

One 2025

Medium-term Management Plan

One2025

May 12th, 2023
Securities code: 6490

1 / **Review of Previous Medium-term Management Plan
“BTvision22”**

2 / **New Medium-term Management Plan “One2025”**

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Review of Previous Medium-term Management Plan BTvision22

Review

Consolidated

(Unit: Million Yen)

	BTvision19	BTvision22		
	FY2019	FY2020	FY2021	FY2022
	Final year results	First year results	2nd year results	Final year results
Sales	29,213	30,200	40,670	48,702
Operating income	3,683	4,847	11,392	13,842
Operating income ratio	12.6%	16.1%	28.0%	28.4%
ROE	6.2%	7.8%	16.8%	18.6%
Payout ratio	36.8%	34.6%	30.3%	30.0%
Growth investment	(3-year cumulative total)	972	992	1,751
	11,649	(3-year cumulative total) 3,715		

By segment

Electronic equipment business					
Sales	18,221	20,645	30,410	36,819	
Operating income	2,253	4,130	9,737	11,759	
Industrial equipment business					
Sales	10,915	9,471	10,146	11,844	
Operating income	1,404	691	1,589	2,059	

Enhancing business infrastructure	<ul style="list-style-type: none"> ● Made a big leap in earnings especially in the business for the semiconductor market. ● Productivity improvement and many different measures made a progress toward a lean business structure.
Achieving further globalization	<ul style="list-style-type: none"> ● Achieved our target of bringing overseas sales ratio to 30%. (Scale of sales was expanded as well.) ● With Pillar Technology (Chuzhou) Co., Ltd. established, now we can better meet the Chinese market.
Creating new businesses	<ul style="list-style-type: none"> ● With our core technologies as a central focus, such technologies have been applied to the growing markets, such as hydrogen utilization and decarbonization. ● Industry-government-academia collaboration has been strengthened.
Promoting ESG/SDGs management	<ul style="list-style-type: none"> ● Awarded “B-” CDP score. Disclosure contents of our ESG initiatives have been enriched. ● Issued Health Management Declaration and recognized as a Certified Health and Productivity Management Organization.
Financial strategy	<ul style="list-style-type: none"> ● Achieved our target of bringing payout ratio to 30%. ● Started construction of Fukuchiyama Second Factory, a strategic investment to achieve business growth.

Without being satisfied with the status quo, aim to further enhance corporate value.

Challenge	<p>For continuous creation of economic and social values while flexibly keeping pace with and needs of the times</p> <p style="text-align: center;">Development of a business structure and transformation to an organizational structure</p> <ul style="list-style-type: none"> ● Evolvement of core businesses ● Creation of a new business foundation ● Enhancement of organizational and personnel strengths that have sustainability and growth potential
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**New Medium-term
Management Plan
One2025**

Creating the future “supporting the society”

Based on our slogan “CLEAN, SAFETY, and FRONTIER,” we take advantage of our own “fluid control technologies” and provide state-of-the-art products, technologies, and services to continue contributing to “realizing a sustainable society” and “creating economic value.”

“Realizing a sustainable society” and “creating economic value”

“Fluid control technologies” × “State-of-the-art products, services, and technologies”

