

Kurabo Industries Ltd.

3106

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<https://www.fisco.co.jp>

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Summary

Record-high profit in FY3/24 driven by growth of semiconductor production-related business, although Textile Business remained weak. Change of president as Company prepares to formulate and implement new medium-term corporate business plan

1. Business description

Kurabo Industries Ltd. <3106> (“the Company”) is a long-established major textile company founded in 1888. From its early days, the Company has constantly looked ahead and sought to create new value. Today, its business areas cover a broad range, from those that underpin daily life such as textiles, automobiles, housing, biomedical, and foods, to those that support industry including electronics, semiconductors, and environmental plant engineering. The Company has a tradition of proactive community service since it was founded. It plans to continue working toward Sustainable Development Goals (SDGs) shared by the international community and pursue the development of products and technologies based on themes such as health, comfort, and environmental awareness to contribute to a better future.

Its medium-term corporate business plan Progress’24 (FY3/23-FY3/25) is focused on expanding highly profitable businesses and reinforcing core businesses for sustainable growth in its final year. The growth of highly profitable businesses with strong growth potential such as the semiconductor production-related business underpinned earnings, although the Textile Business continued to struggle amid adverse external conditions. We note that Shinji Nishigaki took over as President and Representative Director of the Company from Haruya Fujita, who became Chairman and Representative Director, after its annual general meeting of shareholders held in June 2024. Under the new management team, the Company seeks sustained growth and improved corporate value by formulating and implementing the next medium-term corporate business plan starting in FY3/26.

2. Value creation process

The Company’s value creation process is about creating value by deploying its management resources such as its accumulated technologies and know-how and human resources to solve social problems and supply growth markets. Looking back at its history, its current businesses are all derived from its founding Textile Business. These businesses include the Chemical Products Business, where the increasing uses of its resin processing technologies now include housing construction materials and automotive materials, and the electronics business (Advanced Technology Business), which automates color control in the dyeing process and has expanded to color management and inspection and measurement. The Real Estate Business (a stable source of earnings) and R&D structure centered on the Technical Research Laboratory also support value creation. The Company has crafted a value creation story that combines solving social problems and sustained growth by concentrating its management resources on markets that are highly profitable and have strong growth potential, including the semiconductor production-related business, automation and control systems, and medical devices.

Summary

3. Results overview for FY3/24

In the FY3/24 consolidated results, net sales were ¥151,314mn, down 1.4% year-on-year (YoY), and operating profit was ¥9,186mn, up 5.9%. All profit lines increased YoY to record highs despite slightly lower sales. The small drop in net sales was due to Kuraki Co., Ltd. being removed from the scope of consolidation and the effect of inventory adjustment by some customers in the Textile Business. However, businesses other than the Textile Business performed strongly, including the Chemical Products Business, which recorded brisk sales of the semiconductor production-related business, and the Advanced Technology Business, Food and Services Business, and Real Estate Business. In terms of profit, operating profit exceeded the Company's forecast, with growth of the Chemical Products Business and Advanced Technology Business compensating for the decline in the Textile Business. The Company paid an annual dividend of ¥100 per share, an increase of ¥30 from FY3/23.

4. Basic policy and progress of medium-term corporate business plan Progress'24

The Company's goal is to become "a strong corporate group that generates innovation and high profit" based on its Long-term Vision 2030 (FY3/20–FY3/31), which began in FY3/20. It is pushing ahead with business portfolio optimization by concentrating management resources on the Group's priority businesses in growth markets and strengthening profitability in core businesses. The current Medium-term Business Plan Progress'24 is the second stage of the Long-term Vision, with the following priority policies, which the Company is implementing to build a foundation for the next stage. 1) Expanding growth and priority businesses and strengthening profitability in core businesses, 2) creating new businesses by strengthening R&D activities and quickly placing them on a profitable footing, 3) contributing toward the Sustainable Development Goals (SDGs), and 4) promoting a diverse work force. Although the Textiles Business continues to encounter headwinds, initiatives for growth and priority businesses such as the semiconductor production-related business are making progress toward business expansion, with the operating profit ratio (a key indicator) increasing ahead of target.

5. Results forecast for FY3/25

For the consolidated results in FY3/25, the final year of the medium-term corporate business plan Progress'24, the Company is forecasting net sales of ¥153,000mn (up 1.1% YoY) and operating profit of ¥9,300mn (up 1.2% YoY)*. Net sales and operating profit are expected to fall slightly short of the medium-term corporate business plan target due to the removal of Kuraki Co., Ltd. from the scope of consolidation, but results are otherwise expected to be on track. Products such as high-performance plastic products (Chemical Products Business) are expected to drive earnings growth amid a strong semiconductor market recovery. The Company also expects the Textiles Business to improve. It forecasts a YoY operating profit increase due to growth of high-performance plastic products and the Textiles Business turning profitable. The Company plans an annual dividend of ¥120 per share, an increase of ¥20 from FY3/24.

* As of May 13, 2024. Additionally, the Company announced upward revisions to its FY3/25 forecasts on August 7, 2024.
(Please see page 14.)

6. Initiatives to improve profitability of capital

In May 2024, the Company announced "initiatives to improve profitability of capital." It seeks to improve ROE as a way to achieve management with awareness of cost of capital and share price, targeting ROE of over 8% within the next medium-term corporate business plan period (through FY3/28) and ROE of over 10% by FY3/31. To this end, the Company will concentrate management resources on priority businesses that are highly profitable with strong growth potential to build a business portfolio that will produce sustainable growth as well as practice disciplined capital allocation and reduce cross-shareholdings.

Summary

Key Points

- Operates in broad business areas from textiles, automobiles, housing, biomedical, and food, which underpin daily life, to electronics and semiconductors, which support industry
- Going forward, the Company will concentrate management resources on business areas that are highly profitable and have strong growth potential such as the semiconductor production-related market, automation and control systems, and medical devices
- In FY3/24, net sales declined slightly, but all profit lines were record highs
- The FY3/25 forecasts are largely in line with the Company plan amid the strong recovery of the semiconductor market, with high-performance plastic products (Chemical Products Business) and others driving earnings growth
- To concentrate management resources on priority businesses that are highly profitable with growth potential, targeting ROE of over 8% by FY3/28 and 10% by FY3/31

■ Business description

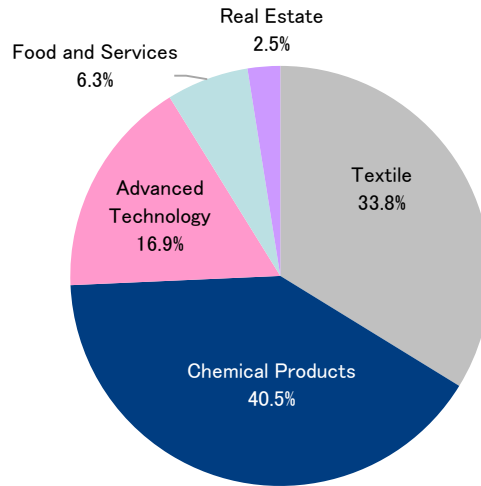
Major textile company founded in 1888. Contributing to a better future by expanding into broad business areas that support daily life and industry

The Company is a major textile company founded in 1888. Its management philosophy states: “the Kurabo Group contributes to a better future through the creation of new value.” From its early days, the Company has constantly looked ahead and sought to create new value. Today, its business areas range widely from textiles, automobiles, housing, biomedical, and foods, which underpin daily life, to electronics, semiconductors, and environmental plant engineering, which support industry.

