Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2022



Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2022

	2022/3 Initial Forecast	2022/3 Result	Change (YoY)
Transaction value	130,000 million yen	134,261 million yen	+3.2%
Net sales	88,500 million yen	85,307 million yen	-3.7%
Operating income	2,850 million yen	3,824 million yen	+34.2%
Ordinary income	3,100 million yen	3,879 million yen	+25.1%
Profit attributable to owners of parent	1,950 million yen	2,246 million yen	+15.2%

	2022/3 Forecast	2023/3 Forecast	Change
Interim dividend	25.00 yen	35.00 yen	+10.00 yen
Year-end dividend	40.00 yen	35.00 yen	-5.00 yen
Full-year dividend	65.00 yen	70.00 yen	+5.00 yen

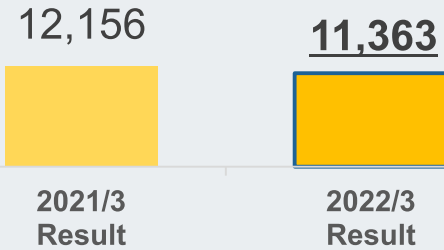




Business Summary by Segment (Net Sales)

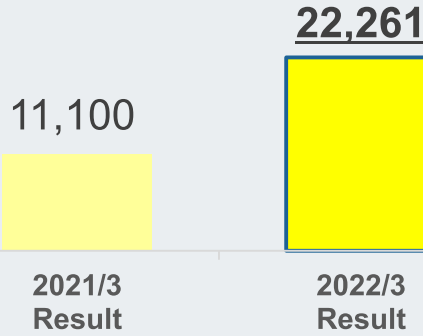
Power Plant

(In million yen)



Chemicals and Energy Plant

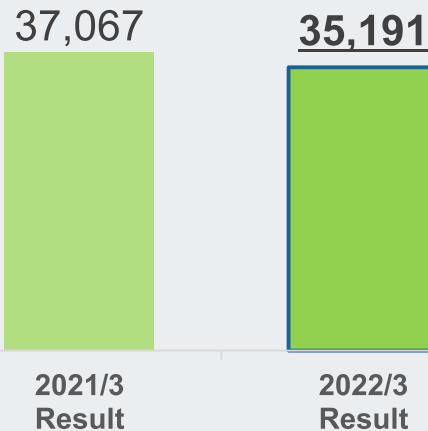
(In million yen)



- ◆ Power Plant
 - Sales from large projects such as safety and other work for nuclear power stations in the Tsuruga district have had a positive effect.
 - Sales fell due to the postponed regular repair and replacements of thermal power generation equipment.
- ◆ Chemicals and Energy Plant
 - Full-year results of Seika Daiya Engine Co., Ltd., which became a consolidated subsidiary in the previous fiscal year, were recorded.
 - Results of Shikishimakiki Corporation were helpful to the figure.

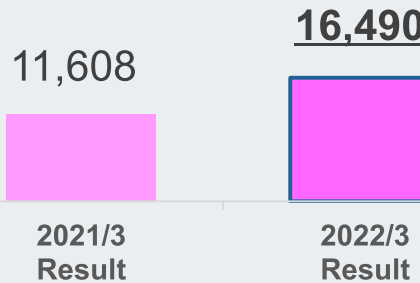
Industrial Machinery

(In million yen)



Global Business

(In million yen)

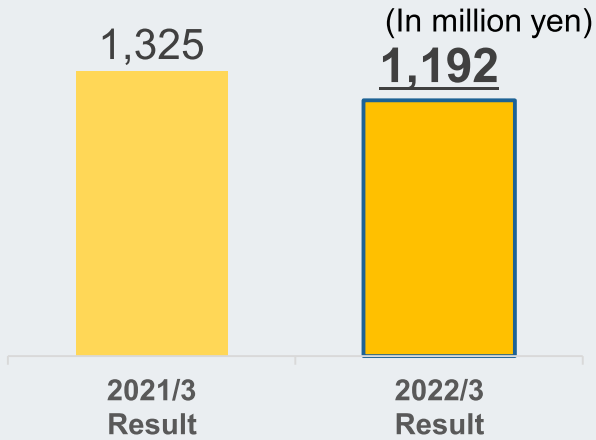


- ◆ Industrial Machinery
 - Sales rose driven by new biomass power generation equipment for a beverage manufacturer.
 - The figure was affected by sliding sales of industrial machinery for Japan-based textile manufacturers and engineering companies among other factors.
- ◆ Global Business
 - The selling prices of textile materials for China surged.

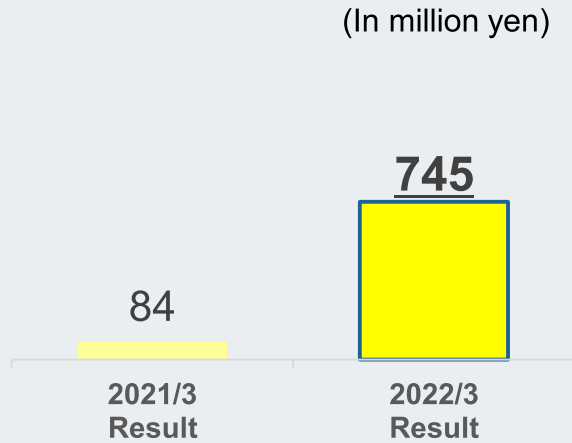


Business Summary by Segment (Income)

Power Plant



Chemicals and Energy Plant



◆ Power Plant

- Income was almost flat year on year.

◆ Chemicals and Energy Plant

- Income rose, reflecting the strong performance of Seika Daiya Engine Co., Ltd., which became a consolidated subsidiary in the previous fiscal year.
- Results of Shikishimakiki Corporation were helpful to the figure.

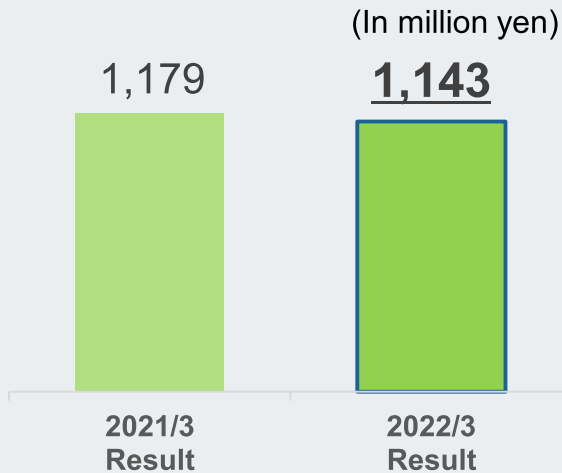
◆ Industrial Machinery

- Results of Nippon Daiya Valve Co., Ltd. also helped.
- Results reflect the payment of expenses in some transactions for China.