CLEAN

Realizing the clean
global environment

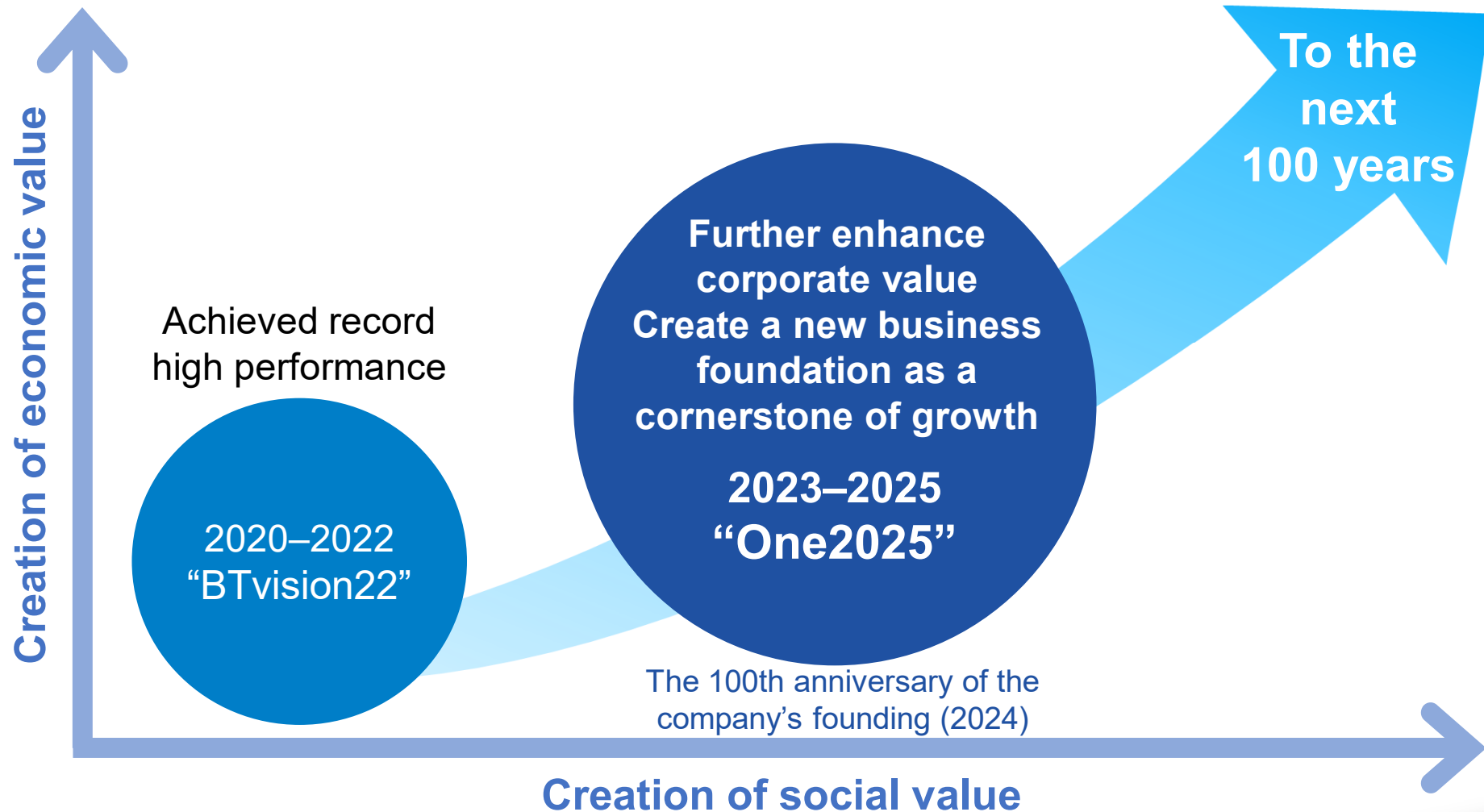
SAFETY

Contributing to a safe
and secure society

FRONTIER

Challenging for new
fields on the cutting
edge

At this turning point marked by the 100th anniversary of the company’s founding, we will pursue further improvement of corporate value (economic value × social value) and lay the foundation to make a leap forward toward the next 100 years.



One 2025

Four “Ones” that the name stands for

Day One

Pioneering spirit, challenging spirit, and sense of purpose on the first day of founding

Only One

Pursuit of uniqueness that can be obtained only by our group

Number One (No. 1)

Aiming to be number one not only in business but also in terms of technical development, social contribution, and nurturing of human resources

One Team One Pillar

Activities carried out by our group as one

Promoting Innovative Business/Organizational Change and Transformation for Further Corporate Value Enhancement

1	Evolution of core businesses	In addition to further strengthening of core business areas, further increase economic value to offer through growth achieved by the area expansion leveraging our core technologies and evolution not subject to the market conditions.
2	Strengthening of global competitive edge	Develop highly unique fundamental technology and strengthen responsiveness to area characteristics, thereby expanding our global share.
3	Creation of a new business foundation	In the semiconductor market and growth markets such as hydrogen and ammonia, create a new business foundation with our unique technologies and through M&A and industry-government-academia collaboration.
4	Development of sustainable management	Further develop sustainable management through investment in human resources and DX utilization that contributes to productivity improvement, as well as ESG measures.
5	Financial strategies that support growth	Enhance cash flow generation capability and pursue financial strategies to drive investment in further growth aiming at a payout ratio of 30% or more.