The Company has five business segments. The Textile Business is its founding business. The other four segments are the Chemical Products Business, Advanced Technology Business, Food and Services Business, and Real Estate Business. Net sales in FY3/24 broke down into 33.8% for Textile, 40.5% for Chemical Products, 16.9% for Advanced Technology, 6.3% for Food and Services, and 2.5% for Real Estate.

Business description

Net sales breakdown by business segment (FY3/24)



Source: Prepared by FISCO from the Company's financial results

(1) Textile Business

The mainstay products of the Textile Business are casual clothing materials, uniform materials, and yarn materials for towels, socks, and underwear. A new business is work environment support tools. By making the most of its unique, advanced technologies in spinning, weaving, dyeing and processing, and sewing, the Company has developed many highly functional and refined textile products based on natural fibers (mainly cotton). It also established a leading position in heavy fabrics for uniforms, casual wear, and denim. The Textile Business continues to face headwinds amid a decline in domestic casual wear demand and intensifying competition with overseas products. However, the Company is transforming to a business model that delivers new value by initiatives such as smart factories that harness AI and IoT and sustainable resource recycling of textiles, and development of new products and services that utilize its proprietary technologies. Focus products include NaTech*1, which adds various functions to natural fibers used as materials for towels, socks, and underwear; L∞PLUS*2, an upcycling system for textile cutting waste in casual wear materials, flame-retardant fabrics BREVANO and PROBANO used as uniform materials, and work environment support tool product Smartfit for Work*3, an on-site risk management system.

*1 Made from proprietary Kurabo raw materials, NaTech is a natural fiber with enhanced functionality. Users can choose from materials with one of four functions (warmth, breathability and moisture absorption, deodorizing, and moisture control), all with superb resistance to repeated washing.

*2 L∞PLUS is the name for Kurabo's sustainable system of upcycle textile cutting waste and creating new clothing and fashion accessories with it, and the products made by the system.

*3 The tool analyzes and assesses data obtained by wearable devices such as workers' biological signs and local weather information, providing real-time notifications of the risk of working in severe heat and changes in physical condition to support risk management.

Business description

(2) Chemical Products Business

Harnessing proprietary resin compounding and molding technology, the Chemical Products Business supplies a diverse range of products from automobile interior materials to housing construction materials and heat-insulating materials, high-performance plastic products for semiconductor manufacturing equipment, functional films, and nonwoven fabric used as industrial materials. The Company regards high-performance plastic products for semiconductor manufacturing equipment and functional films as priority products and is pushing ahead with expanding the scope of these businesses to supply growth markets. It is also actively engaged in R&D, focusing on development of new products in each business area. In housing construction materials, the Company is developing environmental-friendly products such as laminated wood using recycled wood plastic. In functional films, it is developing new functions and production technologies for semiconductor, automotive, and electronic component applications. It is also improving production technologies and product performance of high-performance plastic products for semiconductor manufacturing equipment and developing production, forming, and processing technologies for Kura Power Sheet, CFRTP materials in the high-performance composite materials business.

(3) Advanced Technology Business

The Advanced Technology Business comprises the electronics, engineering, and biomedical businesses, among other operations. The electronics business provides products based on its color sensing technologies such as inspection, measurement, and control systems for various industries including semiconductor printed circuit boards and films, helping to improve the quality of manufacturing. It also conducts R&D and product development in future growth areas such as infrastructure inspection systems that harness image processing and information processing technologies, robot vision systems (industrial robot sensing devices)*, and silicon wafer cleaning systems and film thickness meters that apply optical measuring technologies. With core technologies in environmental plant engineering (wastewater and exhaust gas treatment), the engineering business has also branched out into biomass power generation. The biomedical business provides research reagents, equipment, and services for drug discovery, cosmetics development, and preclinical trials.

* The Company has developed technologies that enable robots to “see” (instantly determine the position of the objects they are picking up so that they can handle moving objects and soft materials that change shape) and accurately perceive objects by the use of AI. The robot industry is an area with considerable growth potential, because it is commercializing robots to perform hazardous tasks and to save labor in elderly care and healthcare settings, which suffer labor shortages.

(4) Food and Services Business

The Food and Services Business manufactures and sells freeze-dried food and operates a hotel and other facilities. In the food business, Group company Japan Jiffy Foods, Inc. is the first company in Japan to manufacture freeze-dried food on a commercial basis, contributing toward health and cuisine in Japan through the supply of safe, high-quality products. In the services business, the Company operates Kurashiki Ivy Square (hotel, restaurant, banquet hall, and other facilities), a cultural complex converted from the Company’s original head office spinning mill, and Kurabo Driving School, which contributes toward the safety of the local community. With a distinctive red brick façade covered in ivy, Kurashiki Ivy Square is located in Kurashiki Bikan Historical Area and has been a consistently popular cultural facility that also offers accommodation.

(5) Real Estate Business

In the Real Estate Business, the Company operates a real estate rental business, aiming for long-term, stable revenue by making effective use of idle land, such as former factory sites, through the development of offices, commercial facilities, mega-solar installations and other properties. It is highly profitable, generating operating profit of over ¥2.0bn with limited costs even in times of recession, underpinning the Company’s earnings as a stable source of revenue.

Value creation process

Create new value by deploying management resources such as accumulated technologies and know-how and human resources to solve social problems and expand into growth markets

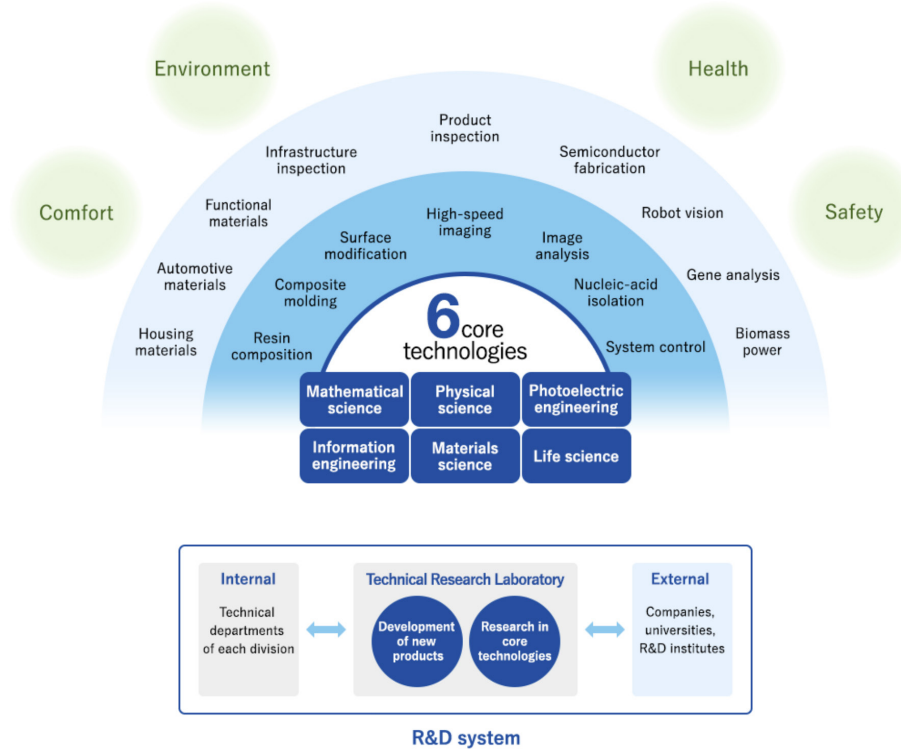
The Company's value creation process is about creating new value by deploying its management resources such as its accumulated technologies and know-how and human resources to solve social problems and expand into growth markets. Its history shows that its current businesses are all derived from the founding Textile Business. They include: 1) the chemical products business, which was the result of applying its resin processing technologies to housing construction materials and auto parts; 2) the electronics business, which developed from applying automated control of color in the dyeing process to testing and measurement; 3) the engineering business, which applied the exhaust gas and wastewater treatment technologies of its own factories to environmental plant equipment; and 4) the biomedical business, which originated in the development work of the Technical Research Laboratory such as the development of filtration type particulate filters with antibacterial action and automated nucleic acid isolation systems. The Real Estate Business, which utilizes former factory sites, is a stable source of earnings, and the Company's R&D structure* centered on the Technical Research Laboratory also supports value creation.