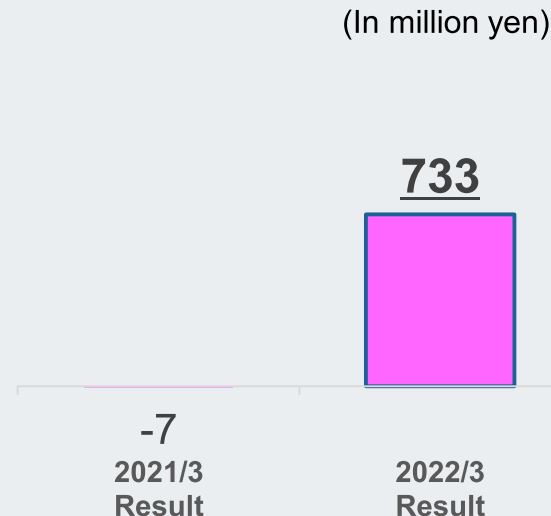
◆ Global Business

- The selling prices of textile materials for China surged.
- The Tsurumi (Europe) GmbH Group's results had a positive impact.

Industrial Machinery



Global Business



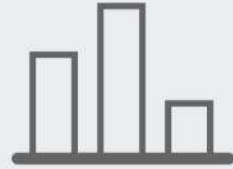


Business Summary by Segment

(In million yen)

	Net sales			Segment income		
	2021/3 Result	2022/3 Result	Change	2021/3 Result	2022/3 Result	Change
Power Plant	12,156	11,363	-793	1,325	1,192	-133
Chemicals and Energy Plant	11,100	22,261	+11,161	84	745	+661
Industrial Machinery	37,067	35,191	-1,876	1,179	1,143	-36
Global Business	11,608	16,490	+4,882	-7	733	+740
Total	71,933	85,307	+13,374	2,581	3,815	+1,234





02

Consolidated Forecast for the Fiscal Year Ending March 31, 2023



Consolidated Forecast for the Fiscal Year Ending March 31, 2023

	2022/03 Result	2023/03 Forecast	Change (YoY)
Transaction value (Note)	134,261 million yen	170,000 million yen	+26.6%
Net sales	85,307 million yen	95,000 million yen	+11.4%
Operating income	3,824 million yen	3,700 million yen	-3.3%
Ordinary income	3,879 million yen	3,700 million yen	-4.6%
Profit attributable to owners of parent	2,246 million yen	2,500 million yen	+11.3%

Consolidated forecast is calculated based on the information available to the Company as of this moment.

The Accounting Standard for Revenue Recognition and other related standards are not applied to the transaction value.

	2022/3 Forecast	2023/3 Forecast	YoY
Interim dividend	25.00 yen	35.00 yen	+10.00 yen
Year-end dividend	40.00 yen	35.00 yen	-5.00 yen
Full-year dividend	65.00 yen	70.00 yen	+5.00 yen

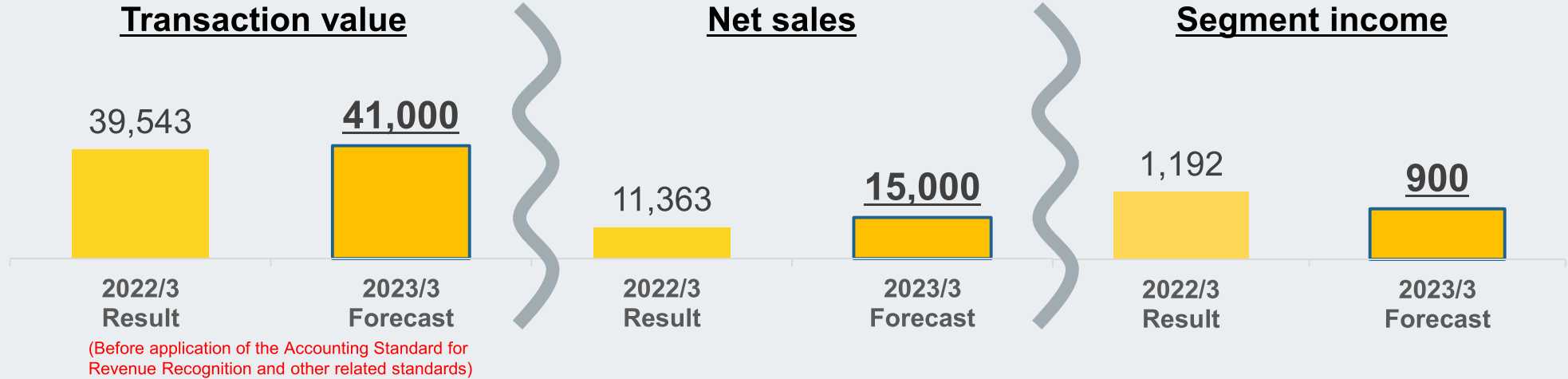


Consolidated Forecast for the Fiscal Year Ending March 31, 2023 by Segment (Transaction Value, Net Sales and Income)

Power Plant

- Sales of disaster prevention and security-related equipment to nuclear power plants are anticipated.
- Expected to remain almost flat year on year.

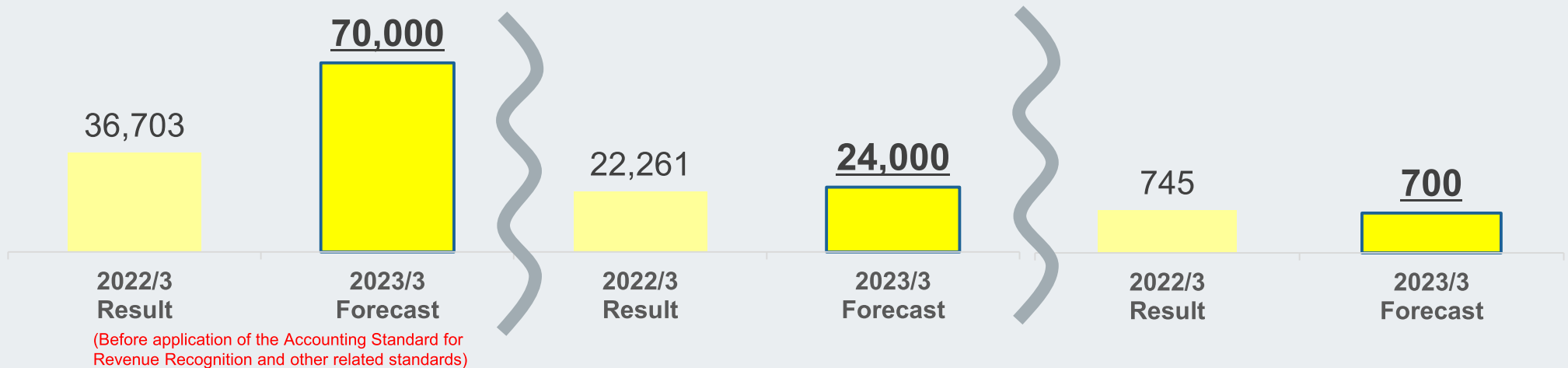
(In million yen)



Chemicals and Energy Plant

- Seika Daiya Engine and Shikishimakiki's sales will be healthy.
- A satellite office was established in Chiba in the previous fiscal year.
- Work projects for chemical manufactures and others will increase.