Consolidated					(Unit: Million Yen)
	BTvision22	One2025			
	FY2022	FY2025	Increase (Decrease)	Change rate	
	Results	Target			
Sales	48,702	66,000	17,298	35.5%	
Operating income	13,842	17,000	3,158	22.8%	
Operating income ratio	28.4%	25.7%	-2.7 P	—	
ROE	18.6%	10% or more	—	—	
Payout ratio	30.0%	30% or more	—	—	
Growth investment	(3-year cumulative total) 3,715	(3-year cumulative total) 25,000	21,285	672.9%	

By segment				
Electronic equipment business				
Sales	36,819	48,000	11,181	30.3%
Operating income	11,759	14,500	2,741	23.3%
Industrial equipment business				
Sales	11,844	18,000	6,156	51.9%
Operating income	2,059	2,500	441	21.4%

Evolverment of core businesses

- Expanding production facilities in a timely manner to respond to demand without fail
- Expanding market share based on our technological advantages
- Strengthening revenue generation by improving peripheral services

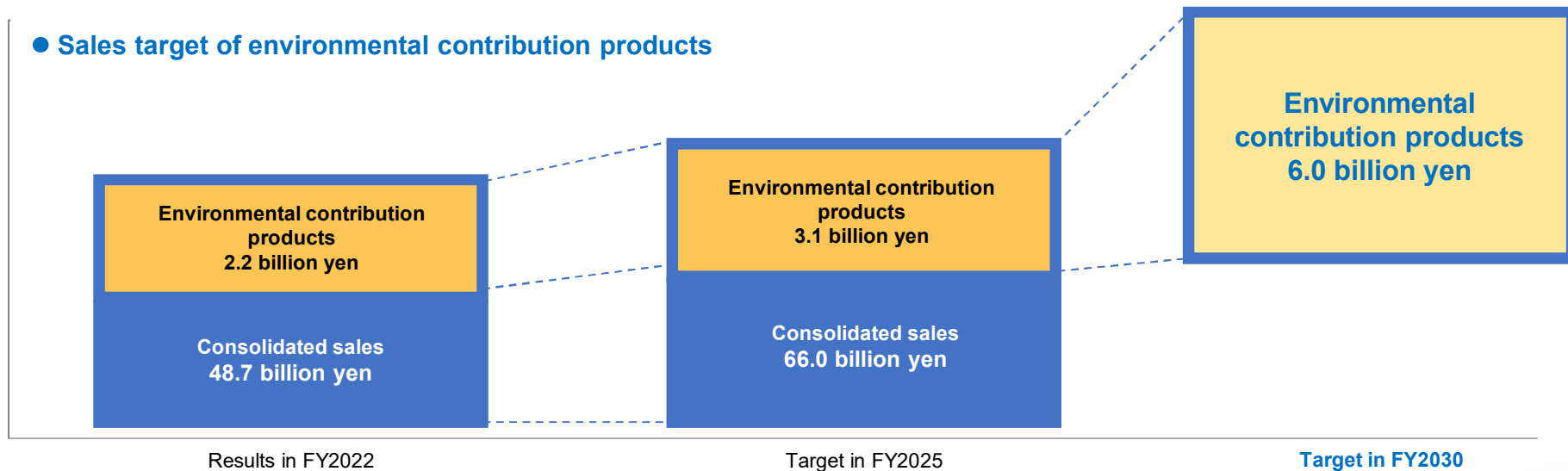
Strengthening of global competitive edge

- Strengthening entry into overseas markets by deploying core products
- Launching highly price-competitive products to respond to local requirement specifications
- Strengthening global supply chains

Creation of a new business foundation

- Strengthening environmental contribution product development
- Exploring new markets based on our advantageous materials and technologies
- Generating revenues by expanding product appeals such as modular products

● Sales target of environmental contribution products



**Electronic equipment
business**

Vision of One2025

Build a solid business foundation through continuous launch of high value-added/differentiation products to the ever evolving and growing semiconductor market.