* Consists of the core technology group, which cultivates core technologies, and the applied development group, which develops products. The six core technologies are mathematical science, physical science, photoelectric engineering, information engineering, materials science, and life science. It also develops new businesses based on key R&D themes related to robots (robot sensing), semiconductor chemical liquid measurement (in-situ measuring) systems for semiconductors, life science (gene extraction and analysis), and new materials (high-performance super engineering plastic film and fiber reinforced composites).

The Company has crafted a value creation story that combines solving social problems and sustained growth by concentrating its management resources on markets that are highly profitable and have strong growth potential, including the semiconductor production-related market, automation and control systems, and medical devices.

Value creation process

R&D structure



Source: The Company's website

Results trends

Record-high profits in FY3/24 driven by growth of the Chemical Products Business, where there were brisk areas such as the semiconductor production-related business, and the Advanced Technology Business, although the Textile Business remained weak

1. Results overview for FY3/24

In the FY3/24 consolidated results, net sales were ¥151,314mn (down 1.4% YoY), operating profit was ¥9,186mn (up 5.9%), ordinary profit was ¥10,191mn (up 1.7%), and profit attributable to owners of parent was ¥6,738mn (up 22.1%). All profit lines increased YoY to record highs despite a slight decline in net sales.

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Results trends

The small drop in net sales was due to Kuraki Co., Ltd. being removed from the scope of consolidation* and the effect of inventory adjustment by some customers in the Textile Business. However, businesses other than the Textile Business performed strongly, including the Chemical Products Business, where there were brisk areas such as the semiconductor production-related business, and the Advanced Technology, Food and Services, and Real Estate businesses. In the Chemical Products Business in particular, sales of flexible polyurethane foam for automotive seats recovered, while sales of high-performance plastic products for semiconductor manufacturing equipment surpassed the Company's forecast. In the Advanced Technology Business, large silicon wafer cleaning equipment projects and overseas sales growth of agitation and defoaming equipment (biomedical business) contributed to earnings.

* Kuraki Co., Ltd. was removed from the scope of consolidation from 4Q FY3/24 following a transfer of shares on January 5, 2024.

In terms of profit, operating profit exceeded the Company's forecast, with growth of the Chemical Products and Advanced Technology businesses compensating for the decline in the Textile Business. The operating profit ratio improved from 5.7% in FY3/23 to 6.1% in FY3/24.

Looking at the Company's financial condition, total assets increased 10.7% from the end of the previous period to ¥192,789mn due to an increase in cash and deposits mainly from the transfer of shares in Kuraki Co., Ltd., and an increase in investment securities associated with higher stock prices. Share capital increased 15.3% from the end of the previous period to ¥116,849mn on adding to retained earnings and increase in valuation difference on available-for-sale securities, and the equity ratio improved from 58.2% at the end of the previous period to 60.6%. ROE, an indicator of profitability of capital, improved from 5.6% at the end of the previous period to 6.2% due to factors such as operating profit ratio improvement.

Results overview for FY3/24

	(¥mn)									
	FY3/23		FY3/24				YoY		Vs. forecast	
	Results	Composition ratio	Results	Composition ratio	Forecast	Composition ratio	Change amount	% change	Change amount	% change
Net sales	153,522	-	151,314	-	154,000	-	-2,208	-1.4%	-2,686	-1.7%
Textile Business	56,507	36.8%	51,103	33.8%	53,000	34.4%	-5,403	-9.6%	-1,897	-3.6%
Chemical Products Business	59,726	38.9%	61,318	40.5%	61,000	39.6%	1,591	2.7%	318	0.5%
Advanced Technology Business	24,271	15.8%	25,530	16.9%	26,200	17.0%	1,259	5.2%	-670	-2.6%
Food and Services Business	9,292	6.1%	9,572	6.3%	10,000	6.5%	279	3.0%	-428	-4.3%
Real Estate Business	3,724	2.4%	3,790	2.5%	3,800	2.5%	65	1.8%	-10	-0.3%
Cost of sales	124,077	80.8%	120,985	80.0%	-	-	-3,092	-2.5%	-	-
SG&A expenses	20,768	13.5%	21,142	13.9%	-	-	374	1.8%	-	-
Operating profit	8,676	5.7%	9,186	6.1%	7,900	5.1%	509	5.9%	1,286	16.3%
Textile Business	308	0.5%	-257	-	100	0.2%	-566	-	-357	-
Chemical Products Business	3,712	6.2%	3,963	6.5%	3,300	5.4%	250	6.7%	663	20.1%
Advanced Technology Business	2,834	11.7%	3,574	14.0%	2,700	10.3%	740	26.1%	874	32.4%
Food and Services Business	463	5.0%	641	6.7%	600	6.0%	177	38.4%	41	6.8%
Real Estate Business	2,433	65.3%	2,332	61.5%	2,300	60.5%	-100	-4.1%	32	1.4%
Ordinary profit	10,024	6.5%	10,191	6.7%	8,500	5.5%	166	1.7%	1,691	19.9%
Profit attributable to owners of parent	5,516	3.6%	6,738	4.5%	5,800	3.8%	1,221	22.1%	938	16.2%

Source: Prepared by FISCO from the Company's financial results

Results trends

Results by business are summarized below.

(1) Textile Business

In the Textile Business, both net sales and profit decreased, with net sales down 9.6% YoY to ¥51,103mn and segment loss amounting to ¥257mn (¥308mn segment profit in FY3/23). For net sales, sales of textiles increased on strong orders of fabrics for casual wear, but sales of yarn and textile products declined, because orders were negatively impacted by customers' inventory adjustment and a warm winter. The Textile Business posted a segment loss because of lower net sales and cost increases stemming from unfavorable foreign exchange rates.

(2) Chemical Products Business

In the Chemical Products Business, both net sales and profit increased, with net sales up 2.7% YoY to ¥61,318mn and segment profit increasing 6.7% to ¥3,963mn. Sales of semiconductor production-related high-performance plastic products exceeded the Company's forecast despite a decline in sales amid the temporary adjustment of semiconductor demand. Order recovery of soft polyurethane foam for automotive seats and functional films amid a recovery in auto production also contributed to sales growth. Profit increased due to the sales growth effect and progress with passing rising costs onto sales prices.

(3) Advanced Technology Business

Net sales rose 5.2% YoY to ¥25,530mn and segment profit was up 26.1% to ¥3,574mn in the Advanced Technology Business, indicating higher net sales and profit. Sales of silicon wafer cleaning equipment and chemical concentration meters for semiconductor manufacturing equipment and chemical supply systems were brisk. The Company won an order for large equipment for the pharmaceutical industry, and sales expansion of film thickness meters and agitation and defoaming equipment (mainly overseas) also contributed to earnings growth.

(4) Food and Services Business

The Food and Services Business posted higher sales and profit, with net sales up 3.0% YoY to ¥9,572mn and segment profit up 38.4% to ¥641mn. Demand for products related to eating at home declined in the food sector amid an upturn in demand for dining out, but the hotel-related business grew in the services sector as a result of COVID-19 restrictions being abolished and uptick in demand from inbound visitors, and the banquet and restaurant businesses also went on a recovery trend. The segment recorded a sharp profit increase driven by improved hotel occupancy rates and average daily rate (ADR).

