

The background is a collage of four images: top-left shows an offshore oil rig at night with red laser lines; top-center shows a blue sky with white clouds over a green landscape; top-right shows a night view of a city built on a hillside overlooking water; bottom-left shows an industrial facility with large storage tanks and cranes at night; bottom-right shows a city skyline at night with the Tokyo Skytree tower prominent.

Financial Results Briefing for the Fiscal Year Ended March 31, 2025

SEIKA CORPORATION
(TSE Prime Market: 8061)

- 1.** Financial Summary
- 2.** Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2025
- 3.** Long-Term Management Vision and Revisions of Numerical Targets in the Medium-Term Management Plan
- 4.** Consolidated Forecast for the Fiscal Year Ending March 31, 2026
- 5.** Points of Interest from Communications with Shareholders and Investors

— Reference Materials —

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Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Billion yen)

Transaction value: **290.44** billion yen (up 85.06 billion yen YoY)

Net sales: **93.73** billion yen* (up 6.95 billion yen YoY) * For the distributor business, online fees alone are posted.

Operating profit: **6.48** billion yen (up 0.90 billion yen YoY)

- Progress with negotiations on thermal and nuclear power plant equipment contributed to steady growth in business volumes.
 - Consolidated subsidiaries Nippon Daiya Valve Co., Ltd. and Tsurumi (Europe) GmbH maintained their strong performance.
- ⇒ Transaction value, net sales, and operating profit all posted increases.

Profit attributable to owners of parent: **7.79** billion yen (up 3.31 billion yen YoY)

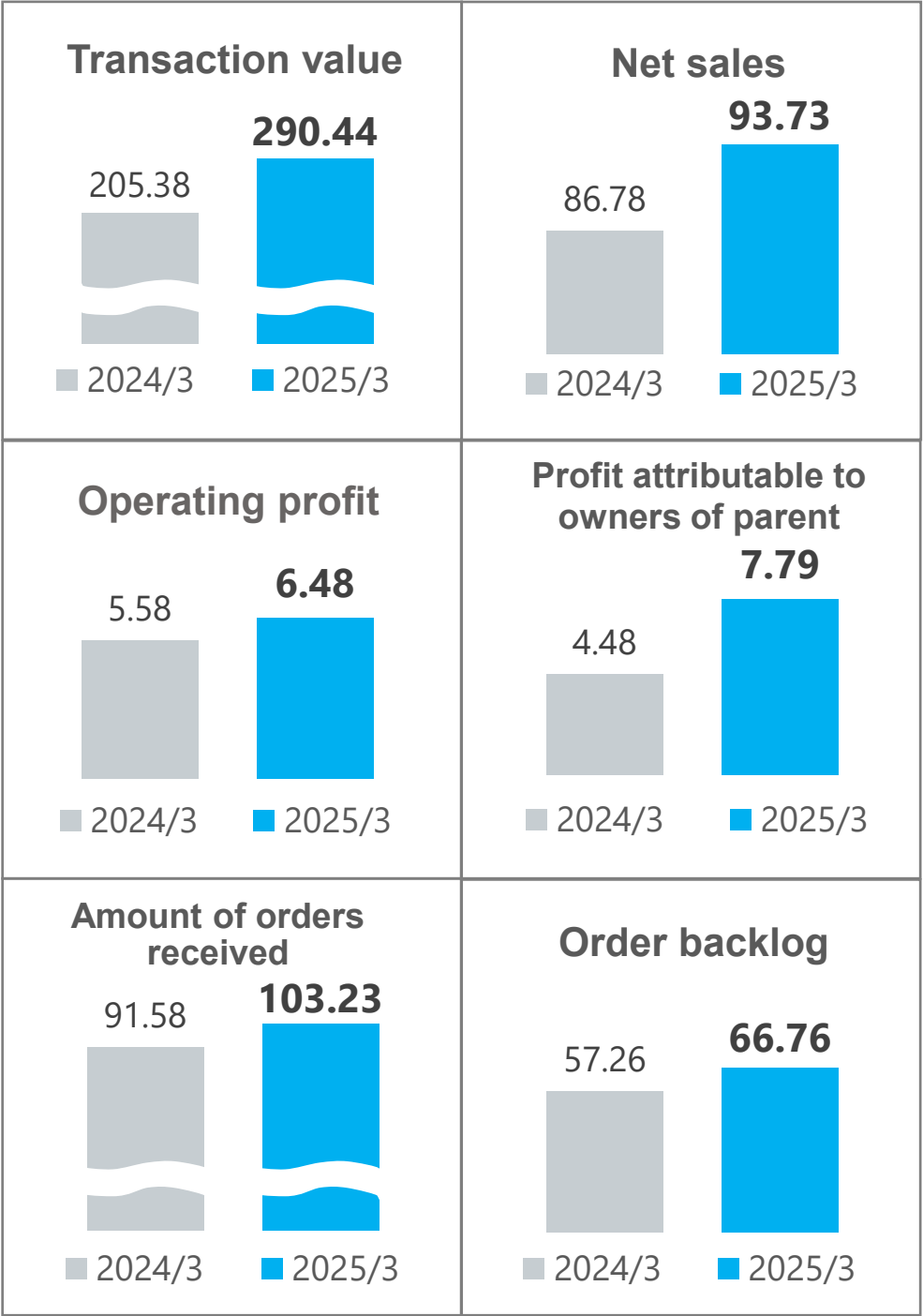
- Profit attributable to owners of parent increased significantly, reflecting a 0.95 billion yen gain in negative goodwill from making Fenwal Controls of Japan, Ltd. an equity method affiliate and 2.78 billion yen (1.90 billion yen after tax) gain on the sales of cross-shareholdings, in addition to the increase in operating profit.

Order backlog: **66.76** billion yen (up 9.50 billion yen YoY)

- The order backlog increased considerably, benefiting from the Industrial Machinery Business returning to a recovery track (+8.70 billion yen), in addition to continuing strong performance in the Energy Business (+0.77 billion yen).

Dividend Forecast: **220** yen (up 70 yen YoY)

- We expect to pay a dividend of 220 yen per share for FY2024, reflecting the upward revision of forecast results. (This represents a 40-yen increase from the initially planned dividend of 180 yen per share.)



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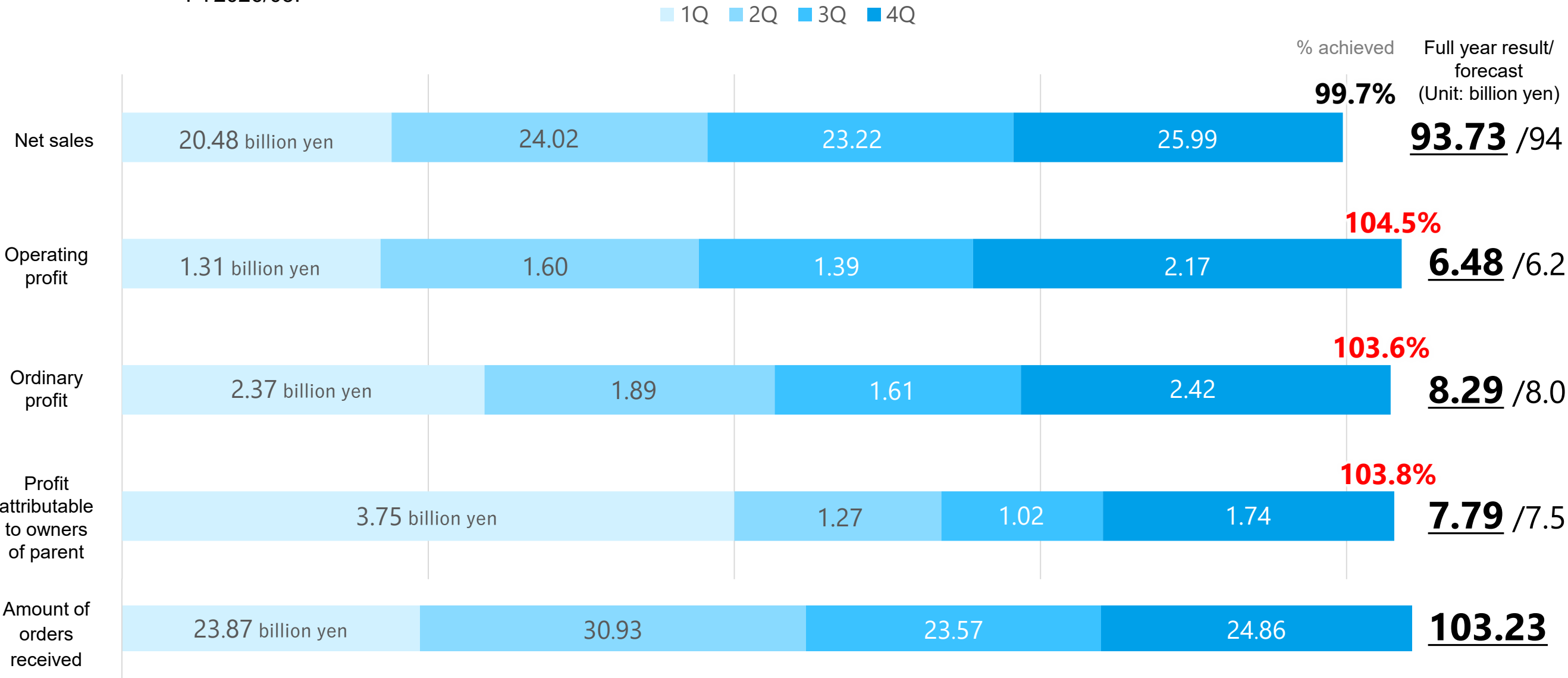
— Reference Materials —

Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2025

	2024/3 Results	2025/3 Results	Change
Transaction value	205.38 billion yen	290.44 billion yen	41.4 %
Net sales	86.78 billion yen	93.73 billion yen	8.0 %
Operating profit	5.58 billion yen	6.48 billion yen	16.3 %
Ordinary profit	6.25 billion yen	8.29 billion yen	32.7 %
Profit attributable to owners of parent	4.48 billion yen	7.79 billion yen	73.7 %
Amount of orders received	91.58 billion yen	103.23 billion yen	12.7 %
Order backlog	57.26 billion yen	66.76 billion yen	16.6 %

Progress on Consolidated Performance

- As in previous years, performance is skewed towards the second half of the year.
- Profit attributable to owners of parent reflects the sale of cross-shareholdings and negative goodwill arising from Fenwal Controls of Japan becoming an equity method affiliate in 1Q.
- At 103.23 billion yen, the amount of orders received exceeds net sales, boding well for smooth deliveries in FY2026/03.





SEIKA CORPORATION Group

Parent

Consolidated subsidiaries
(domestic and overseas)

Equity method
affiliate companies



Energy Business



SEIKA CORPORATION



FENWAL CONTROLS OF JAPAN, LTD.



TVE Co. Ltd.



Meinan Kyodo Energy Co., Ltd.



Industrial Machinery
Business



SEIKA CORPORATION



Seika Sangyo GmbH



SEIKA SHANGHAI Co., LTD



FORMOSA SEIKA CORPORATION



SEIKA MACHINERY, INC.



SEIKA SANGYO (VIETNAM)
COMPANY LIMITED



Seika Sangyo (Thailand) Co., Ltd.



Product Business



SEIKA CORPORATION

Tsurumi
(Europe)
GmbH

NDV
NIPPON DAIYA VALVE
CO., LTD.

SDE
Seika Daiya
Engine Co., Ltd.



Shikishimakiki Corporation

Seika Digital Image
Seika Digital Image CORPORATION

田中造船
SHIPYARD TANAKA since 1861
Shipyards Tanaka Co., Ltd.



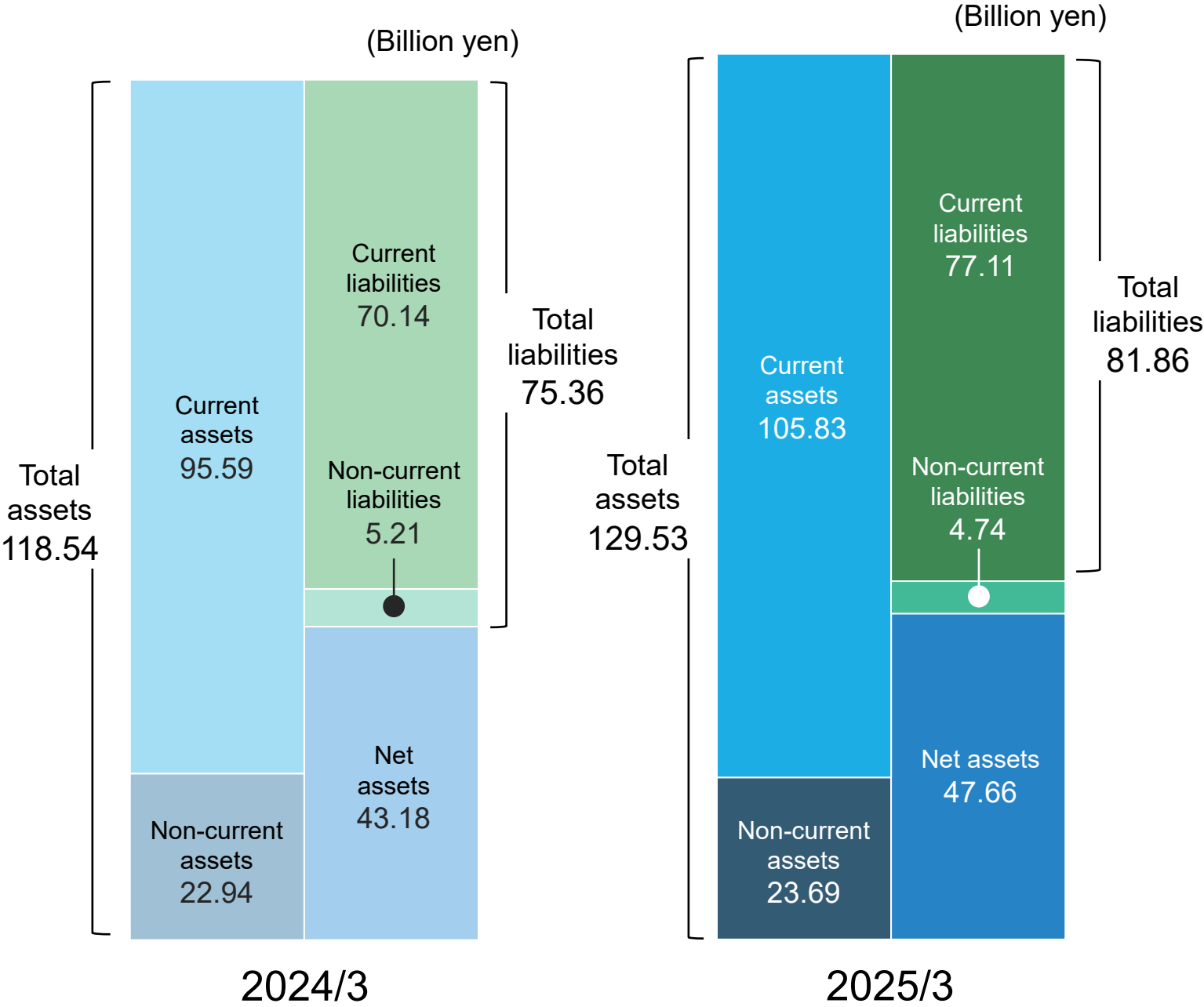
粉粒体の立体搬送専門メーカー

エステック株式会社
S-TEC CO., LTD.