**Creation of new
businesses**

- Develop new materials and new technologies required for the next generation semiconductor market and new concepts, and launch new products.
- Expand business area that goes beyond parts manufacturing using our fluid control technology in a wide range.
- Open new market by expanding the functions of fluoro resin substrates.

**Strengthening of existing
markets and products**

- Expand the production functions of Pillar Technology (Chuzhou) and increase our share of the Chinese market.
- Proactively launch high value-added products to compete with semiconductor equipment manufacturers in the US and European markets.

**Reinforcement of the
foundation to further
improve competitiveness**

- Increase product supply capacity with the start of operations at Fukuchiyama Second Factory.
- Improve productivity and enhance cost competitiveness through continuous improvement in production technology.
- Enhance environmental responsiveness by promoting resin recycling.

**Industrial equipment
business**

Vision of One2025

Acquire an overwhelming global share in new markets created by “decarbonization” and other social challenges.

**Creation of new
businesses**

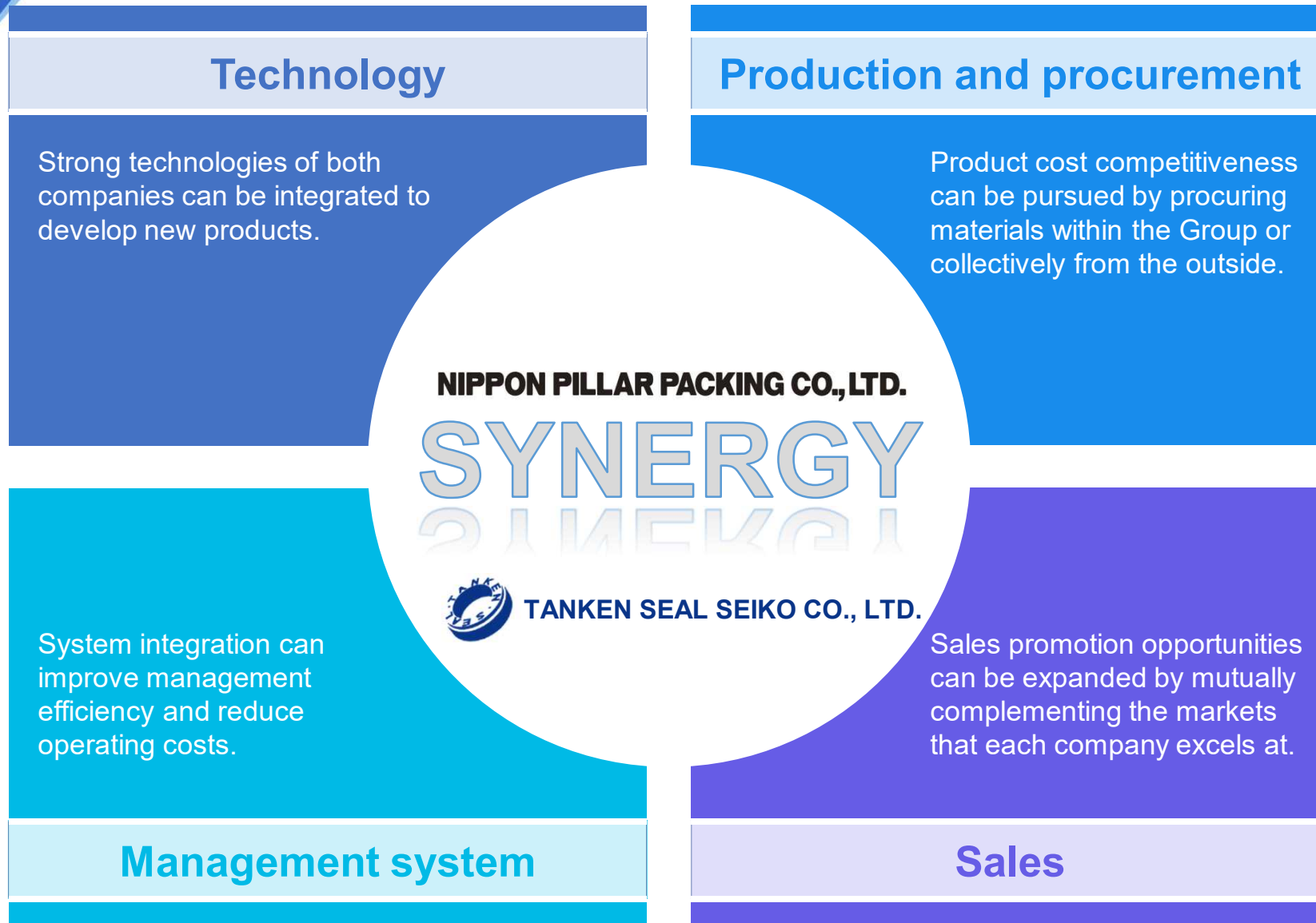
- Proactive product launch to the growth market such as next-generation batteries, hydrogen and EV
- Creation of new markets through technical synergies with Tanken Seal Seiko
- Business development by further expanding to the engineering and service business areas