(5) Real Estate Business

Segment profit declined on higher sales in the Real Estate Business. Net sales rose 1.8% YoY to ¥3,790mn, but segment profit fell 4.1% to ¥2,332mn. Net sales increased as a result of starting rental of new properties, but increased repair expenses of rental properties (buildings) eroded profit.

2. Summary of FY3/24 results

In summary, although net sales fell short of the Company's forecast in FY3/24, we at FISCO are positive on all profit lines increasing YoY to surpass forecasts. Especially notable is that expansion of the semiconductor production-related business (a priority business for the Company) is contributing to earnings growth, indicating that its efforts to strengthen profitability by optimization of its business portfolio are producing solid results. In contrast, we see considerable scope for improvement of the struggling Textile Business. It is still in the process of overhauling its earnings structure by expanding high-performance materials and improving productivity, although the impact of inventory adjustment at some customers is likely to be both temporary and cyclical. In terms of activities, we think the Company has made some gains in building a foundation for the future by investing in further expansion of products for semiconductor manufacturing equipment and solid progress of initiatives in other priority businesses.

Main topics

Some gains in semiconductor production-related business (a priority business) and sales expansion of sustainable materials

1. Expansion of the semiconductor production-related business

The Company has recently grown its earnings by focusing on products for semiconductor manufacturing equipment in the Chemical Products and Advanced Technology businesses. The Company's products used in semiconductor manufacturing processes have recorded solid growth, such as high-performance plastic products (front-end process) and films used in semiconductor manufacturing (back-end process) in the Chemical Products Business, and silicon wafer cleaning equipment (silicon wafer manufacturing process), concentration meters (front-end process), and chemical supply systems (silicon wafer manufacturing process) in the Advanced Technology Business. As well, in semiconductor manufacturing-related R&D, the Company has developed a chemical liquid measurement (in-situ measurement*) system harnessing its proprietary sensing technologies to measure chemicals deposited on wafers in manufacturing equipment.

* The Company evaluates users' prototypes as well as provide a practical development environment in the Technical Research Laboratory.

Net sales of main products for semiconductor manufacturing equipment (FY3/24)

Product	Net sales	Average growth rate (vs. FY3/22)
High-performance plastic products	¥15.1bn	7.0%
Films for semiconductor manufacturing process	¥0.3bn	30.0%
Silicon wafer cleaning equipment	¥2.7bn	17.0%
Concentration meters	¥1.8bn	22.0%
Chemical supply systems	¥0.8bn	41.0%

Source: Prepared by FISCO from the Company's results briefing materials

The Company is also investing aggressively for future business expansion in anticipation of further growth amid the burgeoning semiconductor market, including construction of a new building at the Kumamoto Office & R&D Center (approximately ¥3.1bn) to strengthen production and development of high-performance plastic products, and increasing production capacity of fluoride resin materials (approximately ¥0.4bn) and silicon wafer cleaning equipment (approximately ¥0.2bn).

2. Steps toward creating a resource recycling society

Working more closely with co-creation partners such as companies in various industry sectors, major textile manufacturing regions, and local governments, the Company is expanding sales of products made using L[∞]PLUS, an upcycling system for textile cutting waste for reuse as a resource, and is beginning to see results. For example, in a collaboration with Japan Airlines Co., Ltd. (JAL) <9201> and two other companies, the Company is progressing a project to make T-shirts and bags from airline blankets that are no longer in use. These products went on sale on the JAL official shopping website on April 26, 2024. The Company also teamed up with pro basketball team SeaHorses Mikawa (and two other organizations) on a project to upcycle disused fan merchandise using L[∞]PLUS into new merchandise sold by the team. It has plans to expand these collaborations overseas and has installed a production line at Thai Kurabo Co., Ltd.

Progress of medium-term corporate business plan Progress'24

In its final year, medium-term corporate business plan Progress'24 is focused on concentrating management resources on priority businesses to build a foundation for the next stage

1. Positioning and basic strategy of medium-term corporate business plan Progress'24

Based on its Long-term Vision 2030 (FY3/20-FY3/31), which was announced in 2019, the Company aims to become "a strong corporate group that generates innovation and high profit." To this end, it is pushing ahead with business portfolio optimization by concentrating management resources on the Group's priority businesses in growth markets and strengthening profitability in core businesses. The current medium-term corporate business plan Progress'24 (FY3/23-FY3/25) is the second stage of the Long-term Vision, with the following priority policies, which the Company is implementing to build a foundation for the next stage: 1) expanding growth and priority businesses and strengthening profitability in core businesses; 2) creating new businesses by strengthening R&D activities and quickly placing them on a profitable footing; 3) contributing toward the Sustainable Development Goals (SDGs); and 4) promoting a diverse work force.

2. Numerical targets

Earnings targets for the final year (FY3/25) are net sales of ¥160.0bn, operating profit of ¥9.6bn, and ROE of 7.0%. The Company's main focus is strengthening profitability through the priority policy 1) (see above), aiming to raise the operating profit ratio from 5.7% in the base year of FY3/22 to 6.0% in FY3/25 and ROE from 5.9% to 7.0% in the same period. The three-year investment plan totals ¥18.2bn and the R&D budget is ¥6.2bn.

Numerical targets and results so far of medium-term corporate business plan

	Base year	First year	FY3/24 Results	Final year	
	FY3/23 Results	FY3/23 Results		FY3/25 Forecast	FY3/25 Medium-term corporate business plan target
Net sales	132.2	153.5	151.3	153.0	160.0
Operating profit	7.5	8.6	9.1	9.3	9.6
Ordinary profit	8.7	10.0	10.1	10.2	10.2
Profit attributable to owners of parent	5.6	5.5	6.7	7.2	7.2
Operating profit ratio	5.7%	5.7%	6.1%	6.1%	6.0%
ROE (return on equity)	5.9%	5.6%	6.2%	6.1%	7.0%
ROA (return on assets)	4.5%	5.1%	5.0%	4.8%	5.3%
ROIC (return on invested capital)	4.6%	5.3%	5.2%	5.0%	5.6%

Source: Prepared by FISCO from the Company's results briefing materials

3. Progress so far

The Company missed the numerical targets of the previous medium-term corporate business plan Creation'21 (FY3/20-FY3/22; the first stage of Long-term Vision 2030), because the planned recovery of core businesses including textiles, soft polyurethane, and housing construction materials was delayed due to the unexpected COVID-19 pandemic. However, progress has mostly been on track in the second stage (Progress'24). Notably, growth of high-performance plastic products and inspection systems for semiconductor manufacturing equipment (positioned as priority businesses in growth markets) compensated for the slow recovery of the Textile Business as well as underpinning profitability. Although ROE was negatively impacted by the increase in valuation difference on available-for-sale securities (net assets) amid the share price rise, the operating profit ratio has trended above target. The Company also invested in increasing production capacity of high-performance plastic products and silicon wafer cleaning equipment to prepare for further growth of the semiconductor production-related business. With regard to creating new businesses, development of robot sensing* and In-Situ measurement technologies have advanced toward commercialization in accordance with the priority policy 2). Initiatives and progress in each main business are summarized below.

* In October 2023, the Company began sales of a new model in the KURASENSE series of high-speed 3D vision sensors for robots with a separate sensor head and controller. The Company is progressing the development of new features and pioneering new applications.