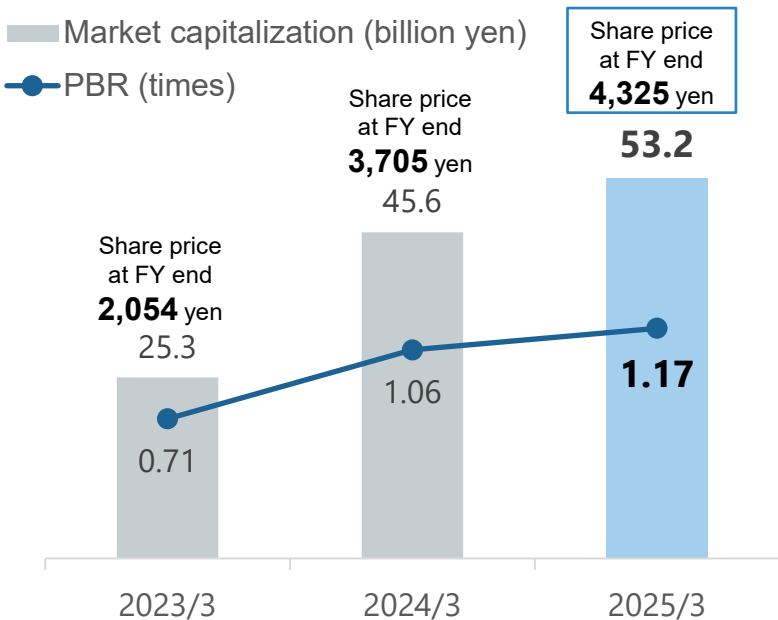


Ten Feet Wright
TEN FEET WRIGHT INC.

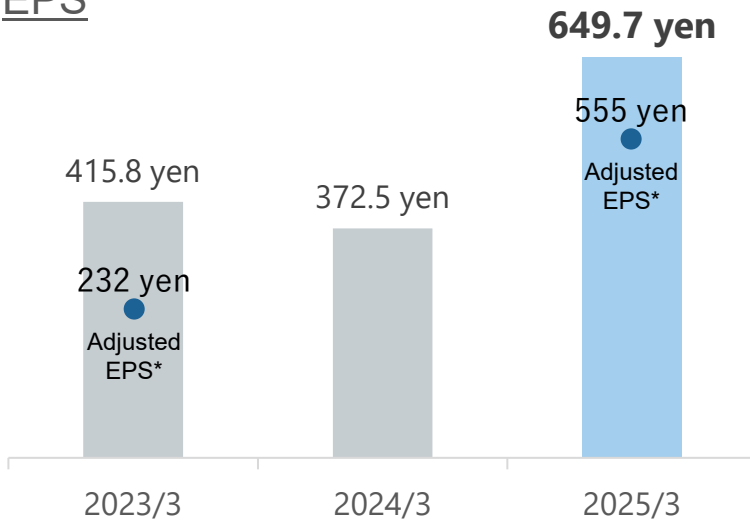
Consolidated Balance Sheet



Market capitalization and PBR

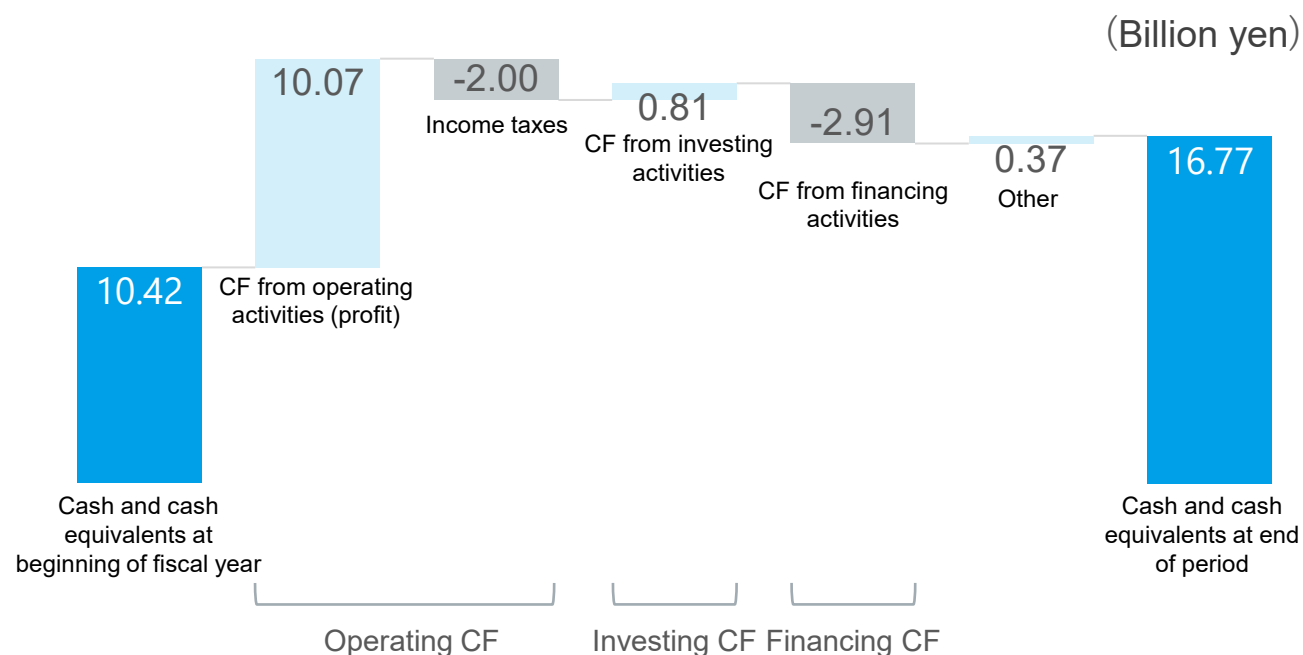


EPS



* The values for adjusted EPS exclude temporary factors, such as negative goodwill.

Cash Flows



- Net cash provided by operating activities stood at 8.07 billion yen, a significant improvement from the previous year.
- Free cash flows improved significantly year on year to 8.88 billion yen, due chiefly to the sale of cross-shareholdings, which offset the 1.80 billion yen cash outlay to acquire shares in Fenwal Controls of Japan.
- The sale of cross-shareholdings made progress and accounted for 19.88% of consolidated net assets as of March 31, 2025.

(Billion yen)

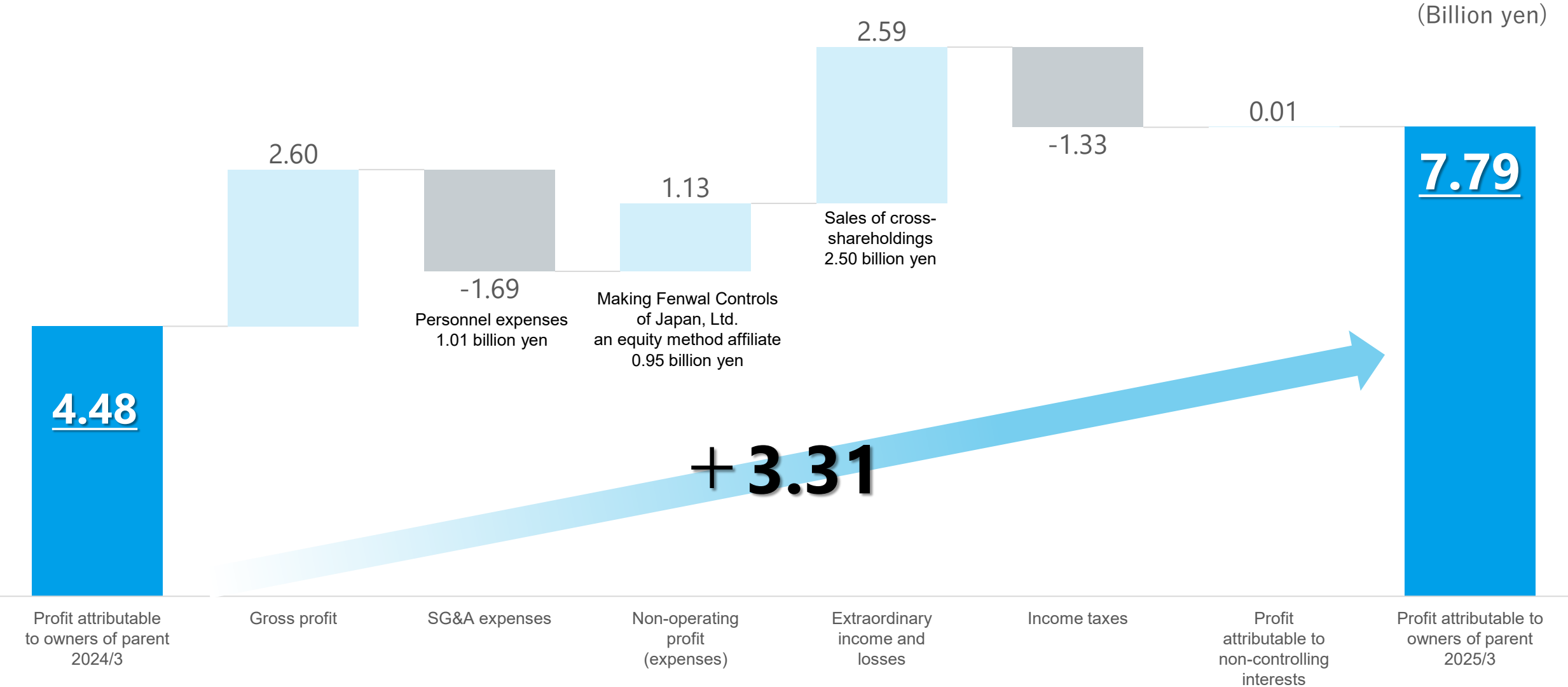
	2024/3	2025/3	Change
CF from operating activities	2.54	8.07	5.53
CF from investing activities	-0.08	0.81	0.89
CF from financing activities	-3.46	-2.91	0.55
Cash and cash equivalents at end of period	10.42	16.77	6.35
Free CF*	2.45	8.88	6.43
* A total of cash flows from operating activities and those from investing activities			
Depreciation	0.58	0.72	0.14
Decrease in borrowings	-2.01	—	2.01
Dividend payments	-1.38	-2.16	-0.78

Major items in net cash provided by (used in) investing activities

Sales of investment securities	0.46	3.23	2.77
Purchase of shares of subsidiaries and associates	—	-1.81	-1.81
Purchase of property, plant and equipment	-0.51	-0.61	-0.10
Other	-0.03	0	0.03
Total	-0.08	0.81	0.89

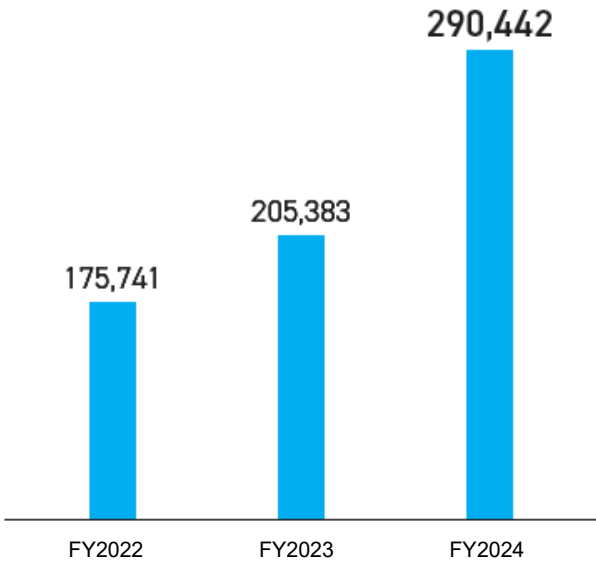
Waterfall Analysis of Profit Attributable to Owners of Parent (2024/3 vs 2025/3)

- As in the previous year, the Energy Business and key consolidated subsidiaries produced positive results, leading to higher net sales and operating profit.
- Profit rose significantly due to these factors, along with negative goodwill from Fenwal Controls of Japan becoming an equity method affiliate and gains from the sale of cross-shareholdings.

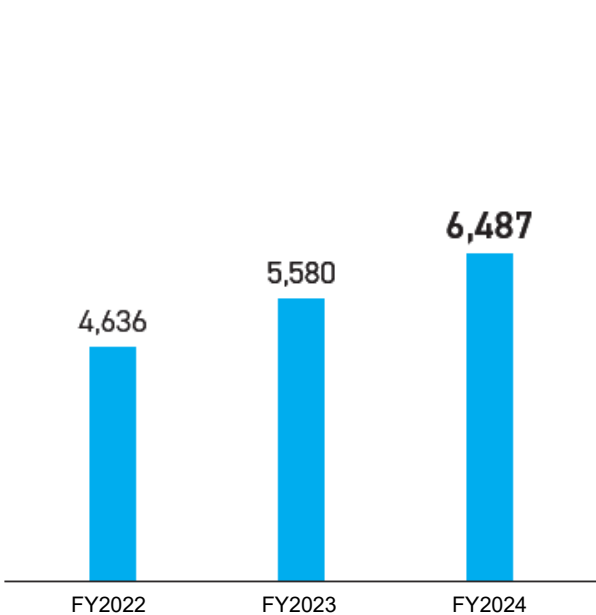


Changes over the Past Three Years

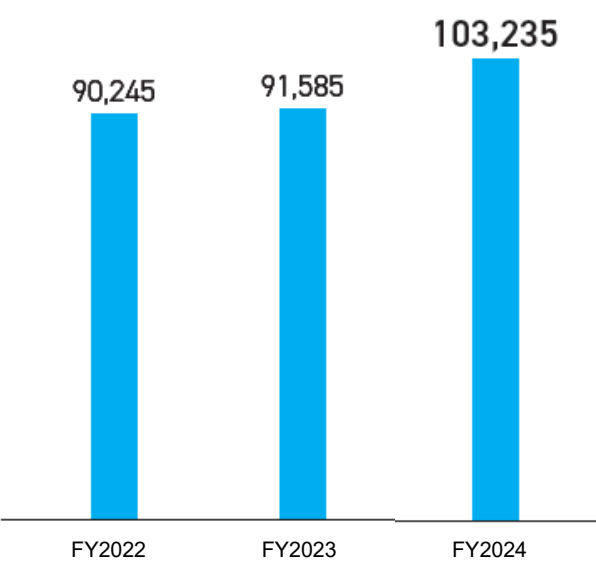
Amount of orders received (Million yen)



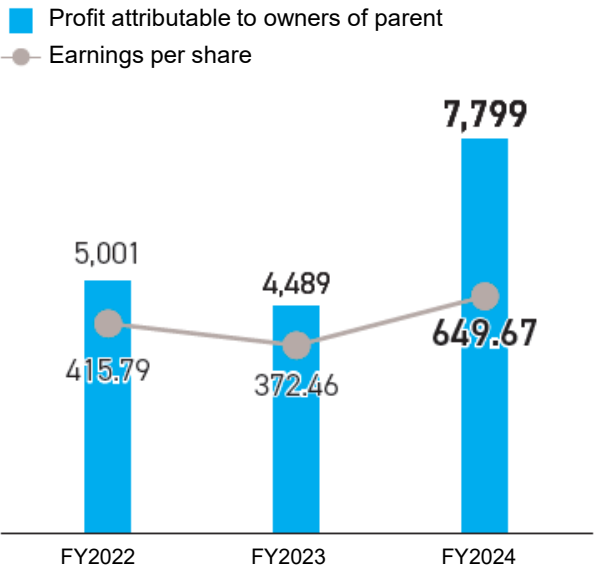
Operating profit (Million yen)