(In million yen)



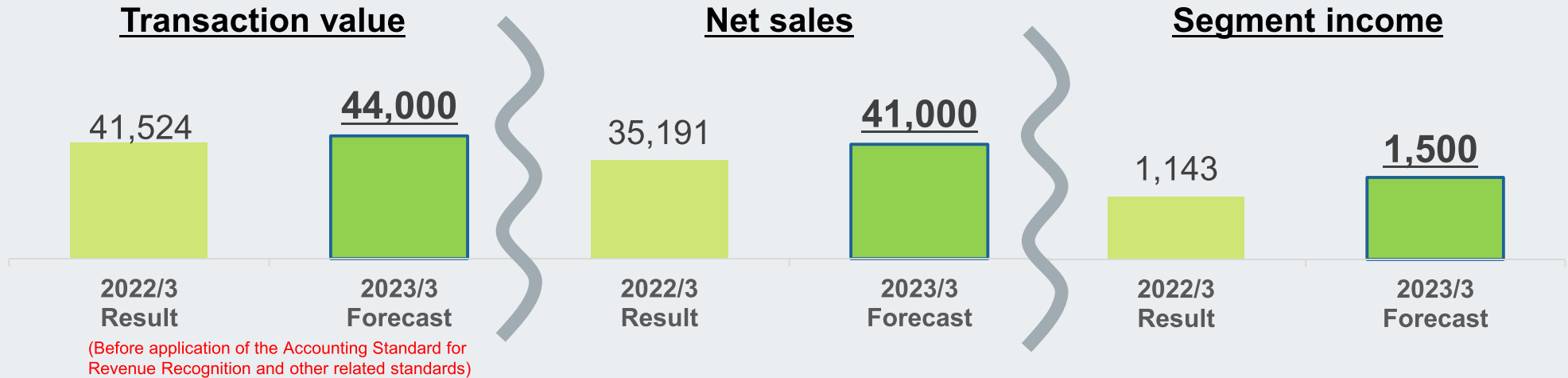


Consolidated Forecast for the Fiscal Year Ending March 31, 2023 by Segment (Transaction Value, Net Sales and Income)

Industrial Machinery

- Sales of manufacturing equipment for health food manufacturers and bookbinding equipment for government agencies will produce good effects.
- Nippon Daiya Valve will perform strongly.

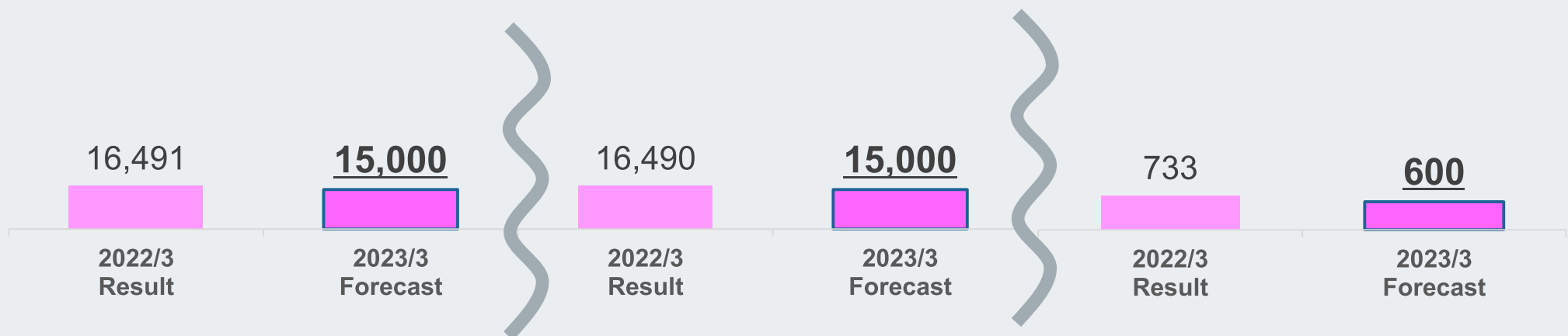
(In million yen)



Global Business

- The Tsurumi (Europe) Group's sales will be buoyant.
- The impact of COVID-19 will be serious, mainly in China and Southeast Asia

(In million yen)





Consolidated Forecast for the Fiscal Year Ending March 31, 2023 by Segment

(In billion yen)

	Transaction value			Net sales			Segment income		
	2022/3 Result	2023/3 Forecast	Change	2022/3 Result	2023/3 Forecast	Change	2022/3 Result	2023/3 Forecast	Change
Power Plant	39.54	41.0	+1.46	11.36	15.0	+3.64	1.19	0.9	-0.29
Chemicals and Energy Plant	36.70	70.0	+33.3	22.26	24.0	+1.74	0.74	0.7	-0.04
Industrial Machinery	41.52	44.0	+2.47	35.19	41.0	+5.81	1.14	1.5	+0.36
Global Business	16.49	15.0	-1.49	16.49	15.0	-1.49	0.73	0.6	-0.13
Total	134.26	170.0	+35.74	85.30	95.0	+9.70	3.81	3.7	-0.11

The Accounting Standard for Revenue Recognition and other related standards are not applied to transaction value.





03

Long-Term Vision VIORB2030

Long-Term Vision

VIORB 2030

Supporting the sustainable generation of energy and industrial activities in harmony with the global environment

For the purpose defined above and to help realize a fulfilling society, we have formulated the VIORB 2030 long-term vision for 2030.