(1) Textile Business

Initiatives in the Textile Business are: a) expanding sales of high-performance materials and sustainable materials that harness proprietary technologies, and b) improvement of QR capabilities and productivity with an awareness of the entire supply chain. The Company's self-assessment of its performance of a) is Good, because sales of high-performance cotton material NaTech were brisk, while flame-retardant fabrics BREVANO and PROBAN used as uniform materials and L ∞ PLUS, an upcycling system, performed more or less as expected. Its assessment of b) is Fair, because its efforts to transition to smart factories by digitalization of production planning and management and improve productivity had limited results, hampered by the impact of order declines.

(2) Chemical Products Business

The Company focused on: a) concentrating management resources in priority businesses in semiconductor- and energy-related markets, and b) streamlining the sales and production structure of core businesses such as soft polyurethane and housing construction materials and expanding new businesses. The Company's own assessment of its performance of a) is Excellent, because it began construction of a new building at the Kumamoto Office & R&D Center and established new manufacturing lines of functional films for the energy-related market (solar batteries). These are investments that will lead to future business expansion. It assessed its performance of b) as Good, because it tackled the relocation/integration of soft polyurethane production facilities and progressed the transition to smart factories and DX in the housing construction materials business to improve the profitability and productivity of these core businesses.

(3) Advanced Technology Business

The Advanced Technology Business worked on: a) establishment of competitive advantages through strengthening of products and sales expansion in overseas markets, and b) introduction of product groups that help solve social issues. The Company's self-assessment of its performance of a) was Good, because it made progress with the development of robot sensing and in-situ measurement technologies as noted earlier, and overseas sales of agitation and defoaming equipment increased in the Biomedical field. It also rated its performance of b) as Good, because exhaust gas treatment equipment sales were strong, although sales of livestock waste treatment system FUNTO, which converts livestock waste and bedding into dry, clean compost, were weak amid dairy farms facing tough operating conditions due to rising feed prices. In the new energy-related business, the Company also won its first order for flue gas denitration equipment for a heating furnace that uses ammonia as fuel.

■ Outlook

For FY3/25, forecasting modest net sales and profit growth due to removal of Kuraki Co., Ltd. from scope of consolidation, but medium-term corporate business plan Progress'24 expected to be mostly on target

1. Results forecast for FY3/25

For the consolidated results in FY3/25, the final year of the medium-term corporate business plan Progress'24, the Company is forecasting net sales of ¥153,000mn (up 1.1% YoY), operating profit of ¥9,300mn (up 1.2% YoY), ordinary profit of ¥10,200mn (up 0.1%), and profit attributable to owners of parent of ¥7,200mn (up 6.8%) based on the forecast announced on May 13, 2024. Although net sales and operating profit are likely to fall slightly short of the medium-term corporate business plan targets due to the removal of Kuraki Co., Ltd. from the scope of consolidation, the Company expects results to be more or less on target adjusted for that factor.

Although the removal of Kuraki Co., Ltd. from the scope of consolidation is a negative factor, high-performance plastic products are expected to drive earnings growth amid the strong recovery of the semiconductor market. The Company also expects some improvement in the Textile Business, which had been weak due to factors such as the impact of inventory adjustment by some customers.

For profit, the Company expects a YoY increase in operating profit due to growth of high-performance plastic products and the Textile Business turning profitable, assuming an operating profit ratio of 6.1% similar to the FY3/24 level.

Outlook

Results forecast for FY3/25

	(¥mn)					
	FY3/24		FY3/25		YoY	
	Results	Composition ratio	Initial forecast (Announced May 13)	Composition ratio	Change amount	% change
Net sales	151,314	-	153,000	-	1,686	1.1%
Textile Business	51,103	33.8%	52,000	34.0%	897	1.8%
Chemical Products Business	61,318	40.5%	66,000	43.1%	4,682	7.6%
Advanced Technology Business	25,530	16.9%	21,300	13.9%	-4,230	-16.6%
Food and Services Business	9,572	6.3%	10,000	6.5%	428	4.5%
Real Estate Business	3,790	2.5%	3,700	2.4%	-90	-2.4%
Operating profit	9,186	6.1%	9,300	6.1%	114	1.2%
Textile Business	-257	-	100	0.2%	357	-
Chemical Products Business	3,963	6.5%	4,700	7.1%	737	18.6%
Advanced Technology Business	3,574	14.0%	2,800	13.1%	-774	-21.7%
Food and Services Business	641	6.7%	600	6.0%	-41	-6.4%
Real Estate Business	2,332	61.5%	2,200	59.5%	-132	-5.7%
Ordinary profit	10,191	6.7%	10,200	6.7%	9	0.1%
Profit attributable to owners of parent	6,738	4.5%	7,200	4.7%	462	6.8%

Source: Prepared by FISCO from the Company's financial results and results briefing materials

2. FISCO's focus points

We at FISCO consider the Company's results forecasts to be fully achievable and based on conservative assumptions, while mindful of the impact of uncertainties in international affairs and economic outlook. A focus point is how the Company will finish off its initiatives in the final year of the current medium-term corporate business plan in a way that leads on to the next stage. We are paying close attention to growth of the semiconductor production-related business, which appear to be on a solid footing, as well as automation and control systems and medical devices, which are positioned as priority businesses. If several new growth drivers like robot sensing and biomedical products were to emerge among these businesses, we think the Company will take a big step forward toward its goal of business portfolio optimization. We are also following closely the specific direction taken in the next medium-term corporate business plan, which is formulated by the new management team.

On August 7, 2024, the Company revised up its FY3/25 forecasts as follows: net sales from ¥153,000mn to ¥154,000mn, operating profit from ¥9,300mn to ¥9,600mn, ordinary profit from ¥10,200mn to ¥10,800mn, and profit attributable to owners of parent from ¥7,200mn to ¥7,500mn.

■ Initiatives to improve profitability of capital

To push ahead with business portfolio optimization, Aggressive shareholder returns, and reduction of cross-shareholdings

In May 2024, the Company announced “initiatives to improve profitability of capital.” It seeks to improve ROE as a way to achieve management with awareness of cost of capital and share price, targeting ROE of over 8% within the next medium-term corporate business plan period (through FY3/28) and ROE of over 10% by FY3/31, i.e., bringing forward the initial Long-term Vision 2030 target. To this end, the Company will concentrate management resources on priority businesses (supplying markets for semiconductor manufacturing-related products, automation and control systems, and medical devices) that are highly profitable with strong growth potential to build a “business portfolio that will produce sustainable growth” as stated in Long-term Vision 2030. As well, with awareness of capital efficiency, the Company will: 1) practice disciplined capital allocation and 2) reduce cross-shareholdings. With regard to 1), the Company plans to attain a total payout ratio of over 50%, which it has been working toward in the current medium-term corporate business plan. It will also consider distributing surplus capital to shareholders after investing for growth. For 2), the Company plans to reduce cross-shareholdings in stages to less than 20% of consolidated net assets, using the cash generated for share buybacks and growth investments to optimize its business portfolio, including M&A.