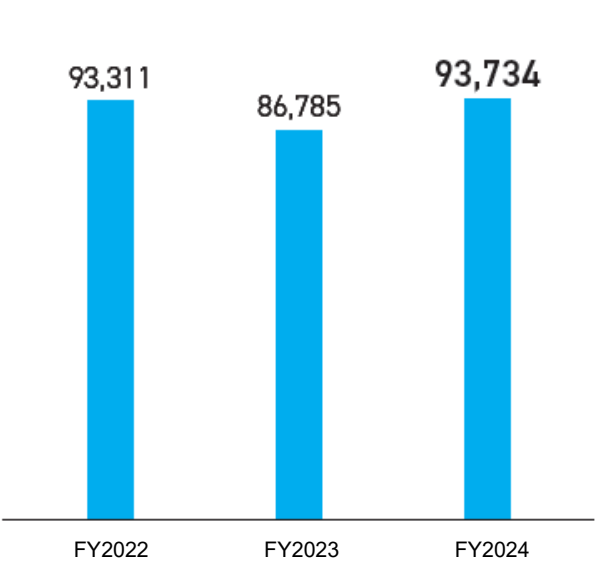
Transaction value (Million yen)



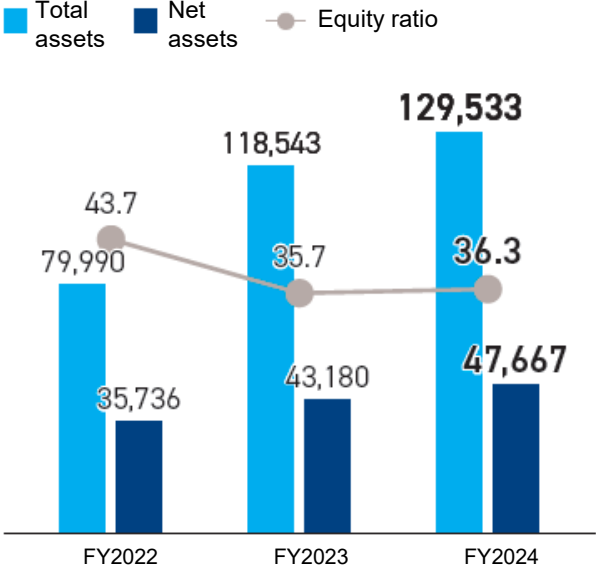
Profit attributable to owners of parent (Million yen)
Earnings per share (Yen)

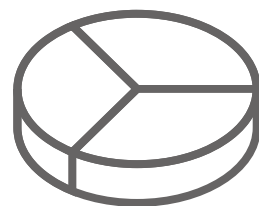


Net sales (Million yen)



Total assets/Net assets (Million yen)
Equity ratio %






Business Summary by Segment for the Fiscal Year Ended March 31, 2025

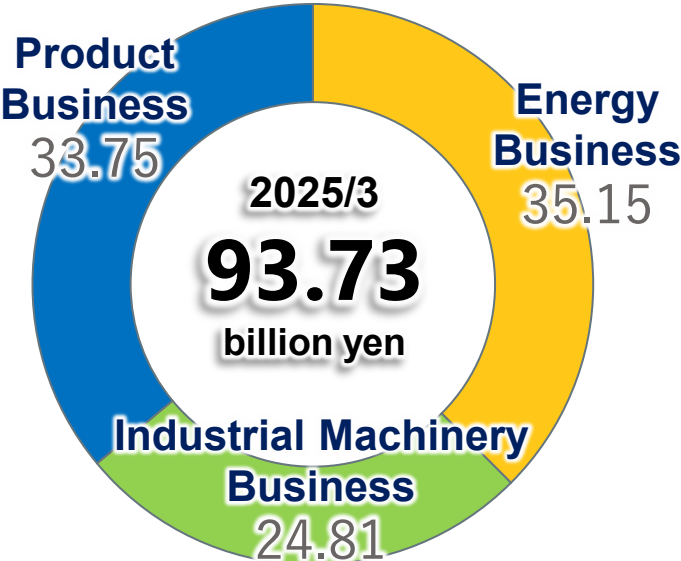
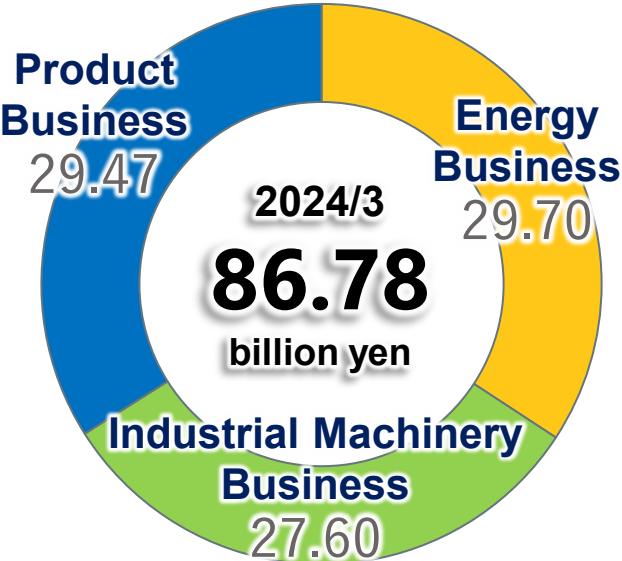
Business Summary by Segment – At-a-glance Chart

(Billion yen)

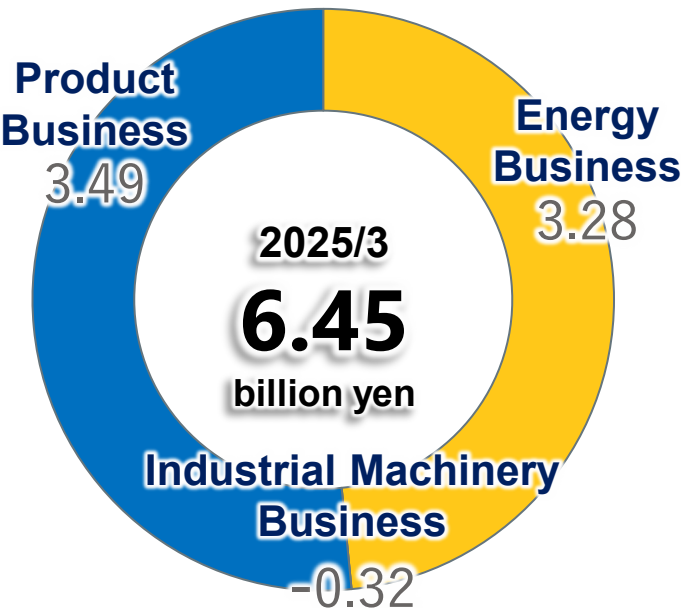
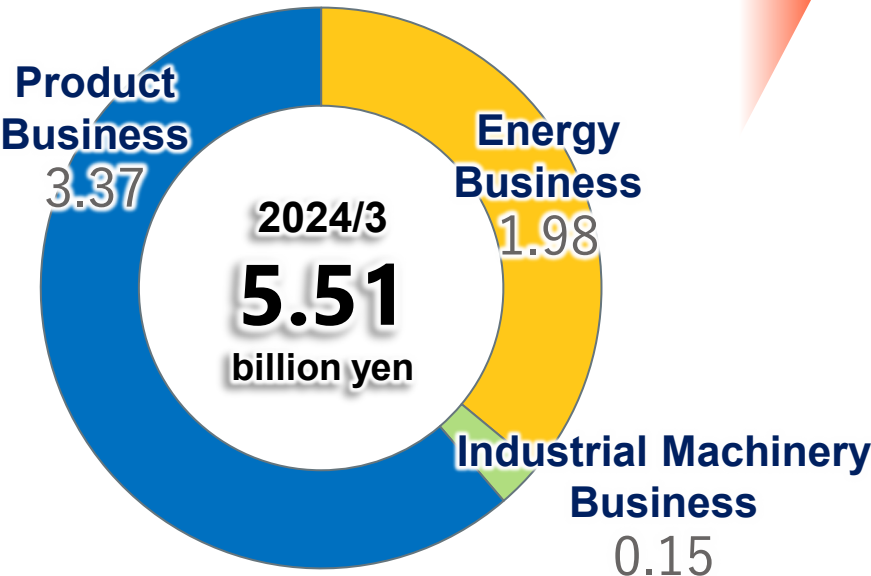
		Net sales			Segment profit		
		2024/3 Results	2025/3 Results	YoY (%)	2024/3 Results	2025/3 Results	YoY (%)
	Energy Business	29.70	35.15	18.4%	1.98	3.28	65.7%
	Industrial Machinery Business	27.60	24.81	-10.1%	0.15	-0.32	—
	Product Business	29.47	33.75	14.5%	3.37	3.49	3.4%
Total		86.78	93.73	8.0%	5.51	6.45	17.1%

Net Sales by Segment and Segment Profit Distribution

[Net sales] (Billion yen)



[Segment profit] (Billion yen)



Energy Business

Delivery of construction projects, such as the renewal of disaster prevention and safety equipment for nuclear power plants in various regions of western Japan and the renewal of major facilities for thermal power plants, made steady progress. Business synergies with TVE and Fenwal Controls of Japan, which became an equity method affiliate, also contributed, resulting in increased net sales and operating profit.



Industrial Machinery Business

Subsidiaries in the US and Thailand performed well, but the performance of subsidiaries in Germany and China was sluggish. In addition, the small number of large-scale project deliveries contributed to lower net sales and operating profit, although orders for the Company grew on a non-consolidated basis.



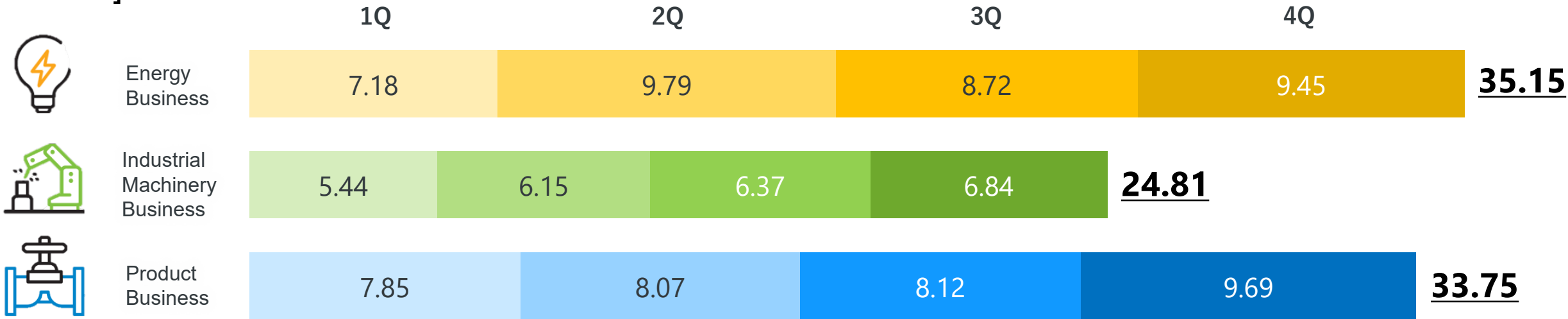
Product Business

Business talks related to UT drone-based plant equipment inspections and semiconductors expanded further, contributing to the solid performance of Seika Corporation on a non-consolidated basis. In addition, continued strong results for consolidated subsidiary Tsurumi (Europe) GmbH Group in Europe led to increased net sales and operating profit.

Progress by Quarter by Segment

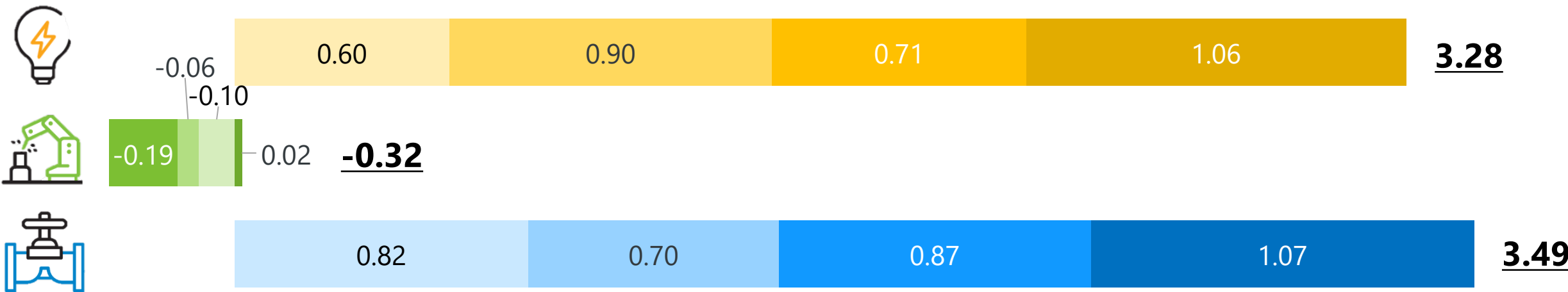
[Net sales]

(Billion yen)



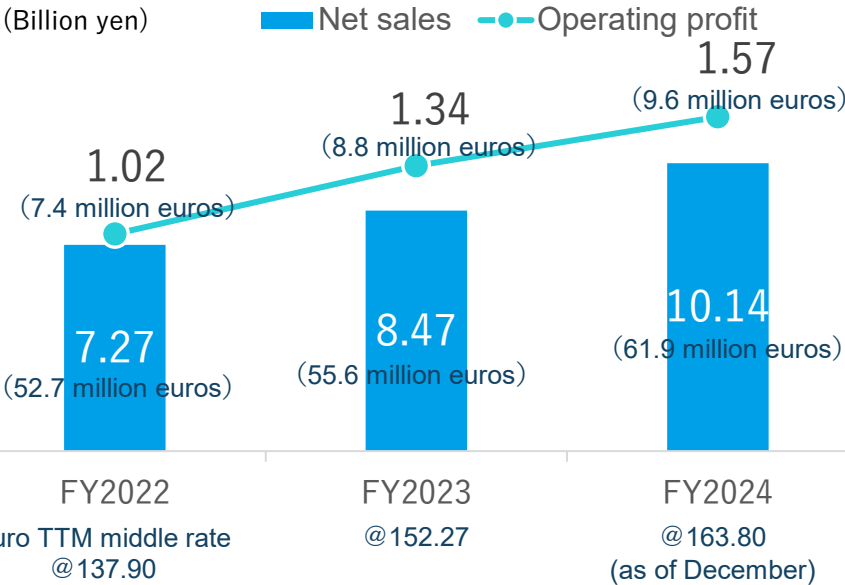
[Segment profit]

(Billion yen)