Our Purpose

Supporting the sustainable generation of energy and industrial activities in harmony with the global environment as a corporate group centered on a trading company with strengths in the areas of energy and industrial infrastructure

Long-Term Vision

VIORB 2030

Priority business domains

Decarbonization

Quickly develop insight into users' needs related to decarbonization and technological innovation to commercialize solutions

Energy and Resources conservation

Expand support to the permanent needs of the industrial circles for energy and resources conservation

Circular economy

Accelerate progress and actions towards a circular economy

DX

View digital transformation from a broad perspective to seek business opportunities

Long-Term Vision

VIORB 2030

Key management measures

Improve **cash management** mechanisms to maximize funding capacity

Invest around 10 billion yen in businesses
to deepen existing businesses and expand business domains

Establish **1 billion yen fund** to support businesses and activities
working to achieve the **SDGs**

Streamline the organization and increase productivity
to introduce human resources in priority domains

Clarify strengths based on the unique characteristics of **individual group companies**
and **concentrate company resources**

Long-Term Vision

VIORB 2030

Indicator of results

Transaction value
related to green innovation
for the fiscal year ending
March 31, 2031

120 billion yen

Consolidated profit target

Consolidated profit target
for the fiscal year ending
March 31, 2031

4 billion yen

Expand Inspection Services Using Drones

– Actions for energy and resources conservation –

Invested in Terra Drone and signed an agreement for exclusive distribution in Japan

Opening the way for
the measurement of the thickness
of tanks, chimneys and other equipment



The lack of a need for temporary scaffolds means:

- ✓ Cost reductions
- ✓ Improvement in work efficiency
- ✓ Safety in high places and in areas with dangerous objects

Combine our strong **sales strength** with Terra Drone's **technological excellence**

Smart Industrial Safety for plants and manufacturing equipment on shop floors in the electricity, steel, oil, chemical and other industries



Seika Digital Image CORPORATION has jointly developed an **embankment material quality test system** with NISHIMATSU CONSTRUCTION CO., LTD. Using image analysis technologies, it supports the on-site and efficient management of earth and sand used for general civil engineering work.

Traditional sieve analysis

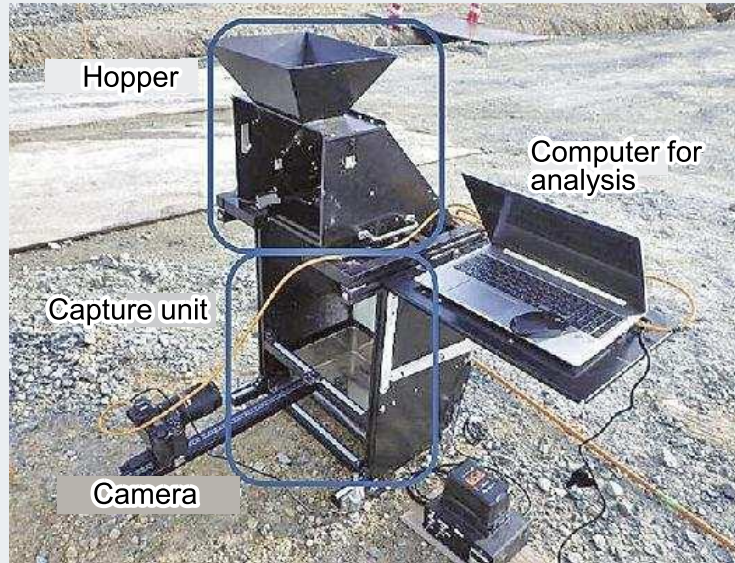
Physical property tests

Experimental construction
(Check on quality and construction)

Construction

2 days or more

Measurement using this system



- ✓ Paving the way for easy on-site measurement
- ✓ Applicable for a wide range of grain sizes
- ✓ Excellent measurement accuracy
- ✓ Outstanding portability
- ✓ Measuring grain size distribution and colors to determine variations in earth and sand

**Shortened to tens of minutes
(per sample)**

Cautionary Note: Forward-Looking Statements:

All forward-looking statements contained herein are based on information available to SEIKA CORPORATION as of the date hereof and actual results may differ materially from those in the forward-looking statements due to unforeseeable factors or uncertainties.

Figures in billions of yen or millions of yen presented herein are rounded down to the nearest billion yen or to the nearest million yen respectively and numbers may not add up due to rounding.

IR Contact

Corporate Planning Dept., Tel: +81-3-5221-7117

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Reference Materials

Fiscal Year Ending March 31, 2022

Reference Materials

1. **Company Profile**
2. **History of SEIKA CORPORATION**
3. **Domestic Network**
4. **Overseas Network**
5. **Introduction to Each Business**
6. **Performance Trend**
7. **Changes in Consolidated Financial Results**
8. **Trend of Management Indicators**
9. **Medium-Term Business Plan**
10. **ESG Initiatives**



1. Company Profile

Trading name	SEIKA CORPORATION	
Head office	Shin - Tokyo Bldg, 3-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo 100-0005	
Establishment	October 1, 1947	
Representative	Akihiko Sakurai, President	
Capital	6,728 million yen	
Number of employees	Non-consolidated: 317 / Consolidated: 977 (As of March 2022)	
Core business	Plants, machinery and equipment, environmental protection equipment, sale, import and export of electronic information system equipment	
Offices	18 offices in Japan, including head office, Osaka branch, Fukuoka branch and Hiroshima branch 3 offices overseas including Taipei branch, Seoul branch and Viet Nam Office	
Affiliated companies and bases	11 affiliated companies in Japan and 16 affiliated companies overseas 77 bases in Japan and 26 bases overseas	

Head office:
Shin-Tokyo Bldg., Marunouchi



2. History of SEIKA CORPORATION (1)

October 1947 Established in Moji shi (currently Moji ku , Kitakyushu shi) by company officials of the former Mitsubishi Corporation, which was dissolved before the establishment, with capital of 195,000 yen.

From 1948 to 1951 Established offices throughout Japan (Nagasaki, Fukuoka, Osaka, Hiroshima, Tokyo, Takamatsu)

October 1961 Listed shares on the First Section of the Tokyo Stock Exchange

January 1974 Established the subsidiary Seika Sangyo GmbH in Germany (Dusseldorf)

May 1983 Opened the Taipei Branch in Taiwan (Taipei)

November 1983 Established Tsurumi (Europe) GmbH, a joint venture with Tsurumi Manufacturing Co., Ltd. in Germany

April 1994 Established the subsidiary Seika Machinery Inc., USA (Los Angeles)