**Strengthening of existing
markets and products**

- Development of mechanical seal products (RJ) that meet rigorous requirements for the next-generation semiconductor equipment
- Expansion of global market share of gland packing products that have passed international standard test

**Reinforcement of the
foundation to further
improve competitiveness**

- Shortening of new product development lead time and productivity improvement by digitalizing and reforming development/production process
- Expansion and profitability improvement of the maintenance business by enhancing function of repair bases



Aiming to develop sustainable management and setting nine priority targets

Priority targets

Environmental contribution products

1. Reducing Scope 1 and Scope 2 greenhouse gas emissions by 25% compared with FY2013
2. Abolishing the use of three of the chemical substances specified by the Pollutant Release and Transfer Register (PRTR) Act
3. Obtaining and maintaining at least CDP score “B”

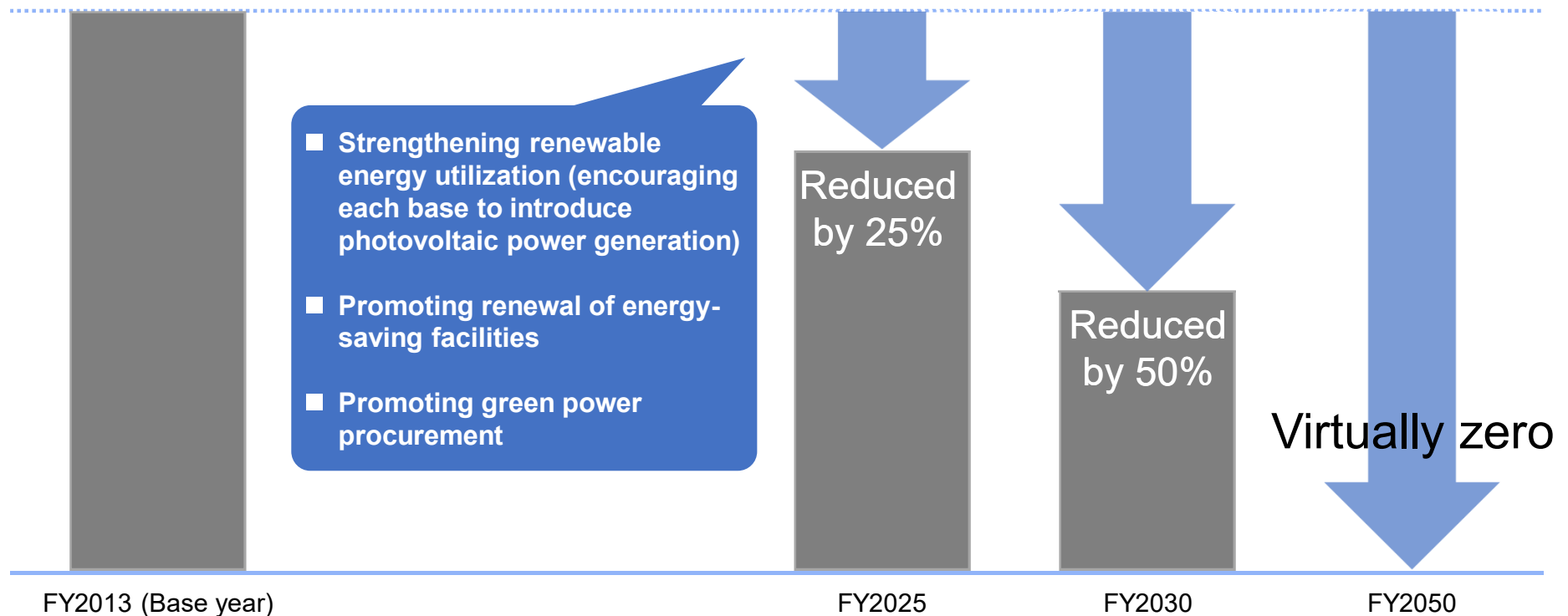
Active human resources / Organizational growth