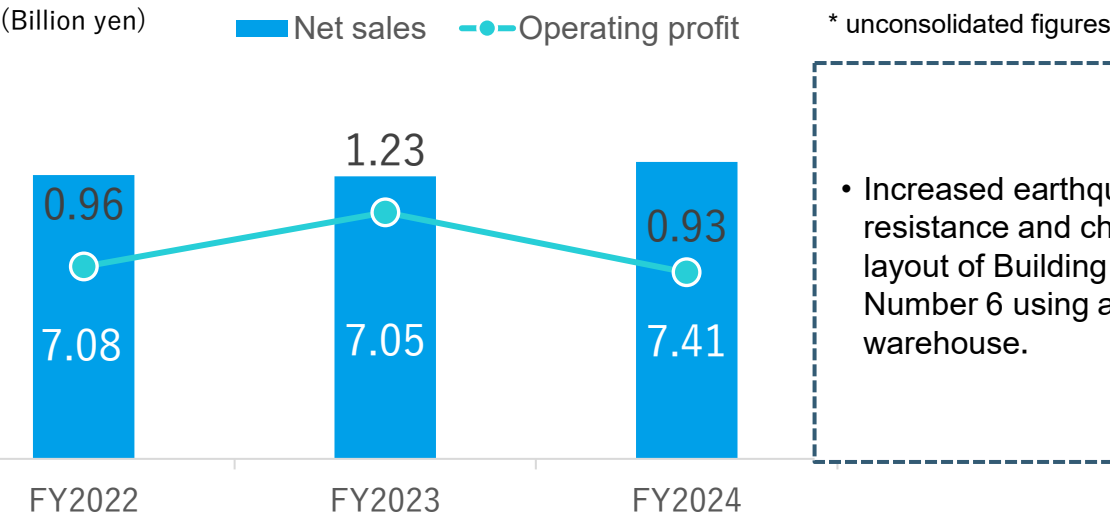
Performance of Major Consolidated Subsidiaries

Tsurumi (Europe) GmbH Group



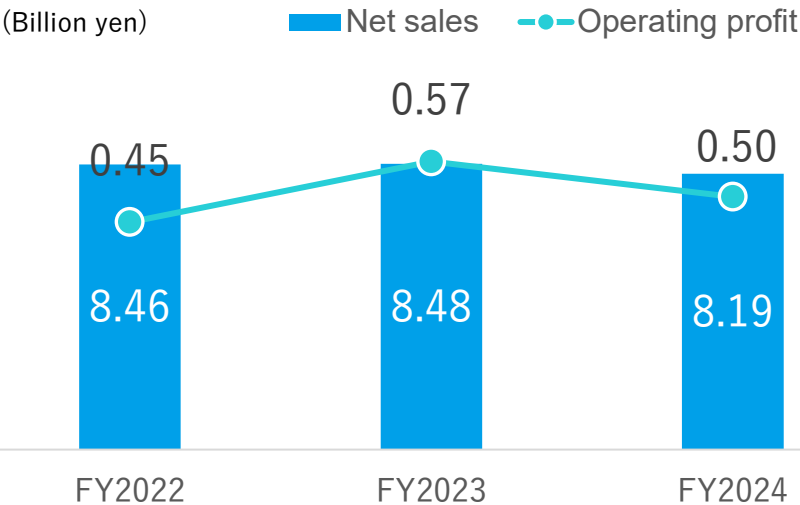
- Ownership in MM Pumps (Belgium/mainly rentals) and Tsurumi UK (UK/sales company) grew from 80% to 100%.

NDV NIPPON DAIYA VALVE CO., LTD.



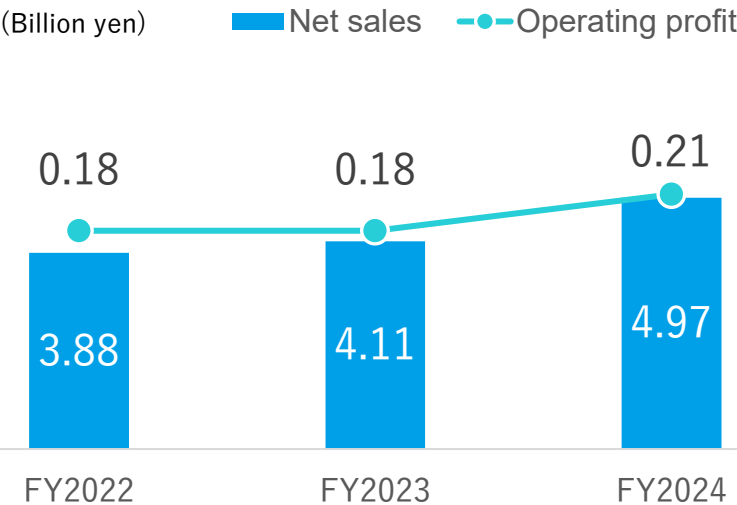
- Increased earthquake resistance and changed layout of Building Number 6 using a rental warehouse.

SDE Seika Daiya Engine Co., Ltd.



- Acquired Shipyard Tanaka.
- Loaned EV ship to Maruha Nichiro (joint proof-of-concept experiment).
- Invested in Eight Knot (autonomous ship navigation system) and Lighthouse (DX in fishing).

Shikishimakiki Corporation

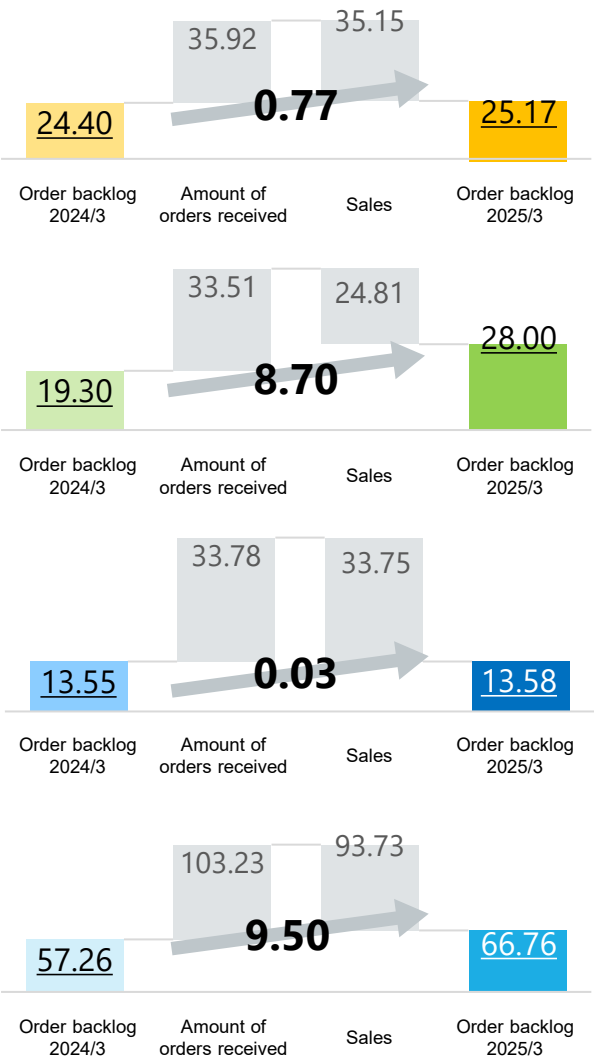


- Sales grew for emergency power generation facilities for data centers.

Order Backlog by Segment

	Order backlog	Amount of orders received	Sales	Order backlog	
	2024/3	2025/3			YoY
Energy Business	24.40	35.92	35.15	25.17	3.1%
Industrial Machinery Business	19.30	33.51	24.81	28.00	45.1%
Product Business	13.55	33.78	33.75	13.58	0.2%
Total	57.26	103.23	93.73	66.76	16.6%

(Billion yen)



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Long-Term Management Vision and Revisions of Numerical Targets in the Medium-Term Management Plan

Business strategy

Business expansion in growth areas
(Acceleration of complementary M&A for existing businesses)

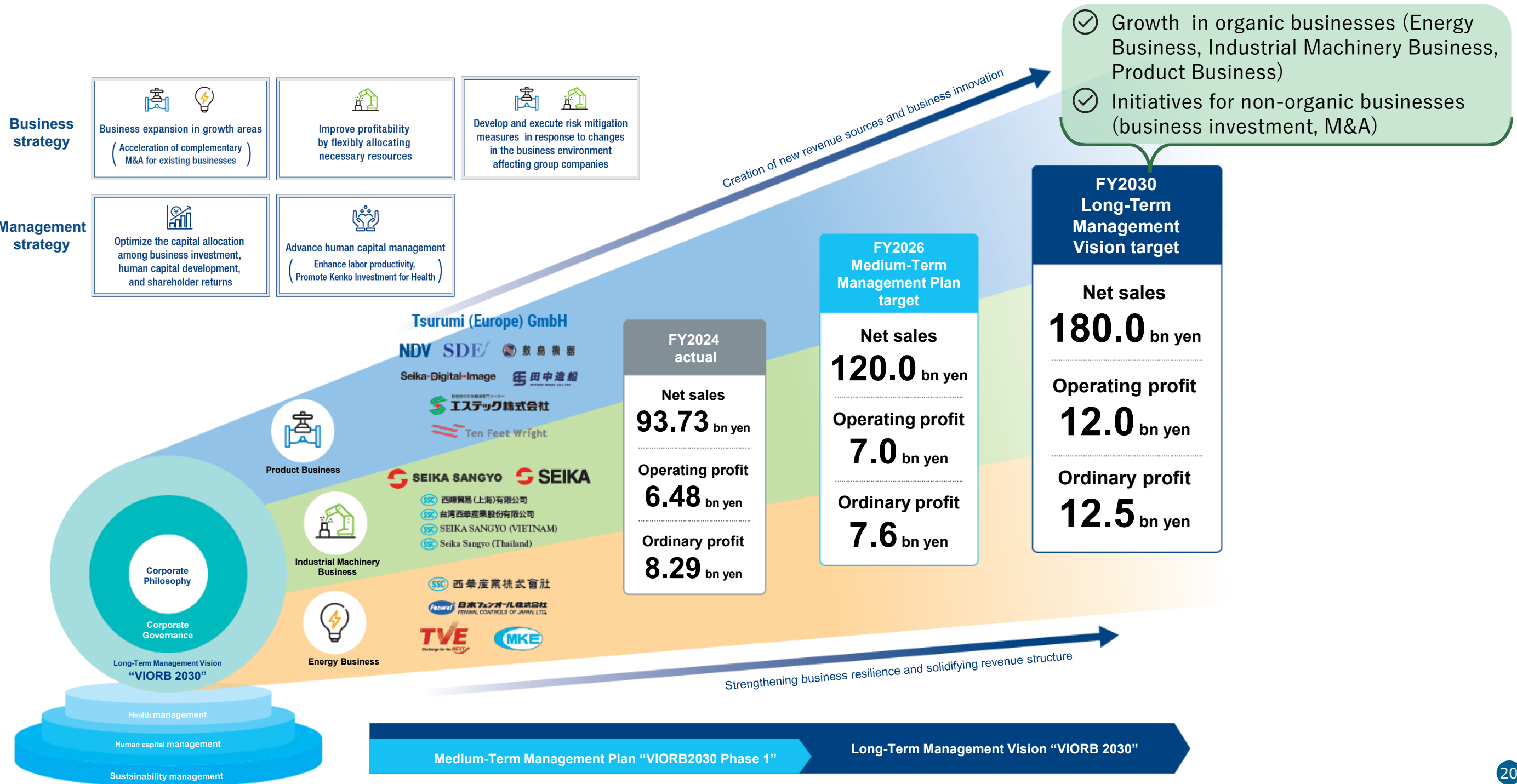
Improve profitability by flexibly allocating necessary resources

Develop and execute risk mitigation measures in response to changes in the business environment affecting group companies

Management strategy

Optimize the capital allocation among business investment, human capital development, and shareholder returns

Advance human capital management
(Enhance labor productivity, Promote Kenko Investment for Health)



Creation of new revenue sources and business innovation

- ✓ Growth in organic businesses (Energy Business, Industrial Machinery Business, Product Business)
- ✓ Initiatives for non-organic businesses (business investment, M&A)

FY2024 actual

Net sales	93.73 bn yen
Operating profit	6.48 bn yen
Ordinary profit	8.29 bn yen

FY2026 Medium-Term Management Plan target

Net sales	120.0 bn yen
Operating profit	7.0 bn yen
Ordinary profit	7.6 bn yen

FY2030 Long-Term Management Vision target

Net sales	180.0 bn yen
Operating profit	12.0 bn yen
Ordinary profit	12.5 bn yen

Strengthening business resilience and solidifying revenue structure

Aim to further enhance corporate value through the following strategies,
continuously based on the basic policies of the Medium-Term Management Plan

Business Strategy × Management Strategy

Improve profitability 

Expand businesses in growth area (Energy Business and Product Business)

Accelerate complementary M&As for existing businesses

Implement structural reforms in low-growth and low-profit businesses

Flexibly invest necessary management resources to improve profitability

Strengthen the resilience of Group companies

Formulate and implement measures to mitigate risks of changes in the business environment in Group companies

Efficient operation of
invested capital



Examine cash allocation

Optimize business investment, human capital investment, and shareholder returns

Advance human capital management

Make efforts to improve labor productivity by securing human resources and promoting DX and BPO for non-core operations