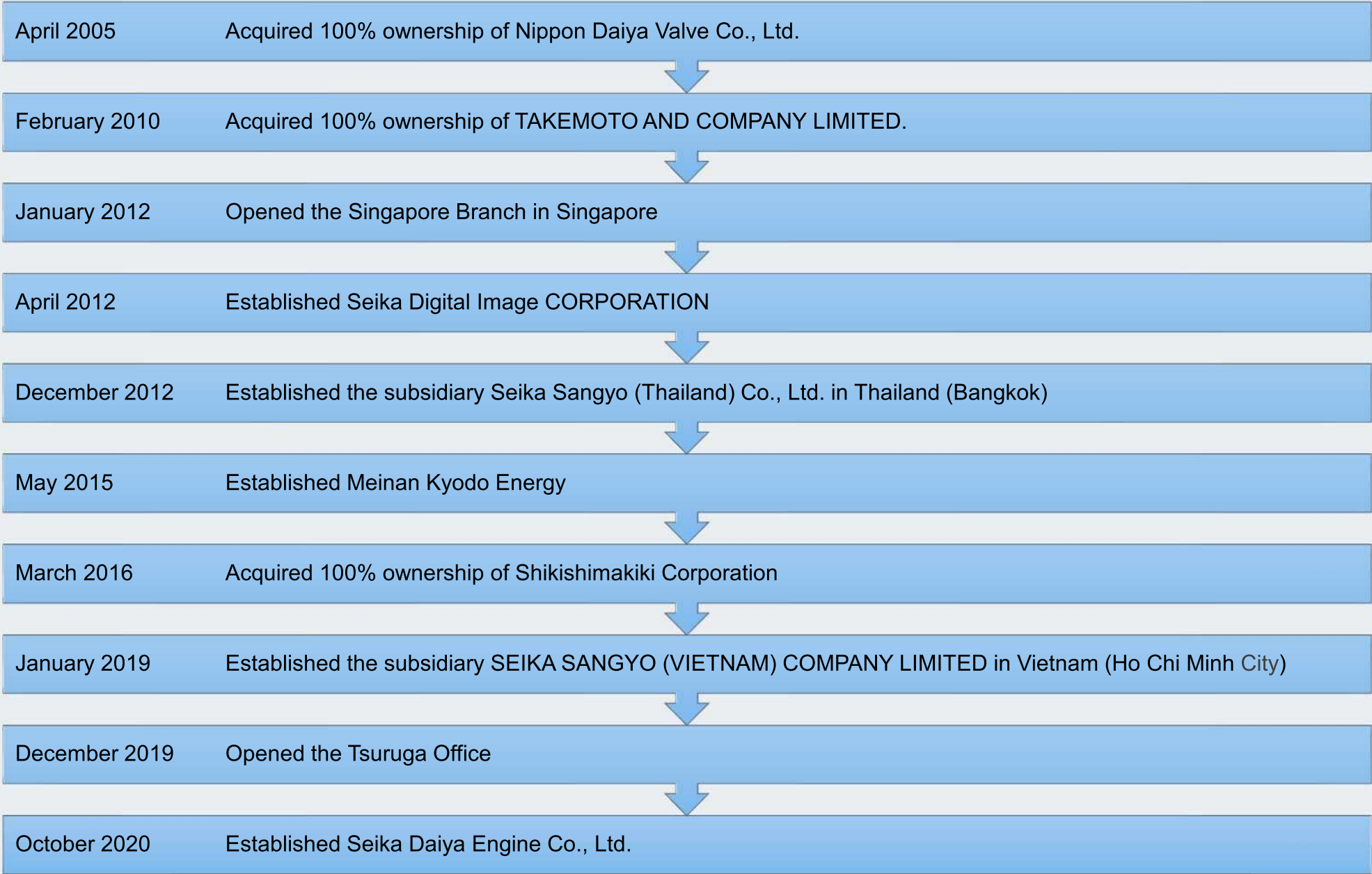
July 2000 Opened the Seoul Branch in Korea (Seoul)

August 2001 Changed registered head office from Kokurakita ku Kitakyushu to Chiyoda ku , Tokyo

January 2004 Established the subsidiary Seika Shanghai Co.,Ltd in China (Shanghai)



2. History of SEIKA CORPORATION (2)

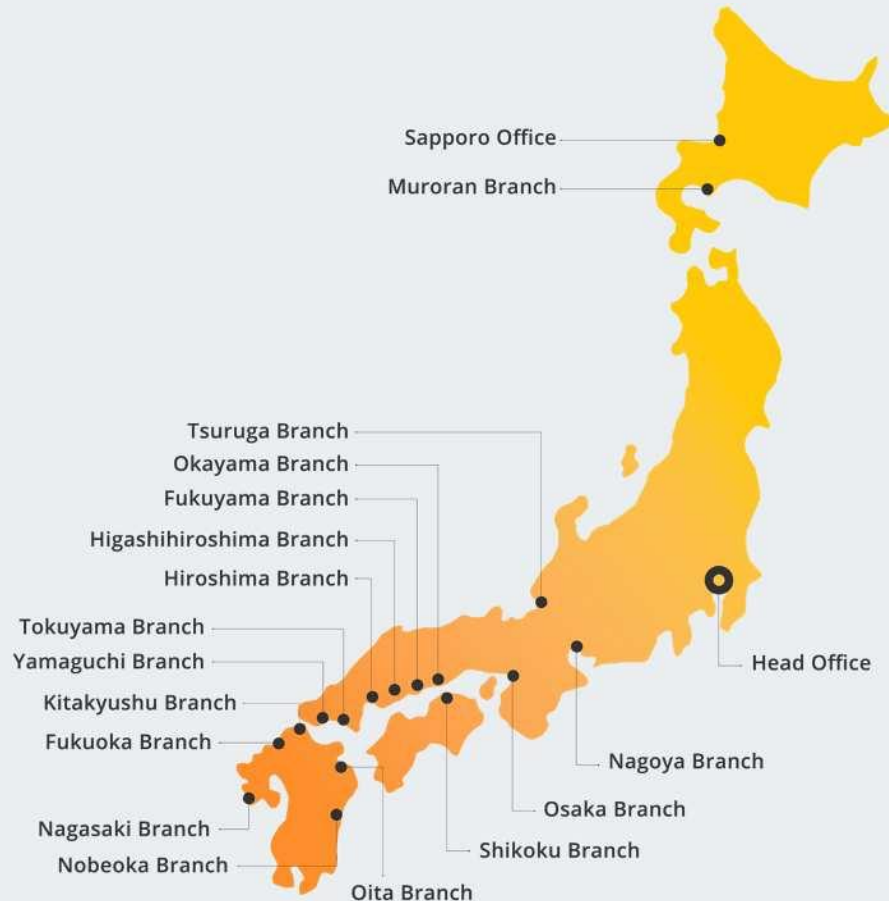




3. Domestic Network

● SEIKA CORPORATION

Tokyo, Osaka, Muroran, Nagoya, Shikoku, Okayama, Tsuruga, Fukuyama, Hiroshima, Higashi Hiroshima, Tokuyama, Yamaguchi, Fukuoka, Kita Kyushu, Oita, Nobeoka, Nagasaki, Sapporo



● Subsidiaries and Affiliates

Nippon Daiya Valve Co., Ltd.

Tokyo, Osaka, Nagoya, Okayama, Kita Kyushu

TAKEMOTO AND COMPANY LIMITED.

Kobe, Takasago, Mihara

Seika Digital Image CORPORATION. Tokyo

Shikishimakiki Corporation

Head Office in Sapporo, Hokkaido and ten other offices in Hokkaido

Seika Daiya Engine Co., Ltd.

Tokyo Head Office
Tohoku, Kanto, Chubu, Kinki, Kyushu areas
26 offices nationwide

Tozai Jitsugyo Co., Ltd. Tokyo

MEINAN KYODO ENERGY Co., Ltd. Chita

Seiwa Polymer Tsukuba

S TEC Co., Ltd. Tokyo, Osaka, Tsukuba

TEN FEET WRIGHT INC.