■ Sustainability initiatives

Contributing to a better future by creating new value Tackling decarbonization and achieving a circular economy

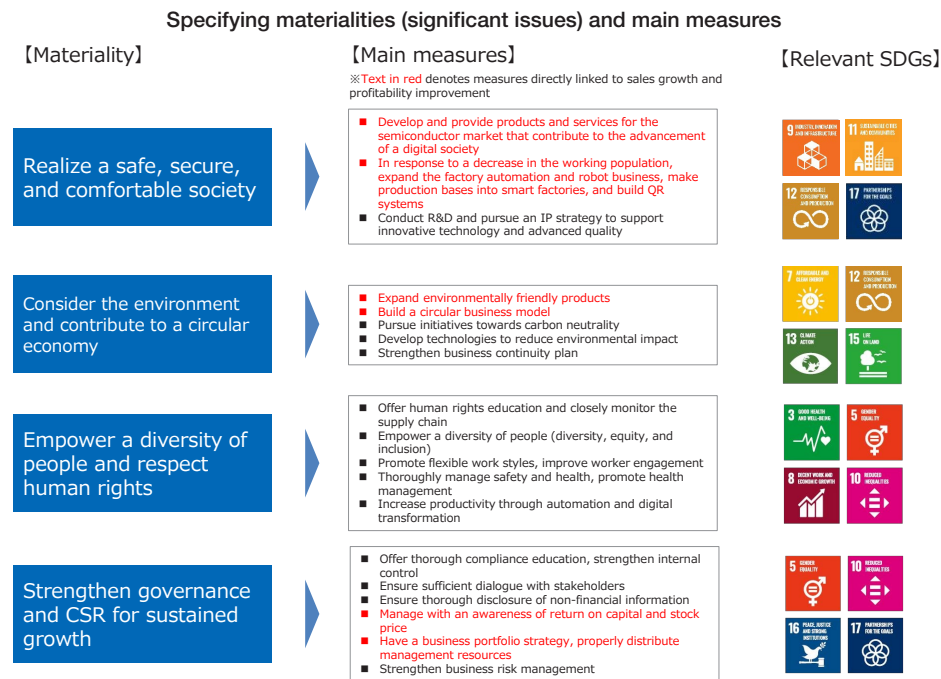
1. Basic principles

Since its founding, the Company has practiced sustainable management while prospering by developing original technologies and generating innovation. The Group’s business activities are based on its management philosophy: “the Kurabo Group contributes to a better future through the creation of new value,” and their objectives are connected to SDGs. Its current medium-term corporate business plan Progress’24 focuses on specific SDGs whereby the Group can make a contribution and incorporates them in detail in the business plan. They are Goal 9 (“Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation”), Goal 11 (“Make cities and human settlements inclusive, safe, resilient and sustainable”), and Goal 12 (“Ensure sustainable consumption and production patterns”).

Sustainability initiatives

2. Specifying materialities

Based on the goal of putting into practice its management philosophy, the Company has identified material issues with the aim of using resources effectively to boost the sustainability of its business and raise corporate value. Specifically, the material issues are: 1) Realize a safe, secure, and comfortable society, 2) Consider the environment and contribute to a circular economy, 3) Empower a diversity of people and respect human rights, and, 4) Strengthen governance and CSR for sustained growth.



Source: The Company's results briefing materials

3. Tackling environmental issues

In 1998, the Company established the Kurabo Environmental Charter to define its basic policies on environmental issues and behavioral guidelines for employees. In addition, since the Company formulated its carbon neutrality roadmap in 2022, it has been implementing climate change countermeasures as a material issue. The Company strengthened its structure for reducing CO₂ emissions and is implementing specific measures to attain the Japanese government's target of a 46% reduction in CO₂ emissions in FY2030 versus FY2013 and carbon neutrality in FY2050. It discloses progress of these measures in documents such as securities reports and integrated report. The Company also expressed support for the Task Force on Climate-Related Financial Disclosures (TCFD) Recommendations and began disclosures based on these recommendations. As well, the Company is working on effective use and recycling of resources, targeting a recycling rate of waste of 97% in FY3/25 by promoting zero emissions.

■ Results trends

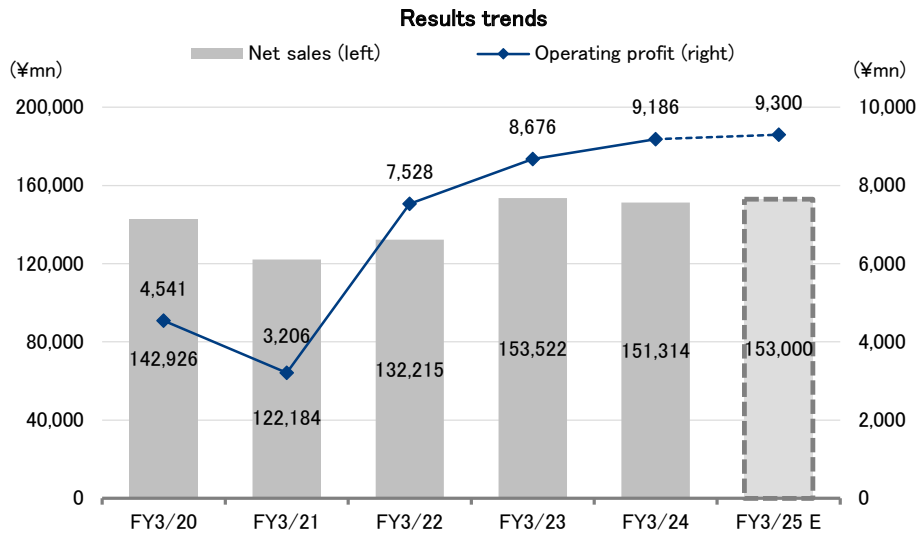
Tackled business structural reforms amid rapid changes in the operating environment. Profitability has recently improved due to growth of semiconductor production-related business

Looking back at earnings trends from FY3/16 onward, net sales mostly trended down through FY3/21 because of changes in the market environment in Japan and overseas and the impact of foreign exchange rates and the COVID-19 pandemic. Net sales were weak for all segments, especially the Textile Business, which was affected by external factors such as slow casual wear demand in Japan and intensifying price competition with overseas products as well as withdrawing from unprofitable businesses. Net sales began to recover in FY3/22 because of the Textile Business bottoming out as a result of structural reforms and growth of the Chemical Products and Advanced Technology businesses due to brisk sales of the semiconductor production-related business.

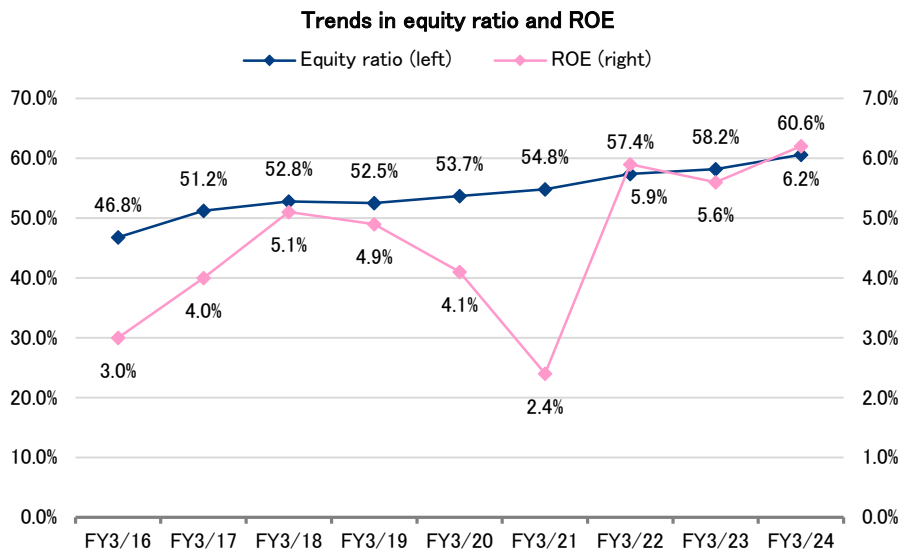
Turning to profit, the operating profit ratio trended mostly in the 3% range through FY3/21. Although the Real Estate Business was a stable source of earnings and added value was increasing in the Advanced Technology Business and others, the Textile Business remained weak. During the period of medium-term corporate business plan Advance'18 (FY3/17-FY3/19), the Company worked on expanding all businesses with a basic policy of "transforming the business to increase earnings." The policy entailed: 1) expanding and strengthening the overseas business; 2) restructuring the domestic business; 3) transforming into a market-oriented business in anticipation of future markets, and 4) pursuing highly profitable businesses. However, the Company missed plan targets, because the speed of change in the operating environment was faster than expected, and withdrawal from and scaling back unprofitable businesses had a negative impact. It also did not achieve targets of the previous medium-term corporate business plan Creation'21, when the Company focused on earnings expansion through innovation and improving corporate value, because the global COVID-19 pandemic was a drag on the pace of reform. After starting the current medium-term corporate business plan Progress'24, profit levels were boosted by expansion of the profitable Advanced Technology Business and growth of the semiconductor production-related business despite the ongoing weakness of the Textile Business, and the Company posted record-high profits in FY3/24.