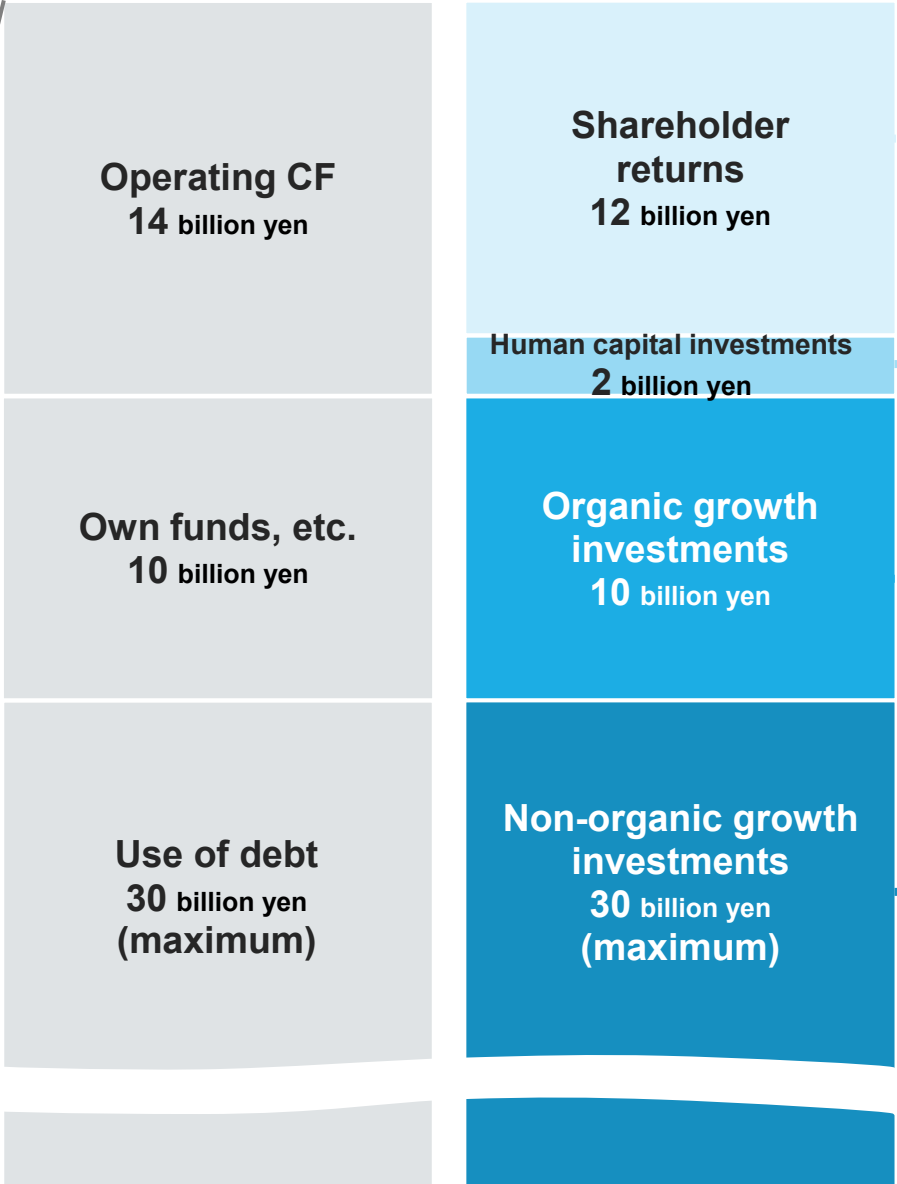
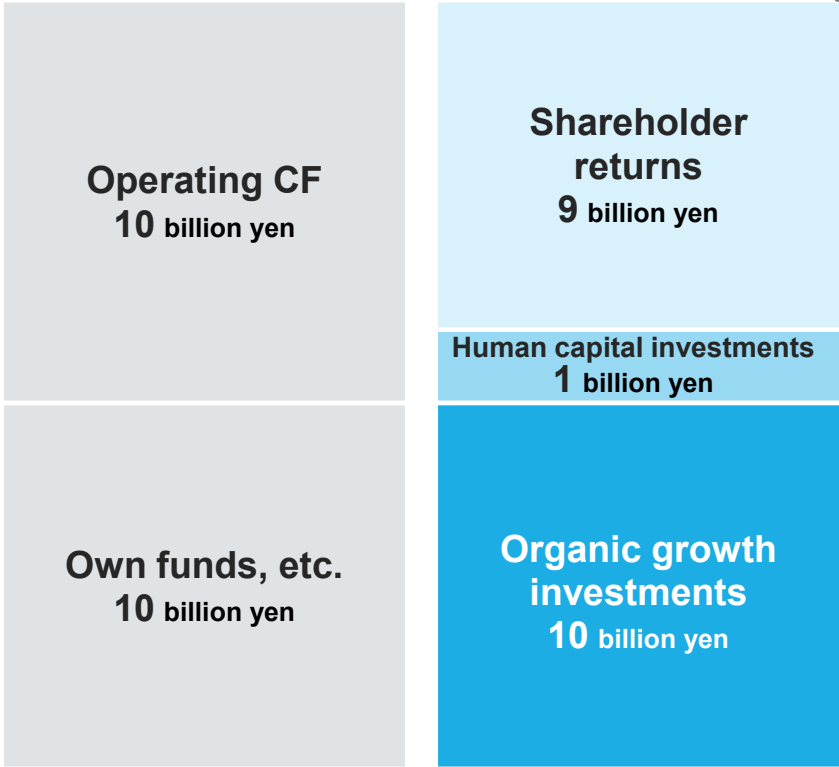
Strengthen initiatives to be recognized as a Certified Health & Productivity Management Outstanding Organization, and to promote employee health and improve workplace environment

Cash Allocation in VIORB 2030, the Long-Term Management Vision

VIORB 2030 Long-Term Management Vision (2023-2030)

VIORB2030 Phase 2 (2027-2030)

Medium-Term Management Plan VIORB2030 Phase 1 (2023-2026)



- We will prioritize efforts to maintain stable dividends, with a total return ratio of around 45%.
- We will take a flexible approach in considering share buybacks from the perspective of investments for the future.

- Quantitatively and qualitatively, we will expand recruitment of human resources to drive growth acceleration in Phase 2.
- Development of Group management personnel

- Investments to strengthen earnings base of existing businesses
- Examples:
Actively promoting complementary M&A, investing in partner manufacturing companies, strengthening collaboration with equity method affiliates, etc.

- Investing in new earnings bases, business formation
- Using capital efficiently with awareness of financial leverage by using debt while maintaining sound financial condition.

Previous Medium-Term Management Plan: Re-SEIKA (2020-2022)

- Operating CF 8.3 bn yen
Asset reshuffling 0.84 bn yen
- Focused on developing structure
- ✓ Business investments associated with efforts to expand the Group, including the establishment of Seika Daiya Engine
 - ✓ Liquidation of unprofitable divisions
 - ✓ Completion of long-term debt repayments

Cash Flow Allocation for Each Policy

Sources of Cash

Operating CF

Organic businesses

Continue 6% p.a. growth for operating income of 8.5 billion yen in FY2030

Non-organic businesses

Operating income of 3.5 billion yen in FY2030

Promote growth strategy to achieve the above targets

Own funds, etc.

- Use surplus assets based on the sound financial condition.
- In line with the announced policy of reducing cross-shareholdings, sell to around 10% of consolidated net assets by FY2027.
- Consider and implement further reductions after 2027.

Use of debt

- To be used according to the scale of non-organic business investments
- 30 billion yen assumed as the maximum allowable amount of debt, premised on maintaining the JCR rating of "A-" assigned in FY2024

Uses of Cash

Shareholder returns

- Prioritize efforts to maintain stable dividends with a total return ratio of 45% using the operating profit targets of Phase 1 and the Long-Term Management Vision and the planned sale of cross-shareholdings as the source of funds.
- Share buybacks to be considered from the perspective of future investments

Human capital investments

Phase1

Develop system to launch the nuclear power generation equipment business; enhance human resources strategies based on the new HR system and health management.

Phase2

Quantitatively and qualitatively expand recruitment of human resources to support sustainable growth.
Accelerate the development of group management personnel.

Funds for organic growth

Investments to strengthen earnings base of existing businesses

Actively promote complementary M&A, investments in partner manufacturers, and increased collaboration with equity method affiliates.

Funds for inorganic growth

Investments in new earnings bases and business formation

Use debt while maintaining sound financial condition and efficiently manage capital with awareness of financial leverage.

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Consolidated Forecast for the Fiscal Year Ending March 31, 2026

	2025/3 Results	2026/3 Results	Change
Net sales	93.73 billion yen	105.00 billion yen	12.0 %
Operating profit	6.48 billion yen	6.60 billion yen	1.7 %
Ordinary profit	8.29 billion yen	7.15 billion yen	-13.9 %
Profit attributable to owners of parent	7.79 billion yen	6.05 billion yen	-22.4 %

Consolidated Forecast by Segment for the Fiscal Year Ending March 31, 2026

- The method of calculating segment profit will change from FY2026/03. The new method will be:
segment profit = operating profit + equity in earnings/losses of affiliates.
- Segment profit in FY2025/03 calculated under the previous calculation method is given in parentheses.

(Billion yen)

		Net sales			Segment profit		
		2025/3 Results	2026/3 Forecast	Change	2025/3 Results	2026/3 Forecast	Change
	Energy Business	35.15	36.0	0.85	3.6* (3.28)	3.1	-0.5
	Industrial Machinery Business	24.81	34.0	9.19	-0.32 (-0.32)	0.2	0.52
	Product Business	33.75	35.0	1.25	3.59 (3.49)	3.5	-0.09
Total		93.73	105.0	11.29	6.87* (6.45)	6.8	-0.07

* Excluding 0.95 billion yen in negative goodwill from making Fenwal Controls of Japan an equity method affiliate

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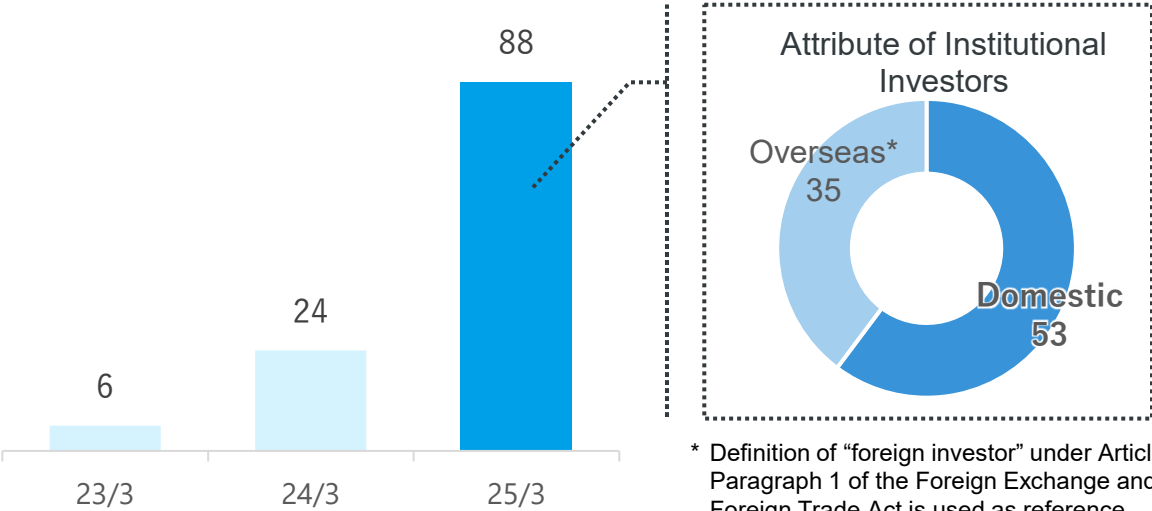
Points of Interest from Communications with Shareholders and Investors

- Status of IR Activities (Increase in Number of Shareholders and Trading Value)
- Initiatives to Remain in TOPIX (Status of Shareholders)
- Initiatives to Remain in TOPIX (Status of Reduction of Cross-shareholdings)
- Shareholder Returns and Dividend Policy
- Status of and Outlook for Nuclear Power Generation Business
- ESG Initiatives (Promoting Green Innovation-Related Products)
- Acquisition of Shares of Tokyo Sangyo Co., Ltd.



Status of IR Activities (Increase in Number of Shareholders and Trading Value)

Number of IR Interviews



Status of feedback provided to top management and the Board of Directors

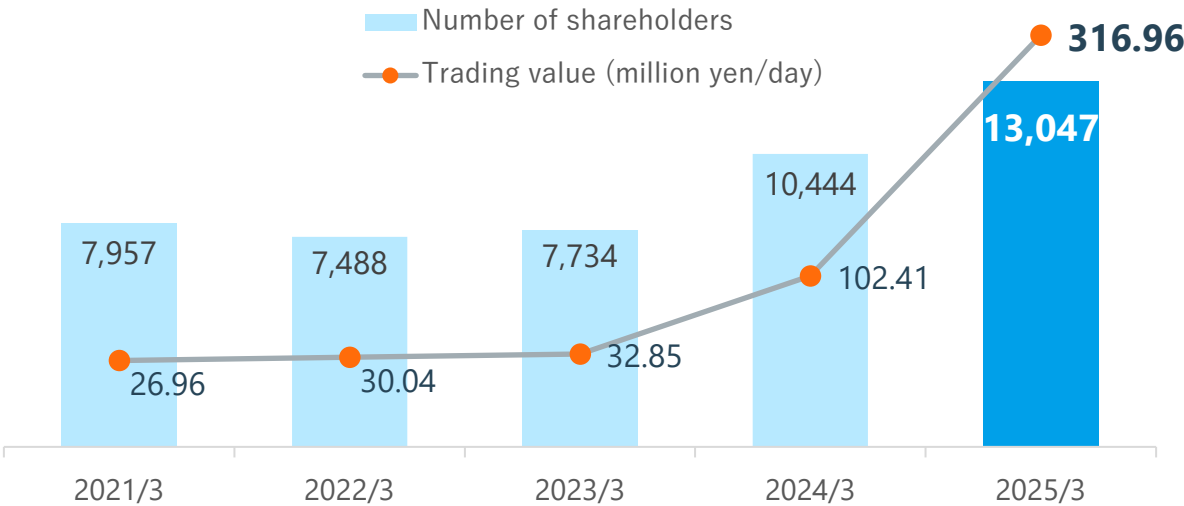
Information is shared in a timely fashion with members of the Board of Directors and Corporate Management Meeting and reflected in management strategy.

Content	Frequency	Reporting method
Minutes of meetings with investors and analysts	As needed	Directly or via email
Progress reports on IR strategy	Quarterly	Board of Directors

Status of briefings held for institutional investors (2025/3)

Date	Place	Details	Speakers
May 27	Tokyo + Online	Financial results briefing for FY2023	President, etc.
June 5	Online	Corporate briefing for IFA	President
July 27	Nagoya	Corporate briefing for individual investors	President
September 28	Osaka	Corporate briefing for individual investors	President
November 22	Tokyo + Online	Financial results briefing for FY2024 1H	President, etc.
February 10-11	Taiwan (Taipei)	IR interviews for institutional investors	President
February 22	Hiroshima	Corporate briefing for retail investors	President
March 15	Fukuoka	Corporate briefing for retail investors	President

Trading value (million yen/day)



Initiatives to Remain in TOPIX (Status of Shareholders)

- ✓ To raise the floating stock ratio as of the end of March 2025, we implemented a secondary offering of shares and unwound some of our cross-shareholdings.
- ✓ Market capitalization in August 2026 will be key to remaining in TOPIX. We will continue to drive initiatives to improve corporate value and engage in steady IR activities to gain the market's understanding.