4. Achieving at least 5% for the percentage of female managers
5. Achieving at least 75% for the percentage of male employees taking childcare leave
6. Increasing the amount invested in human resource development per person by 20%
7. Implementing management training related to various human resource utilization
8. Implementing training for mastering the use of practical tools to cultivate human resources for digital transformation (DX)
9. Utilizing digital tools to inherit professional skills and to master advanced skills efficiently

Reducing CO₂ emissions from the Company (Scope 1&2)

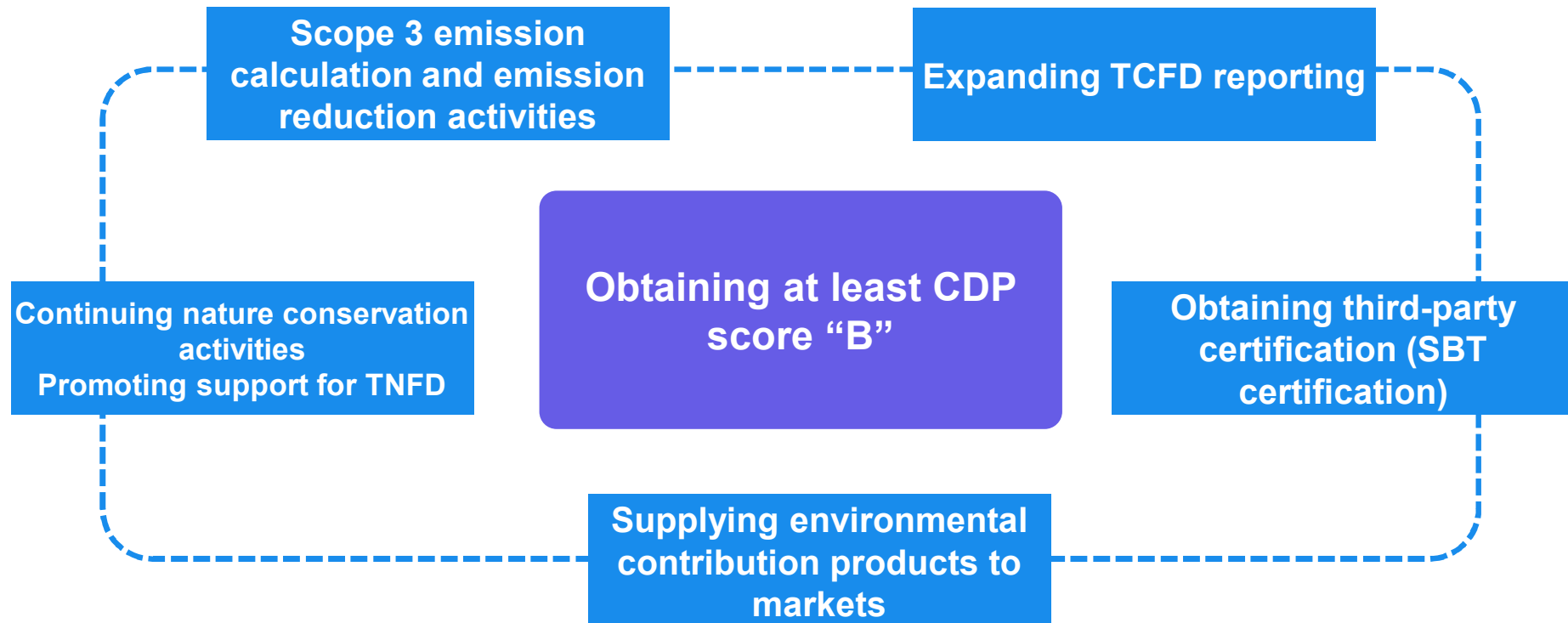
Reducing CO₂ emissions by 25% (compared with FY2013) by FY2025 to achieve “virtually zero” CO₂ emissions by FY2050