Tokyo, Osaka, Takamatsu, Fukuoka

JAPAN EJECTOR ENGINEERING Co., Ltd.

Osaka, Wakayama



4. Overseas Network





5. Introduction to Each Business (Power Plant)

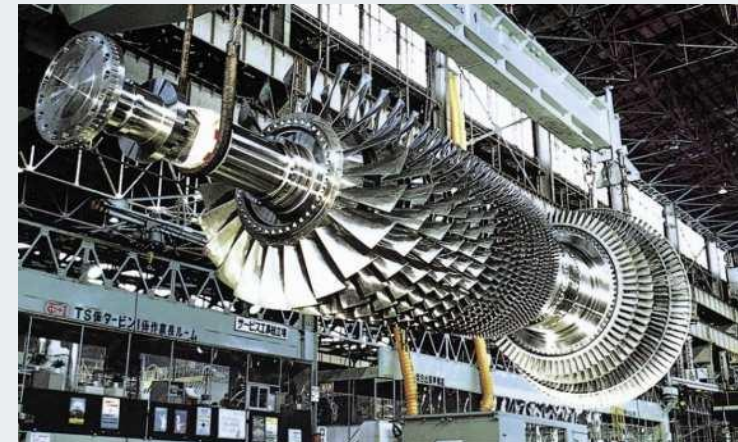
Energy-one of the most important themes for industry

[Business Activities]

- Sales of and after-the-sale services for power generation equipment such as boilers and gas turbines for thermal power plants for commercial use and environmental preservation equipment
- Sales of disaster prevention- and security-related equipment and various devices for nuclear power plants
- Sales of and after-sales services for renewable energy power generation equipment (small hydroelectric power, wind power, biomass, etc.)



<Power plant>



<Power generation equipment>



5. Introduction to Each Business (Chemicals and Energy Plant)

A wide range of products spanning energy generation and manufacturing processes

[Business Activities]

- Sales of and after-sales services for power generation equipment and environmental load-reducing products for companies such as petroleum refineries and chemicals, paper and steel plants
- Sales of equipment and fuels for biomass power generation
- Sales and maintenance of ship engines (Seika Daiya Engine Co., Ltd., Shikishimakiki Corporation)



<Fuels for biomass power generation equipment>



<Chemicals Plant>



<Environmental protection equipment>



5. Introduction to Each Business (Industrial Machinery)

High value-added products that support affluent and comfortable living environments

[Business Activities]

- Sales of manufacturing equipment for industries such as EV-related industries, new materials, textiles, films and beverages.
- Sales of machinery and equipment for plant engineering companies
- Sales of measuring instruments for environmental preservation for industrial machinery
- Manufacturing and sales of various industrial valves (Nippon Daiya Valve Co., Ltd.)
- Sales of advanced measuring instruments and software (Seika Digital Image Corporation)



<EV-related equipment such as lithium-ion battery manufacturing lines>



<Film-related equipment>



<Laser-based gas concentration meter>



5. Introduction to Each Business (Global Business)

[Business Activities]

- Europe

Automobile field:

Sale of in-vehicle-related industrial robots

Social infrastructure field:

Sale of water pumps for public works and development of rental business of them

- North America

Automobile field:

Sale of SMT (Surface Mounting Technology) equipment mainly for the automotive parts industry

- Asia

Industrial machinery field: Sale of machinery and equipment mainly for the automobile, chemical and textile industries



Tsurumi (Europe) GmbH Group
Water pumps



Seika Machinery, Inc.
SMT (Surface Mounting Technology) equipment for the automotive parts industry



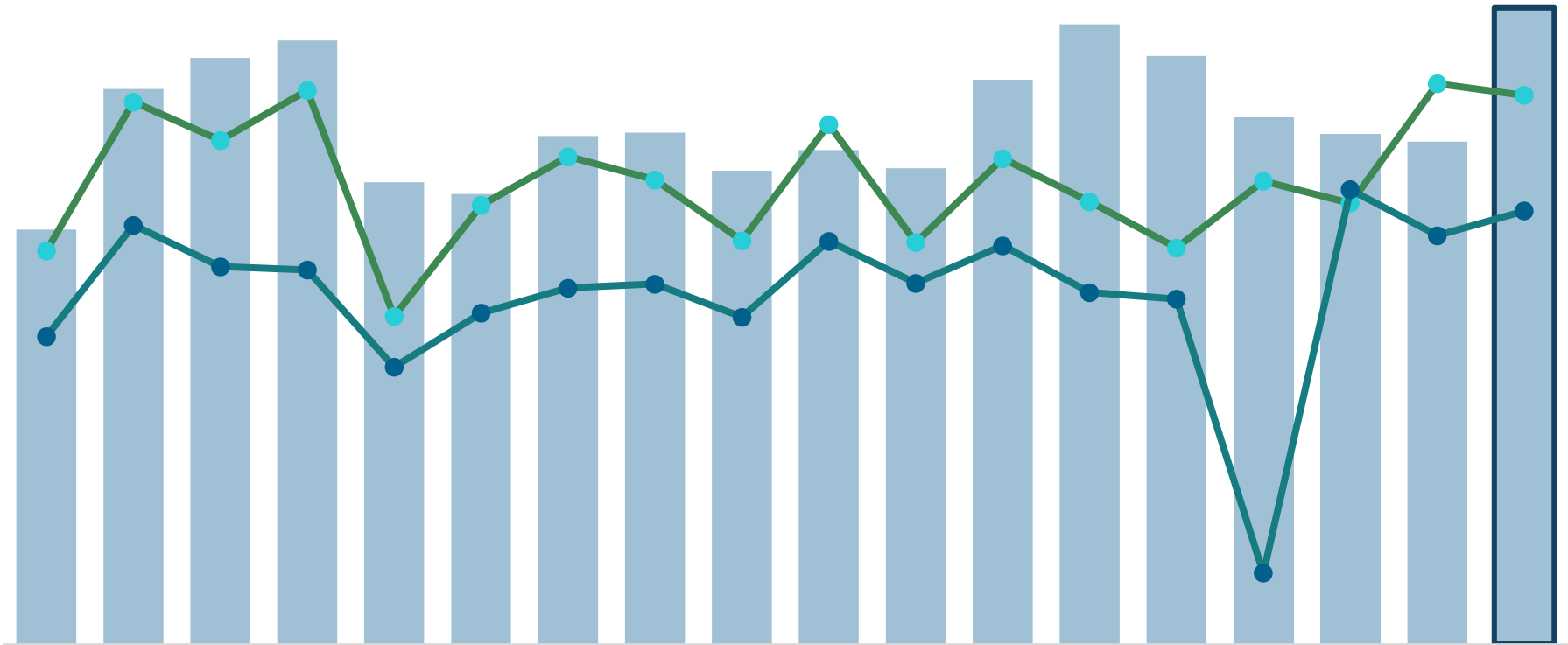
Seika Sangyo (Thailand) Co., Ltd.
Industrial machinery for the automobile, chemical and textile industries