(As of March 31, 2024)

Rank	Name of shareholder	Number of shares held (thousand shares)
1	The Master Trust Bank of Japan, Ltd. (Trust Account)	969
2	Hikari Tsushin INC.	891
3	UH Partners 2, Inc.	671
4	Mitsubishi Heavy Industries, Ltd.	413
5	MUFG Bank, Ltd.	400
6	Custody Bank of Japan, Ltd. (Trust Account)	296
7	Tsurumi Manufacturing Co., Ltd.	267
8	Seika Corporation	244
9	Sumitomo Mitsui Banking Corporation	234
10	Taihei Dengyo Kaisha, Ltd.	234

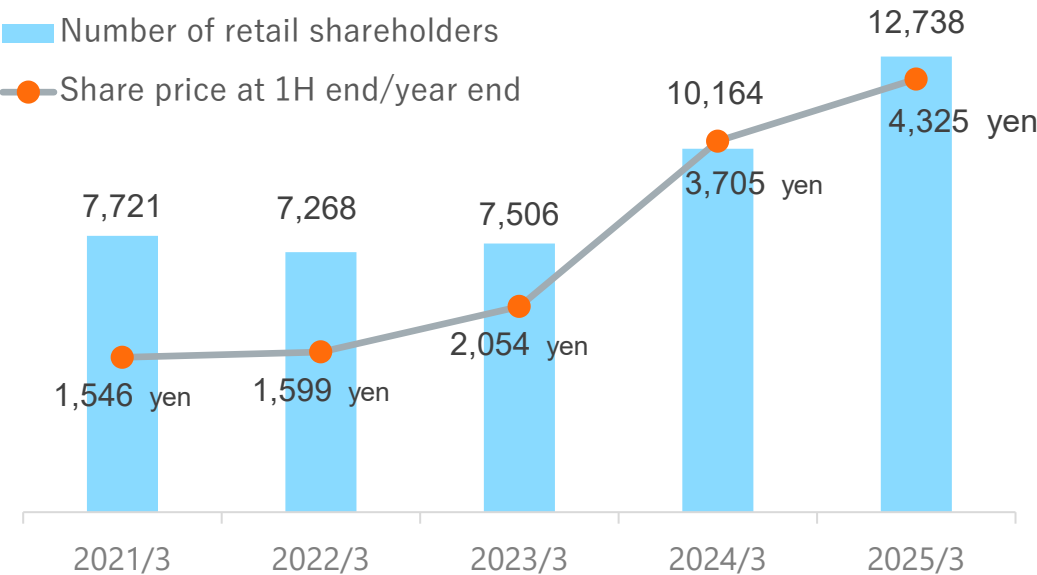
(As of March 31, 2025)

Rank	Name of shareholder	Number of shares held (thousand shares)
1	The Master Trust Bank of Japan, Ltd. (Trust Account)	1,494
2	Hikari Tsushin INC.	891
3	UH Partners 2, Inc	789
4	Mitsubishi Heavy Industries, Ltd.	413
5	Custody Bank of Japan, Ltd. (Trust Account)	400
6	NOMURA PB NOMINEES LIMITED OMNIBUS – MARGIN (CASHPB)	370
7	Tsurumi Manufacturing Co., Ltd.	267
8	Taihei Dengyo Kaisha, Ltd.	234
9	Seika Corporation	228
10	Takuma Co., Ltd.	206

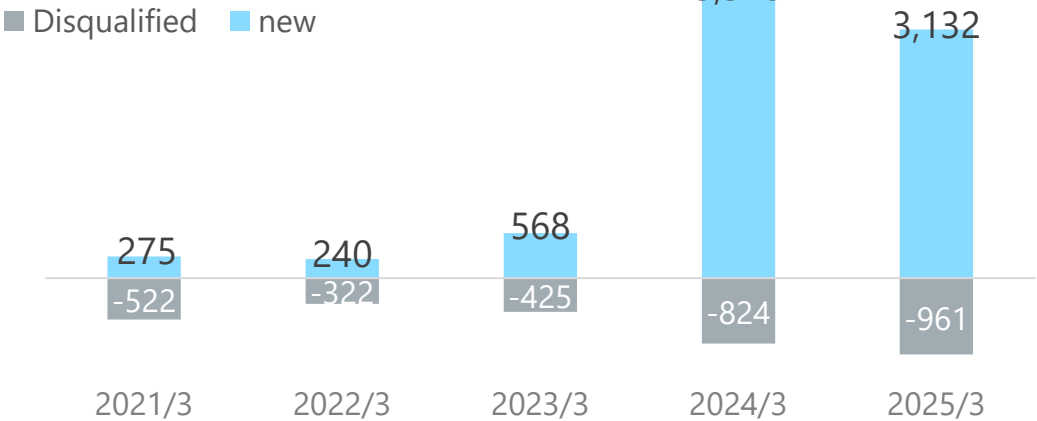
Initiatives to Remain in TOPIX (Status of Shareholders)

- ✓ The percentage of retail shareholders rose significantly, as the Company carried out company briefings for retail shareholders and introduced a shareholder benefit program as part of efforts to strengthen IR activities.
- ✓ Even compared to the average of companies that have been listed for 50 years or longer, the percentage of short-term shareholders has risen, attesting to the diversification of the Company's retail shareholders.

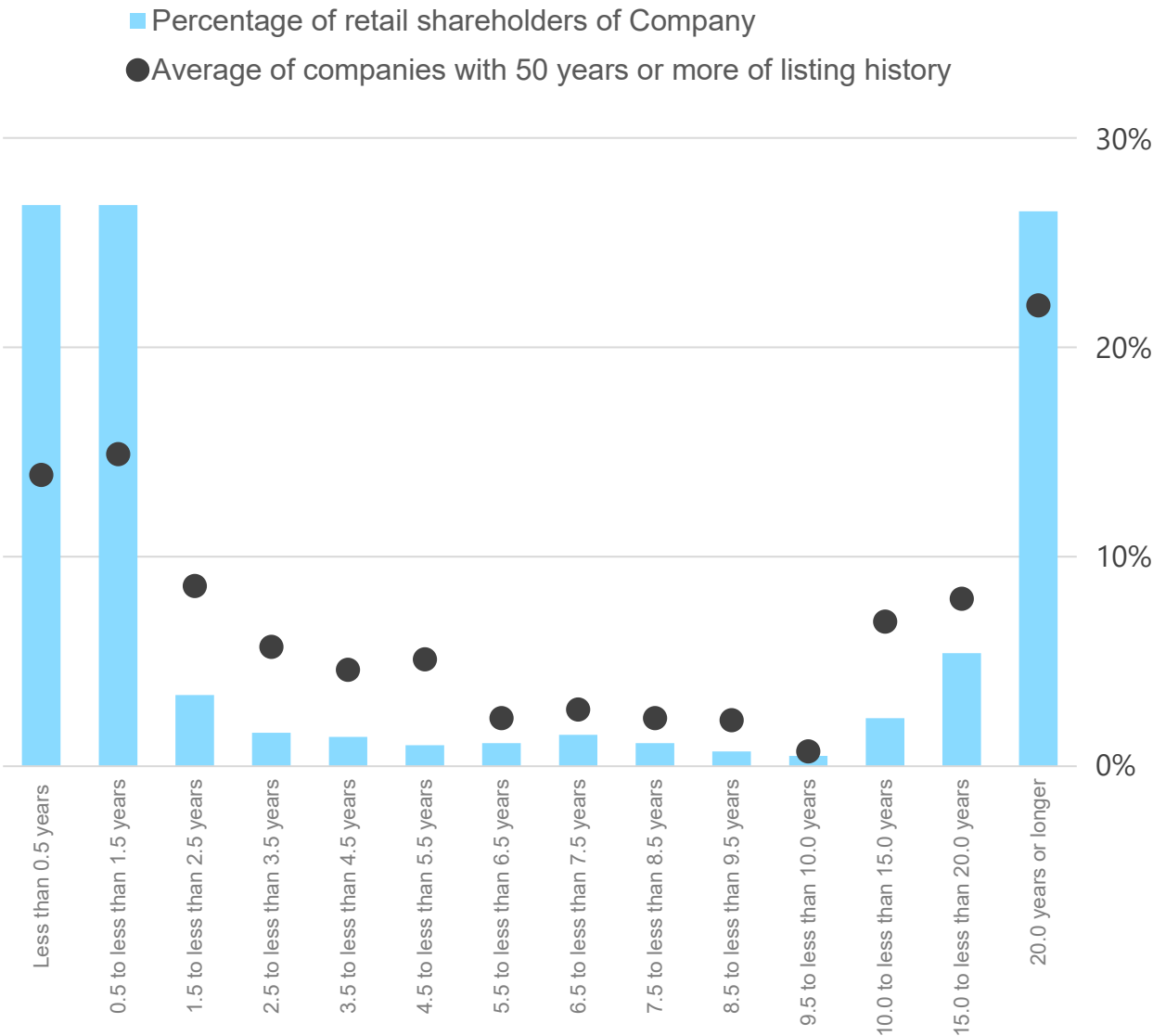
Trends in retail shareholders



Trends in number of shareholders



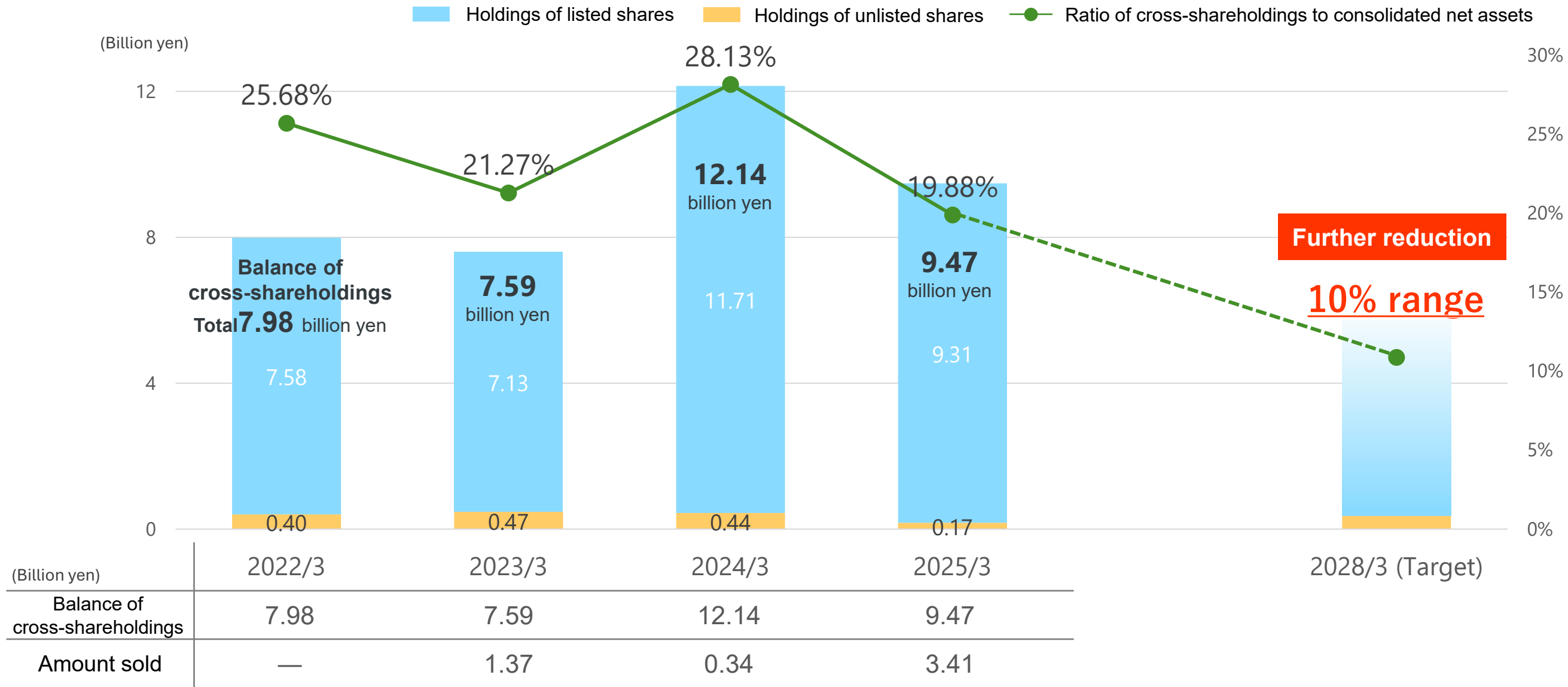
Distribution by length of shareholding period



Initiatives to Remain in TOPIX (Status of Cross-shareholding Reductions)

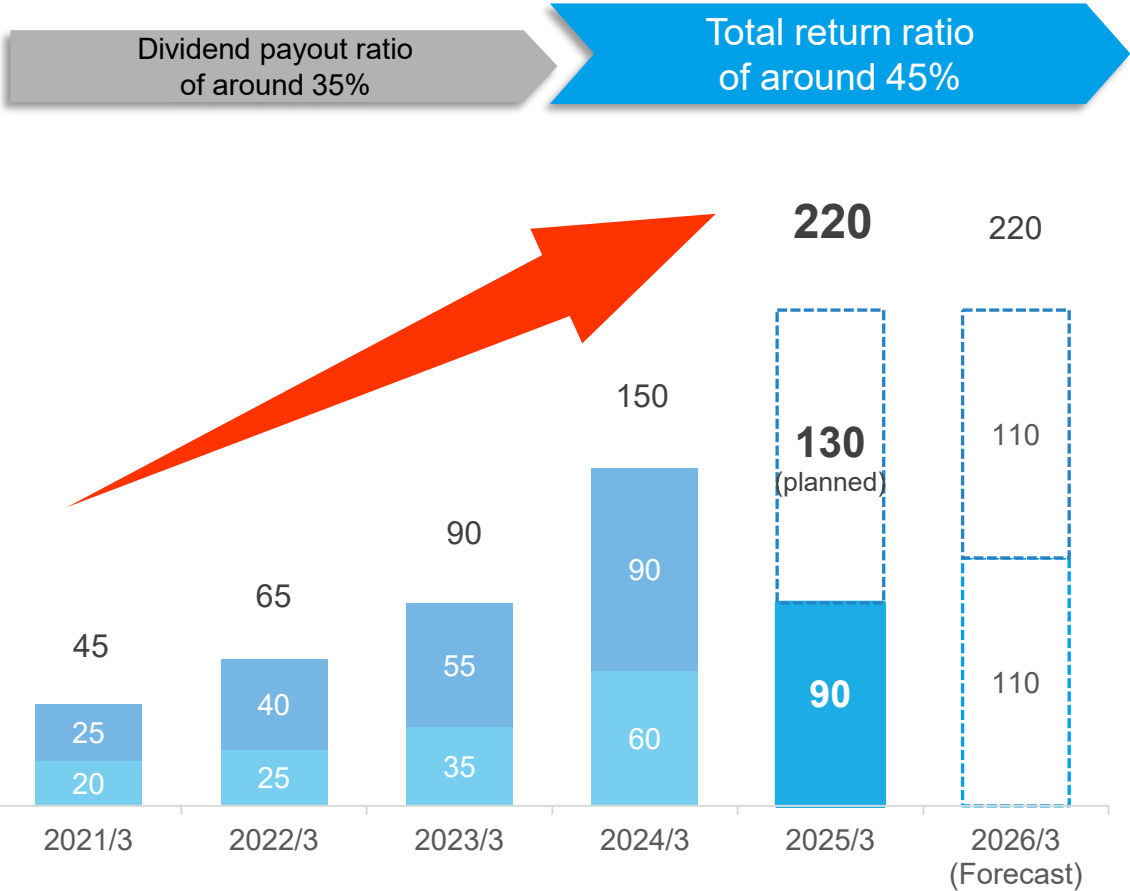
- ✓ In accordance with the reduction policy disclosed on January 16, 2025, we will reduce cross-shareholdings by approximately 35% (approx 3.0 billion yen) from the market value as of the end of December 2024 and will seek to achieve a cross-shareholdings to consolidated net assets ratio in the 10% range.

[Trends in cross-shareholdings]



Trend in dividends

■ Interim ■ Year-end (yen)



- ✓ Dividend policy changed from dividend payout ratio of around 35% to total return ratio of around 45%
- ✓ Shareholder benefit program introduced in FY2024
- ✓ Dividend increased for five consecutive years

We will continue to strengthen information disclosure, dialogue with investors and IR efforts to broaden understanding of our initiatives.