CO₂ emissions from the Company



Further enhancing environmental contribution activities

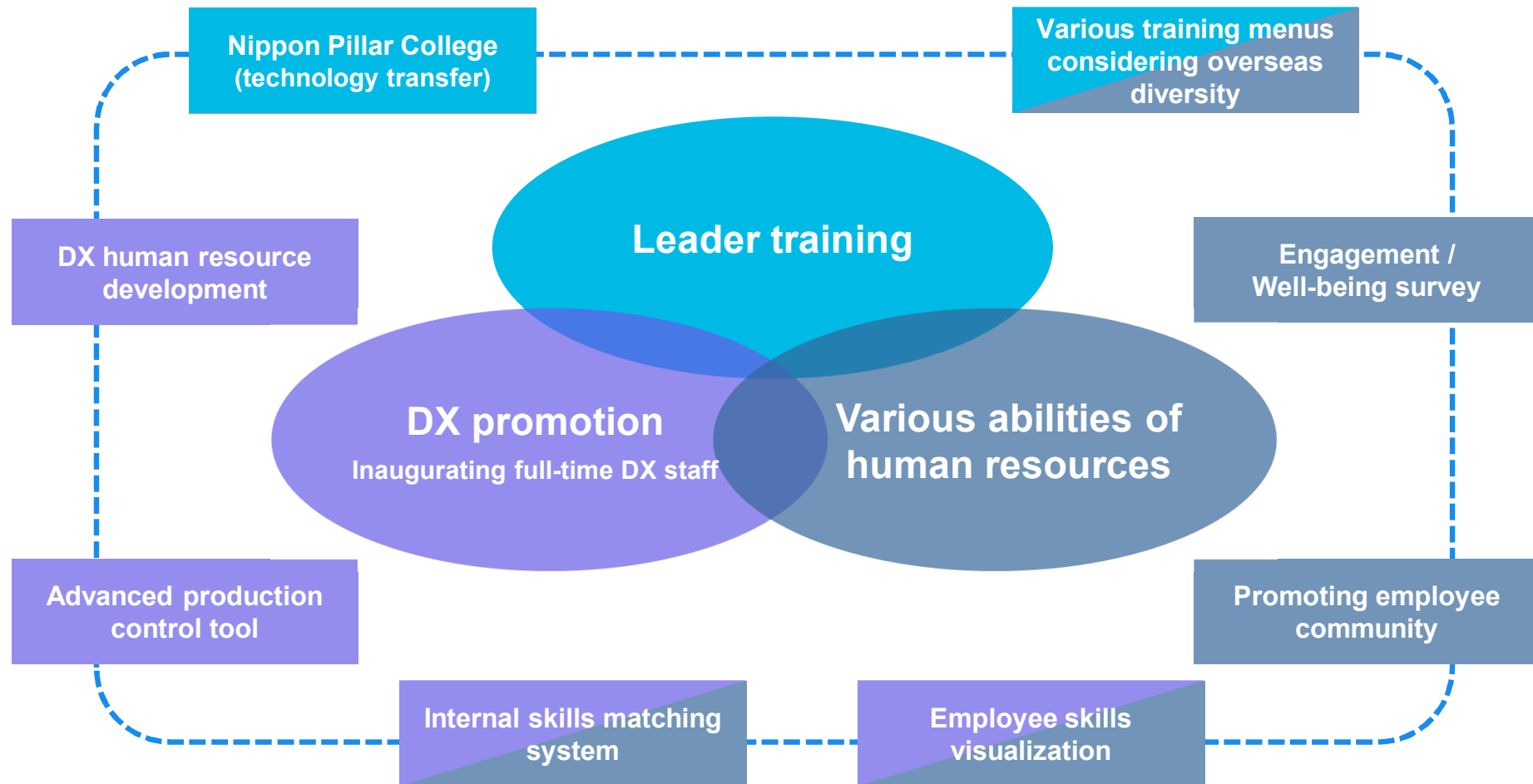
Accelerating decarbonization activities and aiming to obtain at least CDP score “B” while securing objective appropriateness