6. Performance Trend

Consolidated Transaction value, Operating Income and Profit
(in million yen)

Transaction value Operating income Profit



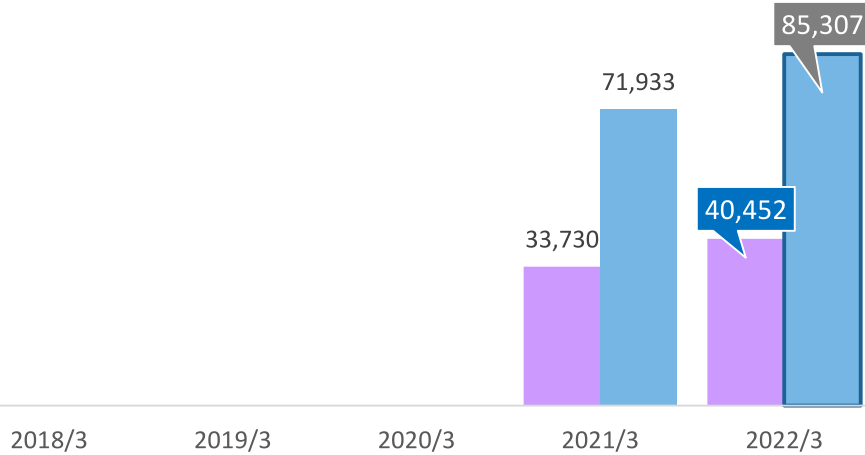
	2006/3	2007/3	2008/3	2009/3	2010/3	2011/3	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3	2019/3	2020/3	2021/3	2022/3	2023/3 Forecast
Transaction value	110,727	148,307	156,588	161,261	123,394	120,243	135,717	136,670	126,487	132,033	127,101	150,742	165,585	157,145	140,677	136,273	134,261	170,000
Operating income	2,088	3,634	3,234	3,754	1,406	2,561	3,065	2,824	2,193	3,400	2,174	3,046	2,598	2,118	2,809	2,581	3,824	3,700
Profit	1,198	2,353	1,922	1,889	879	1,441	1,702	1,743	1,399	2,188	1,750	2,140	1,655	1,587	-1,262	2,721	2,246	2,500



7. Changes in Consolidated Financial Results

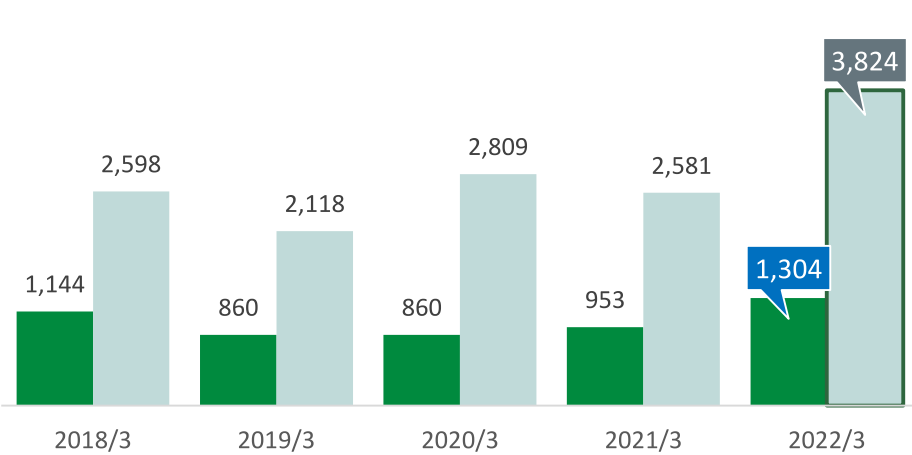
Consolidated Sales value (In million yen)

■ Sales value - 1 H ■ Sales value - Full Year



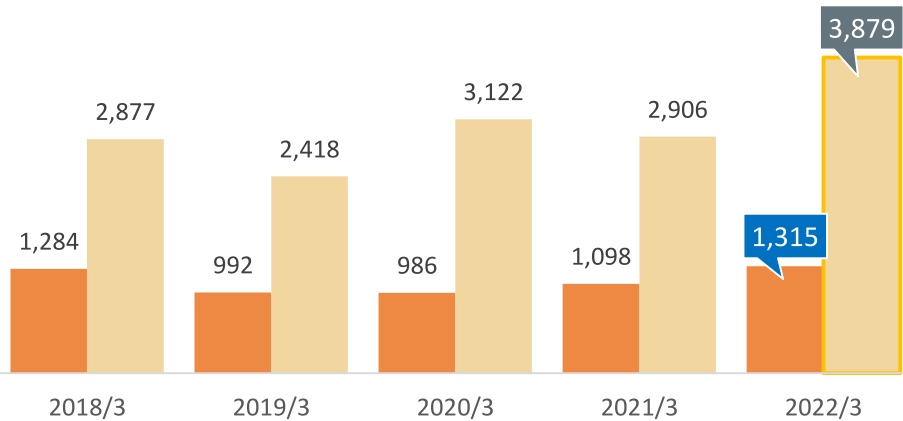
Consolidated Operating Income (In million yen)

■ Operating Income - 1 H ■ Operating Income - Full Year



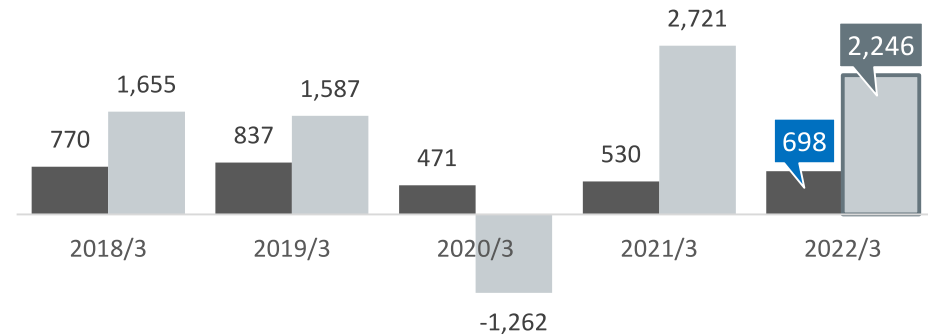
Consolidated Ordinary Income (In million yen)