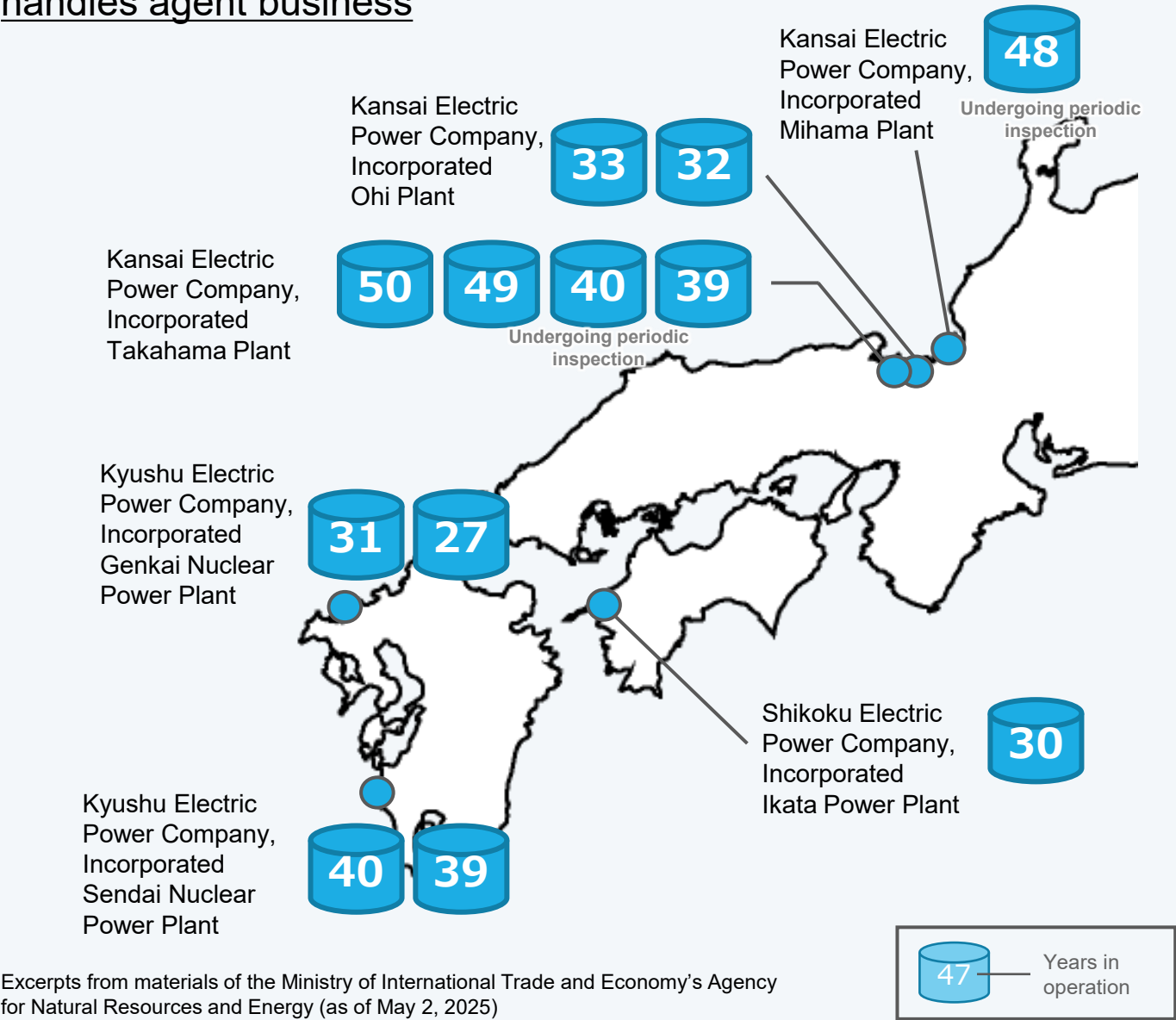
Number of shares held	Benefits
100 to 299 shares	QUO Card worth 1,000 yen
300 to 499 shares	QUO Card worth 2,000 yen
500 shares or more	QUO Card worth 3,000 yen



* The design of the card face may change.

Status and Outlook for Nuclear Power Generation Business

Plants in operation for which the Company handles agent business



- 2023.4.1
Began sales agency business for Mitsubishi Heavy Industries, Ltd.'s nuclear power plant equipment in western Japan.
Main business comprised periodic inspections and maintenance work at 13 months intervals, as mandated by laws and regulations.
- 2023.3-2024.6
Formed capital and business alliance in the nuclear power generation business and converted to equity method affiliates.

Challenge for the NEXT

FENWAL CONTROLS OF JAPAN, LTD.

Leading manufacturer of high-pressure valves for nuclear and thermal power generation

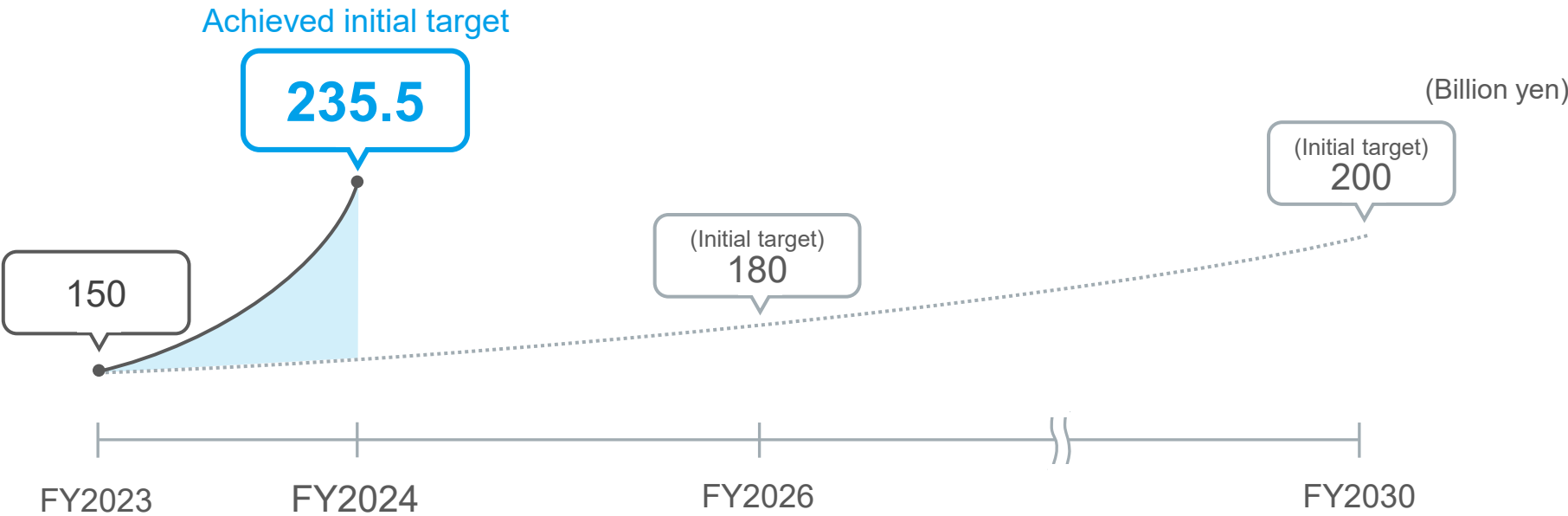
Boasts high level of technology in the manufacture of fire extinguishing equipment, making it an ideal choice for use in nuclear power plants.
- 2025.2.18
The 7th Strategic Energy Plan states the essential nature of maximizing use of nuclear power as a decarbonized power source.

ESG Initiatives (Promoting Green Innovation-Related Products)

We are extending proactive efforts to achieve carbon neutrality as a general machinery trading company, leveraging the experience and business foundation cultivated through the energy business and the industrial machinery business. Specifically, we are promoting the introduction and expansion of green innovation-related products that help our customers reduce GHG emissions. The following shows trends and our track record.

	FY2023	FY2024	FY2026 initial target	FY2030 initial target
Net sales of green innovation-related products (*)	150	235.5	180	200

*Net sales of products that could advance environmental considerations and environmental conservation, such as decarbonization, clean energy, energy conservation and labor saving, pollution prevention, recycling, and reuse.



Considering setting new KPI

Acquisition of Shares in Tokyo Sangyo Co., Ltd.

Acquired the shares in Tokyo Sangyo Co., Ltd.
(securities code: 8070) on April 3, 2025.

Number of shares acquired	common shares 3,321,800
Percentage of total number of shares outstanding	11.58 %

Purpose of shareholding as stated in the large shareholding report

This transaction is a share acquisition for investment returns. However, the Company has stated in its Medium-Term Management Plan that it will utilize complementary M&A to strengthen profitability. Thus, the possibility of changing the purpose to policy-based shareholding will be considered in the future.

Actions at this time

We are considering various possibilities with a view to collaborating with Tokyo Sangyo to achieve sustainable growth for the Company. Events that warrant disclosure in the future shall be announced without delay.



Reference Materials

1. Company Profile
2. Initiatives for Human Capital
3. Introduction to Each Business
4. Performance Trends
5. Changes in Consolidated Financial Results
6. Trends in Management Indicators
7. History of SEIKA CORPORATION
8. Domestic and Overseas Locations
9. Consolidated Subsidiaries and Affiliated Companies (Domestic and Overseas)
10. Social Contribution Activities in Recent Years
11. IR Topics in the Fiscal Year Ended March 31, 2025

1. Company Profile



Stock code	8061
Business category	Trading company
Head office	Shin-Tokyo Bldg 3F, 3-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo 100-0005
Establishment	October 1, 1947
President	Akihiko Sakurai
Capital	6,728 million yen
Number of employees	Consolidated: 1,077 Parent only: 352 (as of the end of March 2025)
Core business	Sale, import, export and after sales service related to power generating equipment, environmental equipment, industrial machinery and electric equipment
SEIKA CORPORATION's locations	29 offices in Japan, including head office, Osaka branch, Fukuoka branch and Hiroshima branch 3 offices overseas including Seoul branch
Group companies	29 companies in total (12 in Japan and 17 overseas)
Business sites	137 bases in total (112 in Japan and 25 overseas)

2. Initiatives for Human Capital — Introduction of New Personnel System

Grade system

Before Introduction

Career positions, Area-limited career-track positions,
Full-time staff positions, Area-limited full-time staff
positions, Non-career positions, Specialists

- Operation of promotion system had become seniority-based
- Fixation of roles based on job classification, e.g., career position, non-career position.

Promotion assessment

- Abilities assessment
Observe the results of work execution and work behavior during the assessment period and assess the ability to perform his or her duties as of the end of the period.

Performance-based wage assessment

- Abilities assessment
- Behavior assessment
Assess the actions taken to achieve strong performance during the assessment period.

Bonus assessment

- Medium-Term Management Plan contribution assessment
Calculate considering declared results achieved during assessment period against individual strategies set in each location.
- Performance assessment
Calculate performance assessment score based on achievement rate of Company's performance targets and other measures during the assessment period.

After introduction (FY2024-)

M (Management) Position
E (Expert) Position
G (Generalist) Position

- ✓ Broke away from seniority-based operation and introduced a "role-based grade system" in which grades are set according to the size of the role and treats compensates employees according to those roles.
- ✓ Allows switching job classifications in line with actual work conditions and life plans, expanding work style choices for employees and facilitating the use of their abilities.

Role execution evaluation

- ✓ Evaluates whether the employee was able to demonstrate the role execution behavior expected of each grade as a basis for determining the grade assignment and the amount of salary increase.

Goal achievement evaluation

- ✓ Evaluates the degree of achievement (process and deliverables) of pre-set goals, in addition to their difficulty.

Correction and supplementation of evaluations

- 1 Conducting evaluation feedback
- 2 Correction of location evaluation
- 3 Use of universal interviews by General Affairs and Human Resources departments

Evaluation System

(Evaluation Method)

2. Initiatives for Human Capital – Recruitment

Number of new hires in FY2024



New graduates

10

Career recruitment

15

Turnover rate of new graduate hires within 3 years

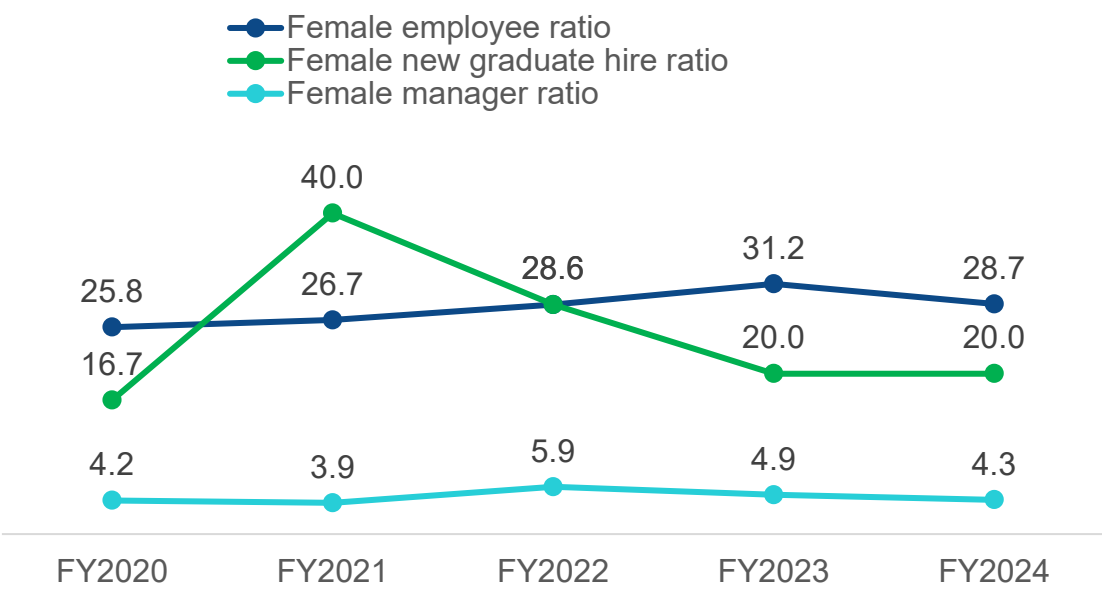


0%

Overall staff turnover rate

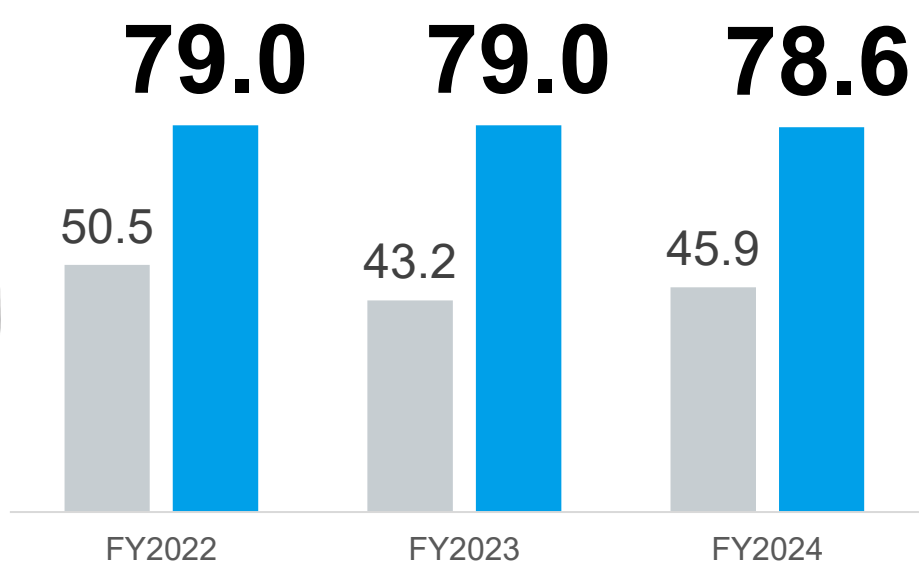
3.98%

Female employee ratio/Female manager ratio/Female new graduate hire ratio (%)