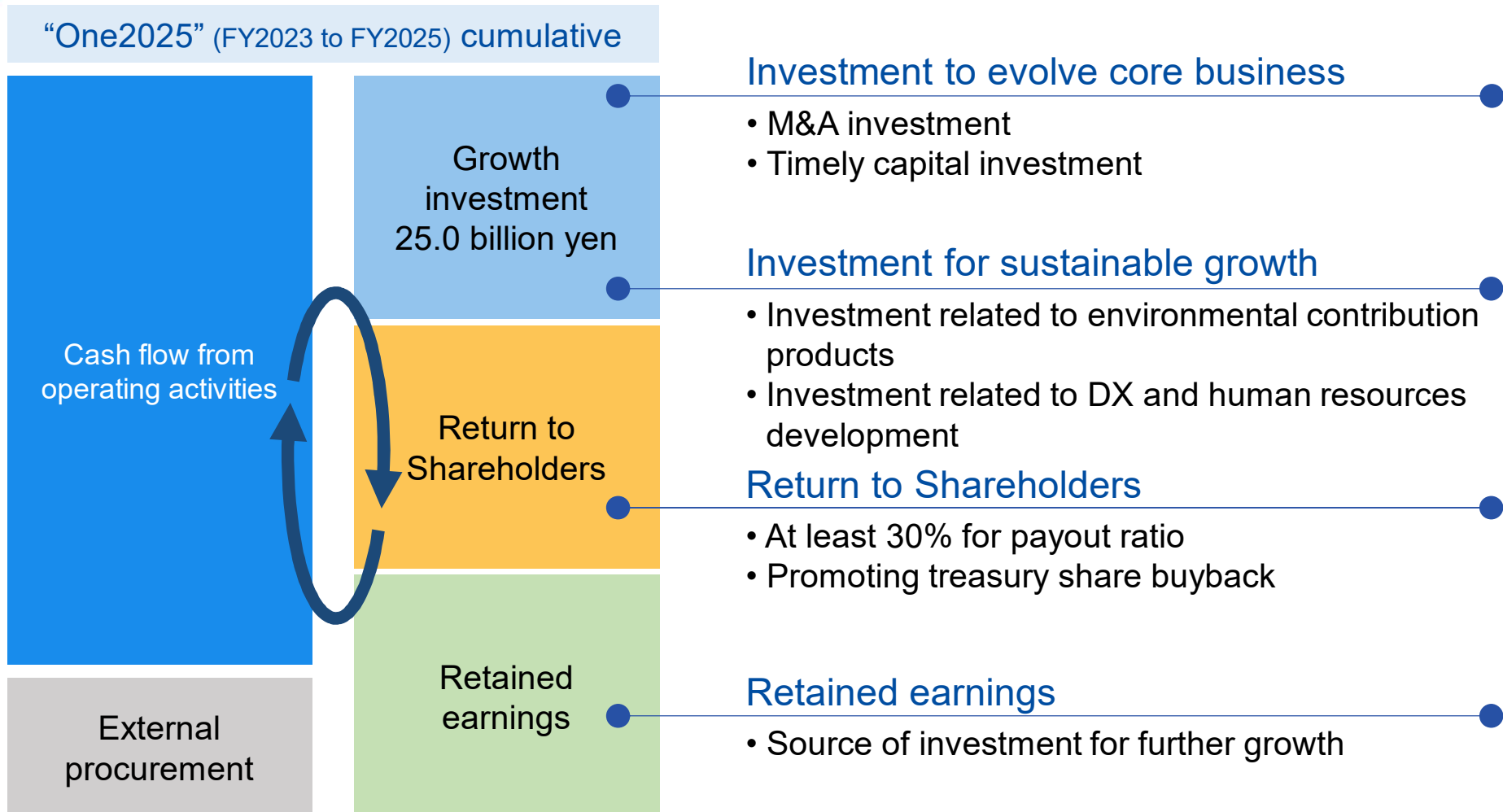
CDP: Carbon Disclosure Project
TNFD: Taskforce on Nature-related Financial Disclosures

TCFD: Task Force on Climate-related Financial Disclosures
SBT: Science Based Targets

Bringing out various abilities of human resources and utilizing DX and IT tools to pursue sustainable organizational growth



Implementing shareholder returns satisfying both capital efficiency and growth investment while securing financial resources for sufficient growth investment



* The size of each item does not indicate expected revenue or expenditure.



The fluid leak prevention and control equipment manufacturer

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