Looking at the Company's financial condition, the equity ratio improved steadily from the 50% to 60% range, because it reduced total assets through structural reforms and cuts in investment securities while limiting the increase in share capital through aggressive shareholder returns, including share buybacks. ROE (an indicator of capital efficiency) also improved alongside the operating profit ratio, trending around the 6% mark since FY3/22.

Results trends



Source: Prepared by FISCO from the Company's financial results



Source: Prepared by FISCO from the Company's financial results

History

History

Date	History
1888	Koshiro Ohara, from Kurashiki's wealthiest family, established Kurashiki Spinning Works with others (launched Textile Business)
1893	Company renamed Kurashiki Spinning Co., Ltd.
1895	Began export of cotton yarn under own Mitsuuma brand When the Company began exporting cotton fiber to China, the Company created the Mitsuuma (meaning "three horses") trademark. This mark came to symbolize proven, high-grade cotton yarn.
1902	Began basic education of employees Based on the Company's labor idealism, which held that "Business cannot prosper unless employees are happy," the Company strove to provide employees with basic education and personal development by establishing facilities inside the mill, such as an elementary school and handicrafts school.
1909	Second president Magosaburo Ohara established Kurashiki Dento Foreseeing that electricity would inevitably revolutionize industry, Magosaburo Ohara established Kurashiki Dento (now the Chugoku Electric Power Company, Inc.). The power plant contributed to the region by providing electricity to Kurashiki.
1921	Magosaburo Ohara opened the Kurashiki Labor Science Institute Around this time, many employees of spinning mills in Japan were suffering from mental and physical health problems due to things like late nights of work and a harsh work environment. Magosaburo Ohara, Kurabo's second president and a proponent of "labor idealism," was concerned about this situation. Convinced that these problems could be solved through scientific techniques, he launched a program of experiments and surveys. This was the impetus for the establishment of the Kurashiki Labor Science Institute (now the Ohara Memorial Institute for Science of Labor), a hub of all areas of science related to labor.
1923	Magosaburo Ohara opened Kurabo Central Hospital Kurabo president Magosaburo Ohara decided to build a hospital so that he could take care of his employees, who numbered almost 10,000. He also couldn't bear the fact that there were insufficient medical facilities to treat local residents who had contracted the Spanish flu, which was sweeping through western Japan at the time. Kurabo Central Hospital (now Kurashiki Central Hospital) opened with state-of-the-art facilities and equipment and staffed by highly skilled medical personnel. Dedicated to providing the best care, the hospital boasted facilities including a greenhouse where patients could enjoy seasonal flowers. Built at first to care for Kurabo employees, it soon opened its doors to all citizens requiring care.
1926	Established Kurashiki Kenshoku Co., Ltd. Looking to steer the company towards diversifying its synthetic fiber business, Magosaburo Ohara established Kurashiki Kenshoku Co., Ltd. (now Kuraray Co., Ltd.) with the aim of commercializing chemical fiber rayon.
1930	Opened Ohara Museum of Art Japan's very first museum to feature Western art, the Ohara Museum of Art was established by Magosaburo Ohara in memory of his lifelong friend, painter Torajiro Kojima. Torajiro studied art in Europe and wanted to give students in Japan the chance to see Western art, so he purchased Western paintings with the full support of Magosaburo. The works he brought back, including Monet's Water Lilies and El Greco's Annunciation, had a huge impact in Japan at the time.
1957	Began doing business overseas While most Japanese companies were only operating in Japan, Lanificio Kurashiki do Brasil S.A. (now Kurashiki do Brasil Textil Ltda.) was established as Kurabo's first overseas production base.
1962	Launched Chemical Products Business The Company built its business foundation in textiles but began to plan entry into new fields. Its first foray was into polyurethane products, which at that time were beginning to be used for things like bedding in Europe. Focusing on flexible polyurethane foam, which had significant potential for use in mattresses and furniture, the Company decided to go into the Chemical Products Business. Before long, the Company's development and manufacture of polyurethane foam extended into applications such as car seat cushions and building insulation material. This led the Company to combine the technologies it had built up to create synthetic wood that did not corrode or change color, and that had impact resistance and excellent durability and weather fastness. This development coincided with increasingly advanced needs in industrialized housing, prompting the Company to enter the field of housing construction material. Today's the Company's chemical products division collaborates with other Company divisions to fuse technologies for the semiconductor-related products field. The Company is focusing on the functional film business, utilizing resin-blending technology to create high-value-added products.
1962	Launched Food and Services Business The Company entered the food business when the Group acquired Japan Instant Foods (now Japan Jiffy Foods, Inc.), a pioneer in the development of freeze-dried food in Japan.
1964	Established Technical Research Laboratory The Technical Research Laboratory was established as an in-house, independent technological research institute to secure research equipment and facilities and human resources.
1970	Launched engineering business (Advanced Technology Business) Environmental pollution emerged as a problem in many industrialized countries along with rapid economic growth. The treatment of alkaline wastewater and flue gas from Kurabo's factories presented a major challenge. Expensive acid neutralizer was required to bring alkaline wastewater down to within pH standard values. In addition, sulfur oxides (SOx), which is the cause of air pollution and acid rain, had to be removed from the flue gas of the factory boiler and incinerator. To solve these problems, the Company developed its own revolutionary KBCA flue gas desulfurization system, in which flue gas is dissolved in alkaline wastewater to neutralize the wastewater and at the same time effectively remove the SOx in flue gas. By thinking outside the box, it turned a negative into a positive to create an environmentally friendly waste treatment system. The Company used this technology to treat sludge in wastewater from its own plants, which was the beginning of its environmental plant equipment business. It went on to development successes such as the KISCAM system for removing dioxins from exhaust gas and an in-water treatment system, applying basic technologies to provide the most environmentally friendly plants.