■ Ordinary Income - 1 H ■ Ordinary Income - Full Year



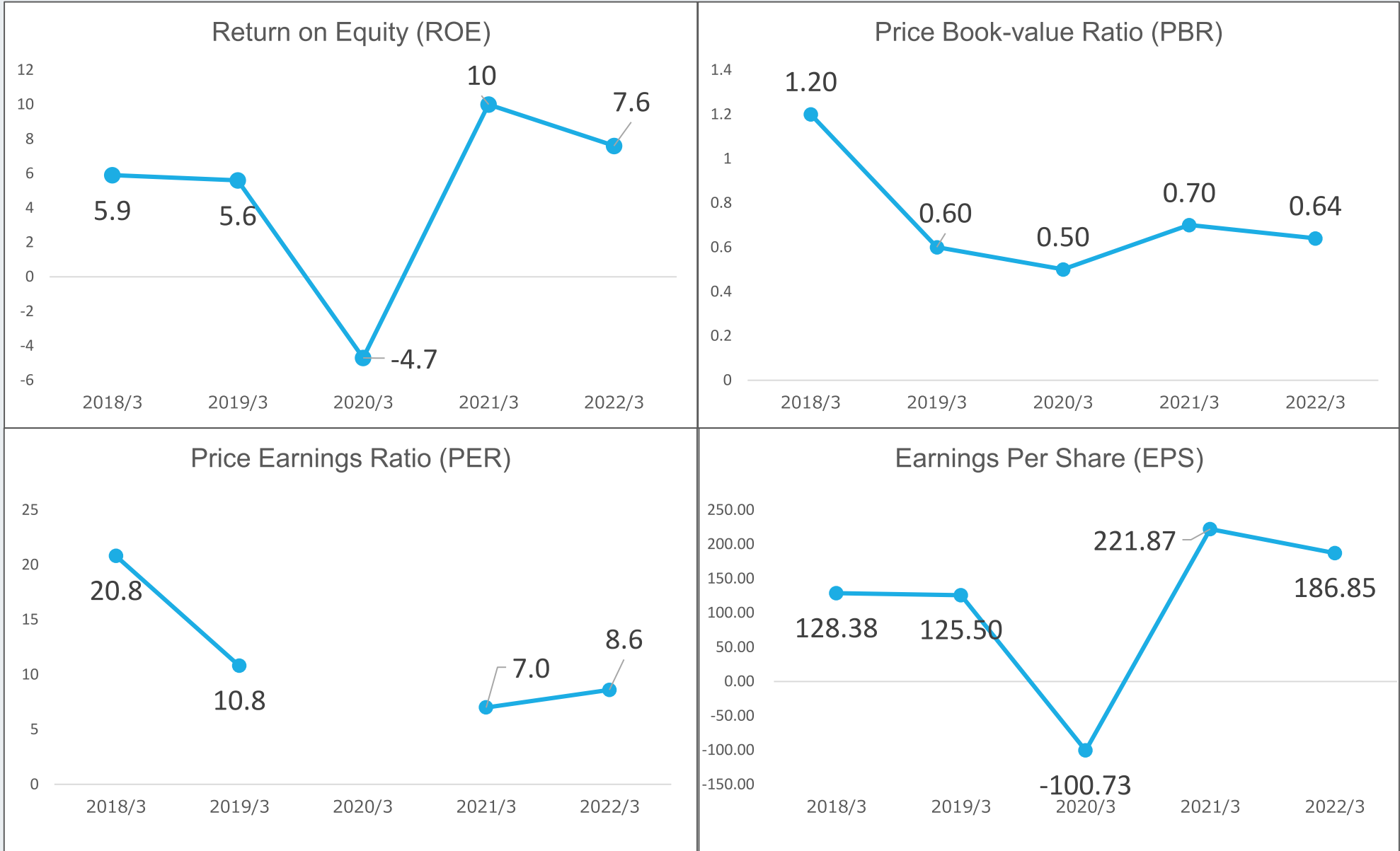
Consolidated Profit Attributable to Owners of Parent (In million yen)

■ Profit Attributable to Owners of Parent - 1 H
■ Profit Attributable to Owners of Parent - Full Year





8. Trend of Management Indicators





9. Medium-Term Business Plan Re-SEIKA 2023

**Evolving into a strong and valuable company
through changes and challenges.**

April 2020 – March 2023

We have established the Seika Corporation Group Policy, Code of Conduct, and Group Mission to strengthen solidarity and promote the group management of the Seika Group. We aim to improve our corporate value as a Group by having each Group company and each employee share these ideals and use them in their daily activities.

Group Policy

Strive for excellence and foster a sustainable society with corporate integrity.

Code of Conduct

Comply with laws and act with ethical standards to gain the trust of society.

Group Mission

Create a fulfilling society together.



Re-SEIKA 2023

Evolving into a strong and valuable company through changes and challenges.

1

Increase the Group's Revenue

Reorganize Seika Corporation's individual businesses and the group companies by business details into business units to implement integrated business operations

2

Strengthen the revenue base

Divide the Group's businesses into base revenue and growth revenue. Push ahead with the optimization of the business portfolio and effectively introduce management resources as appropriate.

3

Develop new revenue sources

Continuously introduce management resources to the development of new sources of earnings to accelerate construction of foundations for the Group's continuous growth.

4

Strengthen the management base

Stabilize the Group's financial position. Streamline operations, enhance the workplace environment and develop human resources by introducing and accelerating the IT shift and digital transformation (DX) to boost organizational strength.



Numerical Targets under Medium-Term Business Plan Re-SEIKA 2023

Management Numerical Targets (consolidated)

	2023/3 (100 th Term)
Operating income	3.7 billion yen
Profit attributable to owners of parent	2.5 billion yen

(Reference) If profit attributable to owners of parent reaches the management numerical target of 2.5 billion yen for fiscal year ending March 31, 2023, ROE will be 8% or higher.



10. ESG Initiatives

ESG

Environment (Expansion of green-innovation products)

Result for orders received for green-innovation products in the fiscal year ended March 31, 2021	Number of Transaction	Amount of Transaction value (In billion yen)
Energy-saving, resource-saving, high efficiency products	11,931	77.4
Pollution-preventing products	992	6.0
Recycled/Reused products	422	0.9
Total	13,345	84.3

Social responsibility (workstyle reform)

Promotion of the career advancement of women

Hiring of more women on the management career track, support for the career development of female employees, appointment of female managers

Promotion of employee health

Adoption of Premium Friday system, encouragement to take paid holidays, payment of cost of influenza vaccination by the Company

Development of human resources

Various types of rank-based training, system of sending employees overseas for training



Governance

Measures based on the Corporate Governance Code

- Conducted evaluation of effectiveness of Board of Directors (Third-party evaluation)
- Established the Nomination Review Committee and the Compensation Review Committee
- Outside director (3 people in total, Outside director rate: More than 1/3 of the board)
- Provision of information in English
- Part of convocation notice, financial results briefing, materials, FACT BOOK