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History

Date	History
1970	<p>Launched denim business (Textile Business)</p> <p>Jeans and denim fabric in Japan used to come exclusively from American imports, but the Company foresaw jeans as a global fashion trend and began research into denim raw yarn early on. In 1970, it became the first company in Japan to launch a denim manufacturing business. In 1973, it installed spinning machinery to make denim yarn and began selling KD-8, the first denim fabric made in Japan.</p>
1973	<p>Launched hotel business (Food and Services Business)</p> <p>The Company entered the hotel business with completion of Kurashiki Ivy Square, a hotel and cultural complex housed in the Company's very first head office spinning mill. No longer in use after World War II, the mill was restored to its original late-1800s look, with an impressive ivy-covered red-brick exterior. Back when the building was a spinning mill, the ivy, which inspired the name "Ivy Square," served president Magosaburo Ohara's desire to create a healthy work environment in harmony with nature: it blocked the sun in summer to keep the interior cool, but in winter its leaves fell to allow the sun to warm the mill's interior.</p>
1976	<p>Launched electronics business (Advanced Technology Business)</p> <p>In 1976, Kurabo launched the Information Systems Development Department (now the Electronics Field, Advanced Technology Division). The impetus for this was its success in the development of electronic technologies to control color in the in-house textile dyeing plant. This became possible when the Company commercialized computer color matching (CCM) systems that use computers to do the work of preparing color, a job which had been conventionally done by physically blending dyes. This technology spread to all sectors that deal with colors, providing a key tool for color adjustment and measurement. The software and sensing technologies fostered in this field led to major developments in information processing and inspection and measurement. For example, in information processing, the technology links with CAD/CAM for use in imaging solutions and production control systems; and in inspection and measurement, it is used in high-speed precision inspection and measuring systems, which harness wavelengths not visible to the naked eye (infrared and ultraviolet light).</p>
1982	<p>Launched biomedical business (Advanced Technology Business)</p> <p>The biotechnology boom arrived with the ability to handle genes inside test tubes. Research institutes everywhere began extracting genes, but at that time it was still all done by hand. Gene extraction was a delicate process that had to proceed with the utmost care, and many researchers had to take significant time to carry out this menial work. To make this work easier, the Company launched its biomedical project. Using its technical foundation comprising the bioengineering and mechatronics technologies of the Technical Research Laboratory, the Company developed its first automated nucleic acid isolation system through trial and error. This system was compatible with laboratory automation, which was rapidly spreading at the time, and it earned praise from many researchers. This creative and low-cost system responded to the needs of the times, especially with the start of the Human Genome Project a few years later. For this reason, it was lauded as one of the three most important pieces of equipment in the gene analysis field. Today, its use has spread to include gene analysis reagents and cell culture reagents in the food and medical fields.</p>
1987	<p>Launched Real Estate Business</p> <p>The Company launched the Assets Promotion Project (now the Real Estate Division) to make use of idle land.</p>
1988	<p>"Kurabo" adopted as official company name</p> <p>To commemorate the Company's 100th anniversary, on March 9, 1988 "Kurabo" was adopted as the official company name and a new corporate logo was designed.</p>
1996	<p>Completed construction of Tokushima Plant (Textile Business)</p> <p>The Company completed construction of the Tokushima Plant (in Anan, Tokushima Prefecture), a facility with the latest environmental equipment for developing and carrying out dye processing.</p>
2012	<p>Launched super engineering plastic film business (Chemical Products Business)</p> <p>Construction was completed on the Mie Plant (in Tsu, Mie Prefecture), expanding the Company's film business and marking entry into the super engineering plastic film business.</p> <p>Opened Kumamoto Development Center (Chemical Products Business)</p> <p>The Company established the Kumamoto Development Center (now the Kumamoto Office and R&D Center in Kikuchi, Kumamoto Prefecture). The site develops and manufactures high-performance plastic products for use in semiconductor manufacturing equipment.</p>
2016	<p>Completed construction of Kurabo Advanced Technology Center (Advanced Technology Business)</p> <p>Construction was completed on the Kurabo Advanced Technology Center (Neyagawa, Osaka Prefecture), a technological research laboratory for creating technologies and developing products that differentiate the Company from its competitors. The facility is a research hub that brings together engineers from various fields who collaborate using state-of-the-art testing and evaluation equipment. Working with the Company's business divisions and development divisions of Group companies, it drives the creation of new businesses.</p> <p>Began biomass power business (Advanced Technology Business)</p> <p>Utilizing proprietary technologies fostered in the engineering business, Kurabo completed an environmentally friendly wood biomass power generator at the Tokushima Plant. Using timber from forest thinnings and other wood as fuel, the generator combines steam turbines with a fluidized-bed boiler using an improvement on Kurabo's fluidized incinerator technology. By mainly using forest thinnings from Tokushima Prefecture, the facility helps maintain forests and revitalizes the local forestry business.</p>
2017	<p>Began development of smart clothing (Textile Business)</p> <p>Focusing on measures against heatstroke as a new business area that could help solve a problem in society, the Company began developing a risk management system in which wearable devices on smart clothing are used to provide real-time analysis of big data such as the wearer's biological information. Smartfit for Work went on sale the following year.</p>
2018	<p>Opened Textile Innovation Center (TIC) (Textile Business)</p> <p>The Company established the first R&D base in the Textile Business in the Anjo Mill (Anjo, Aichi Prefecture). Managed directly by the Textile Business Division, the TIC comprises specialists in spinning, weaving, dye processing, and sewing. It conducts R&D and fosters engineers for Kurabo's next generation.</p>
2020	<p>Launched robot system business (Advanced Technology Business)</p> <p>The Company developed the KURASENSE 3D vision sensor for robots by combining proprietary high-speed image processing and 3D measurement technologies. It began taking orders for KURASENSE 3D products such as robotic systems that automate the work of inserting flat cables. Built around vision sensing technology, these systems promote the automated handling of flexible objects in manufacturing processes.</p>

Source: Prepared by FISCO from the Company's website

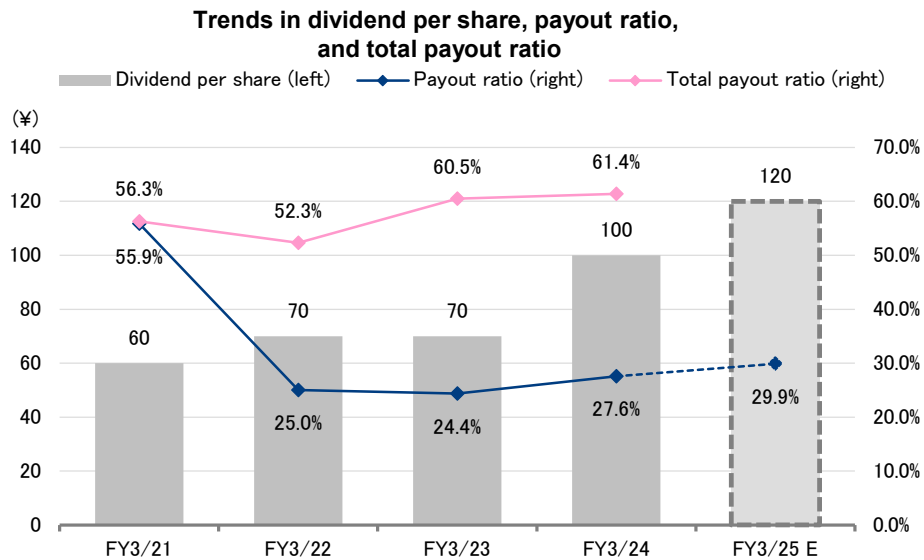
Shareholder return

Current medium-term corporate business plan targets a total payout ratio of over 50% as an initiative with awareness of capital efficiency

The Company’s basic shareholder return policy is stable and continuous distribution of profit to shareholders. The Company will also consider share buybacks. The current medium-term corporate business plan targets a total payout ratio of over 50%.

In FY3/24, the Company paid an annual dividend of ¥100 per share (¥40 interim, ¥60 period-end), an increase of ¥30 from FY3/23. Based on a resolution of the board of directors meeting on December 19, 2023*, it also repurchased 813,200 shares for ¥2,294mn. As a result, the total payout ratio was 61.4%. For FY3/25, the Company forecasts an annual dividend of ¥120 per share (¥60 interim, ¥60 period-end), an increase of ¥20 from FY3/24.

* The Company plans to repurchase up to 1,700,000 shares for up to ¥4.0bn between December 20, 2023 and December 19, 2024. Share buybacks will continue until the maximum limit is reached.



Source: Prepared by FISCO from the Company’s financial results

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