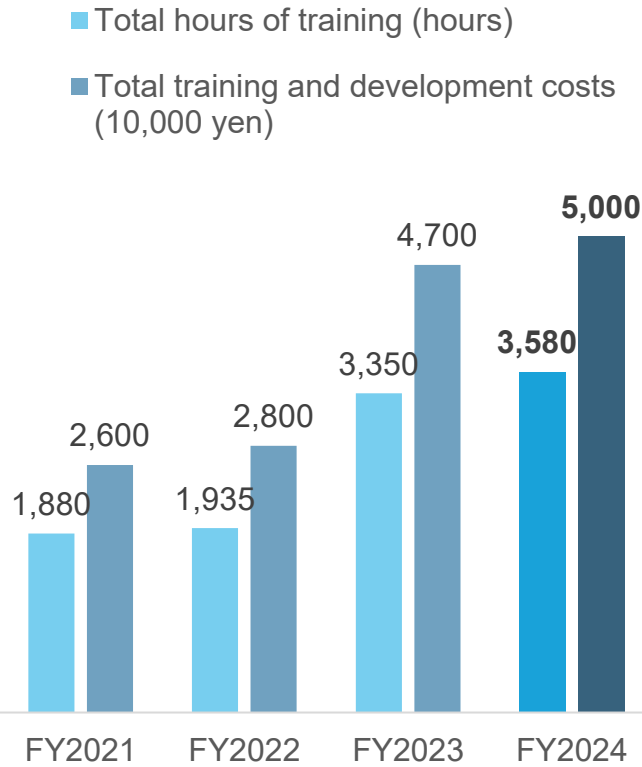
Employee satisfaction (%)

■ Industry average
■ Company



2. Initiatives for Human Capital – Human Resource Training Program

Career stage				Framework to encourage personal growth and autonomous career development (example programs)							
		Skills required for each level	Mindset	Level-specific programs for all employees (including Group employees) to acquire the competencies required at each grade level		Purpose-specific programs (voluntary / nominated) for employees to improve their expertise / to develop their career					
Phase to demonstrate enhanced capabilities at the organizational level	General managers General managers	Implementation of business strategies from Company-wide and Group-wide perspectives	Responsibility and resolve to manage the company's business in the next generation	Training for new location managers Training for new section managers Evaluator training Training to raise awareness		Choice type	Selective type	Human resources development program for management personnel			
	Section managers	Leading members of the organization to achieve organizational goals and solve problems	Strong sense of duty to take charge of important measures of the organization								
	Expert	Contributing to maximizing synergies within the organization based on expertise, skills, and experience									
Phase to raise the skills of each individual	Deputy manager level	<ul style="list-style-type: none">Internal organizational management and stakeholder managementTeam managementEstablishment of specialized areas	For each employee, a sense of mission that the future of the Company rests on his or her two shoulders.	Next-gen leader training Training for OJT mentors		Training for mid-career hires	Webinars, e-learning, lectures	Supporting self-development	Training for launching new businesses	Global human resources training	Project under the direct supervision of the President (training of female executive candidates)
	Assistant manager level	<ul style="list-style-type: none">Proactive business executionImprovement of assigned duties and challenge to take on new dutiesLeadership		Step-up training Training for OJT mentors							
	Specialist level	<ul style="list-style-type: none">Basic business skills based on OJTCommunicationExecution of duties under the direction of superiors		Follow-up training Onboarding training Training for people with an offer of employment							
	Joined the Company	Attitude as an employee of Seika Corporation: Corporate philosophy and corporate motto									



OJT

On-the-job training is provided to new employees and other young employees to improve their ability to perform their duties while gaining practical experience.

Purpose-specific training

Purpose-specific training is provided, allowing employees to freely choose from all topics training and seminars meeting their goals.
*Some training is for specific audiences.

Level-specific training

Level-specific training is conducted for the purpose of acquiring the job execution capabilities expected at each level, e.g., year of joining, qualification grade, and position.

Self-development

Support is provided for employees' voluntary efforts to further enhance their expertise and education, such as acquiring English and other foreign languages, acquiring public and private certifications and participating in external seminars.
TOEIC/telecommunications engineering/book-keeping/construction management engineer/trade business, etc.

Global Human Resources Training

Human resources who can play an active role internationally are developed by sending young employees to the Group's overseas subsidiaries with the aim of fostering international business acumen.

2. Initiatives for Human Capital – Support for Balancing Life and Work

Systems supporting diversified work styles

We are making improvements to create a comfortable working environment for all employees with initiatives including a personnel, training programs and reviews of work styles with an emphasis on work-life balance.

Full flextime System

The flextime system allows employees to set their own daily starting/ending time and working hours within the specified total. With this system, employees can change their work hours to accommodate the time to drop off/pick up children and to avoid commuting during rush hours.

Overtime work per month
12.5 hours

Improvement of Working Environment and Promotion of Diversity & Inclusion

We will further improve the working environment so that employees can fully demonstrate their abilities and aptitudes and will also strive to create an environment where all employees can work more enthusiastically.

Improvement of the childcare and caregiving system

To enable employees to participate more in child-rearing, we are actively conducting activities to familiarize employees with various systems, such as childcare leave at birth, and are working on improving the working environment so that employees can easily use the systems. We are also enhancing the system for caregiving.

Taking on the challenge of new work styles

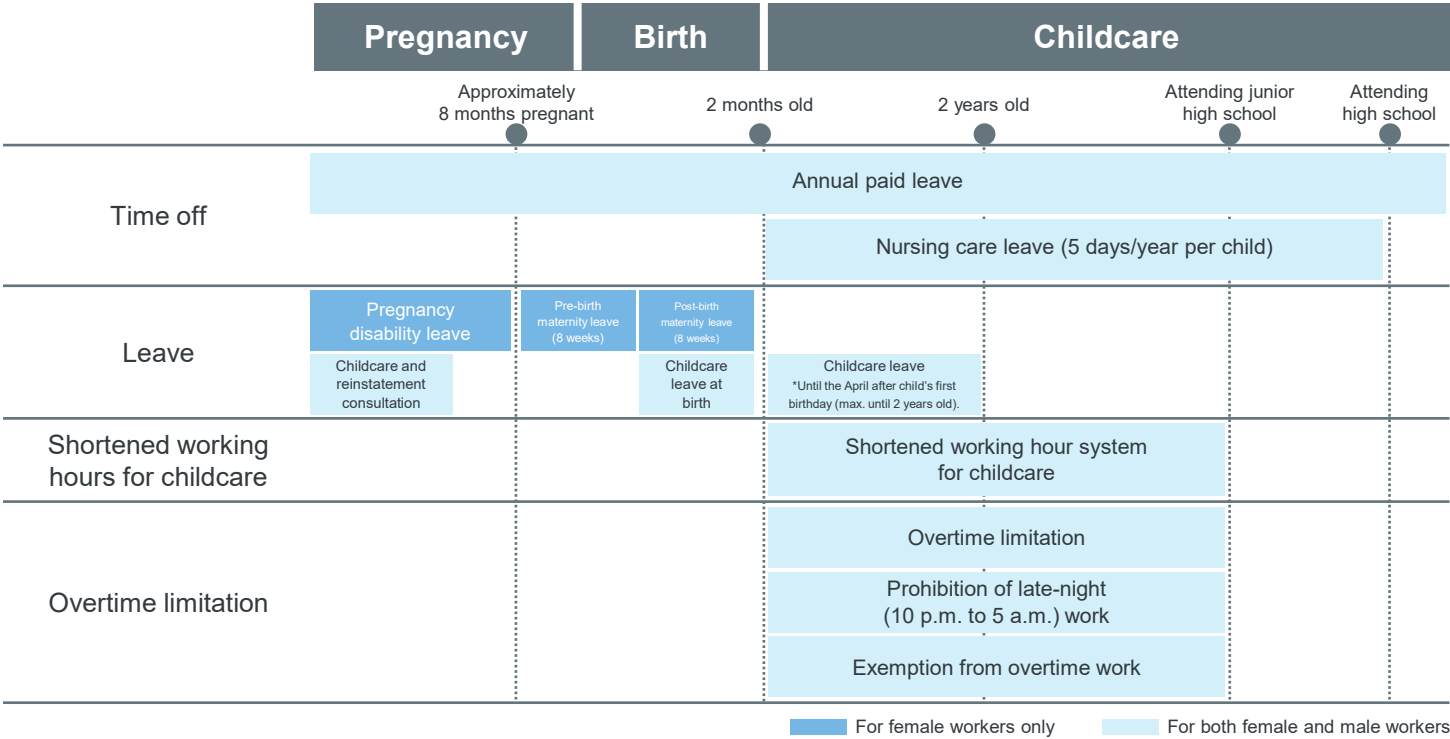
We aim to realize our ambition of challenging ourselves to achieve a more sophisticated business operation by improving operational efficiency and optimizing our organization and structure through the promotion of BPO (Business Process Outsourcing). In addition, we will further promote the flextime system to support balancing work and family life.

Developing a system in which female workers can play an active role

With the introduction of the new personnel system, we are reviewing the current grading system, expanding the range of roles employees play and enhancing feedback on the results of evaluation and assessments, thereby supporting career path development, providing work style options and developing a system that allows female workers to play an active role.

Discussion and examination by senior management

We have established a forum for senior management, female employees, and young employees who will lead the next generation to exchange opinions on a regular basis. With an understanding of employees' needs regarding work styles overall, including matters related to childcare and caregiving, the Board of Directors, the Corporate Management Meeting, etc. discuss and examine further improvements to specific action plans.



Shortened working hours for caregiving

Exemption from overtime work (overtime, holiday and late-night work)



Overtime limitation

Caregiver leave

Up to 5 days (40 hours when working hourly) per year when caring for 1 person; 10 days (80 hours when working hourly) when caring for 2 or more people

Use of special reserve for paid vacation (up to 40 days)

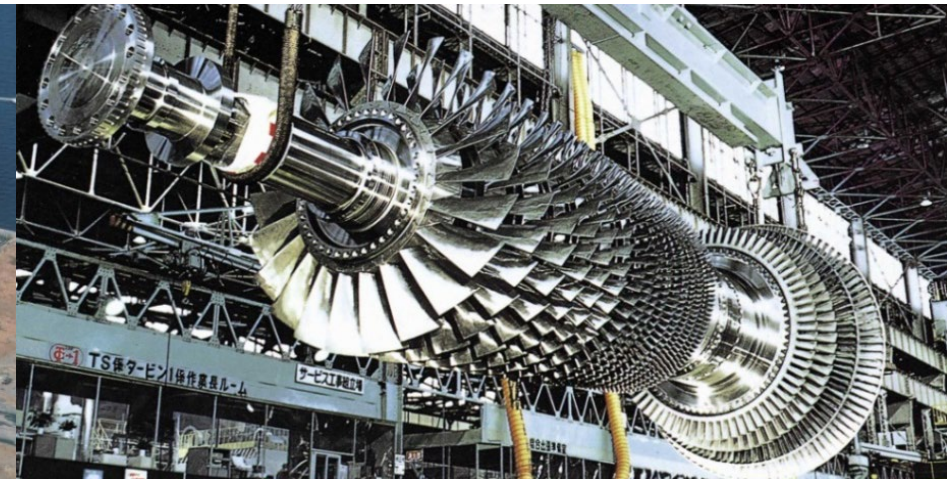
2. Initiatives for Human Capital – Improving Engagement

Fringe benefits 	Systems and allowances	Insurance (health insurance, employees' pension, corporate pension fund, labor insurance), retirement pension, company loan system, compensation system for absence from work, asset accumulation savings system, labor union, employee stock ownership plan, rented company housing system, commendation for long service, subsidies for club activities, congratulations and condolences money, wedding congratulations money, childbirth congratulations money, congratulations money for children advancing to higher education, disaster condolence money, Benefit One, updates to overseas assignment regulations, etc.
	Special leaves	5 days of summer vacation, up to 40 days of leave accumulation, 5 days of long-term service vacation, 7 days of return-from-abroad leave, 5 days of marriage leave
	Health examination	Costs of tumor markers, influenza vaccinations, etc. borne by Company
Diversity 	Promotion of women's active engagement	Enhancement of childcare and caregiving systems
	Support for balancing work and childcare	Various leave systems and shortened working hour systems for childcare to support balancing work and childcare, limits on overtime work and late-night work Shortened working hour system for caregiving, exemption from overtime work, limits on overtime work, caregiver leave, use of special reserve for paid vacation
	Use of career personnel	Publishing percentage of mid-career hires under the Act on Comprehensively Advancing Labor Measures
	Support for seniors' active engagement	Retirement age set at 62. Continuous employment system for employees wishing to work after retirement established to create an environment where work can be continued after retirement.
	Support for balancing life and work	Promoting use of full flextime system, "No Overtime Day."
Other	Partnership building declaration, introduction of external health consultation services, etc.	

3. Introduction to Each Business

Energy Business

Sales of domestic thermal, nuclear, hydroelectric and biomass power plant-related equipment
Periodic inspections and after-sales maintenance of power stations and plants



Energy is an indispensable part of industry, life, culture, and all social activities.

Main products and services

- Power generating equipment and related equipment for thermal power plants
- Power generating equipment and related equipment for nuclear power plants
- Equipment related to renewable energy, including hydropower and biomass power generation
- Regular inspections and after-sales maintenance services for each power generation facility and plant
- Security equipment, utility equipment, and other peripheral equipment of power plants
- Driving initiatives related to decarbonization of thermal power generation with the use of ammonia or hydrogen or mixed combustion with ammonia or hydrogen, as well as those related to clean energy

3. Introduction to Each Business

Industrial Machinery Business

Sales of manufacturing equipment for general industries, including chemicals, textiles, food and beverages, and industrial plants



Film-related equipment



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

Main products and services

- Automation and labor-saving equipment for factory processes
- Automated storage/retrieval systems in factories
- Remote monitoring equipment utilizing AI and robots, etc.
- Freezers and air-conditioning equipment using next-generation refrigerant (CO₂ and ammonia)
- Equipment for development at food/pharmaceutical laboratory plants
- Products related to circular economy, including recycled fiber

3. Introduction to Each Business

Product Business

Distinctive products with unique strengths ranging from marine engines to valves, plant equipment inspections, measuring instruments, and submersible pumps



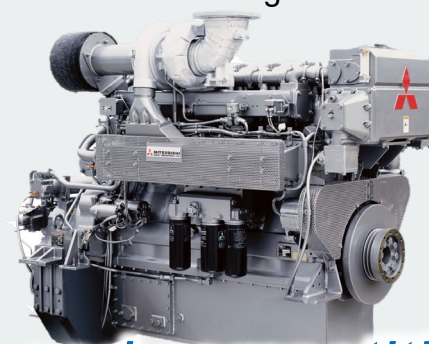
Tsurumi (Europe) GmbH Group
Water pumps



Nippon Daiya Valve Co., Ltd.
Diaphragm valves



Seika Daiya Engine Co., Ltd.
Shikishimakiki Corporation
Marine engines



SEIKA CORPORATION
Drone inspection service

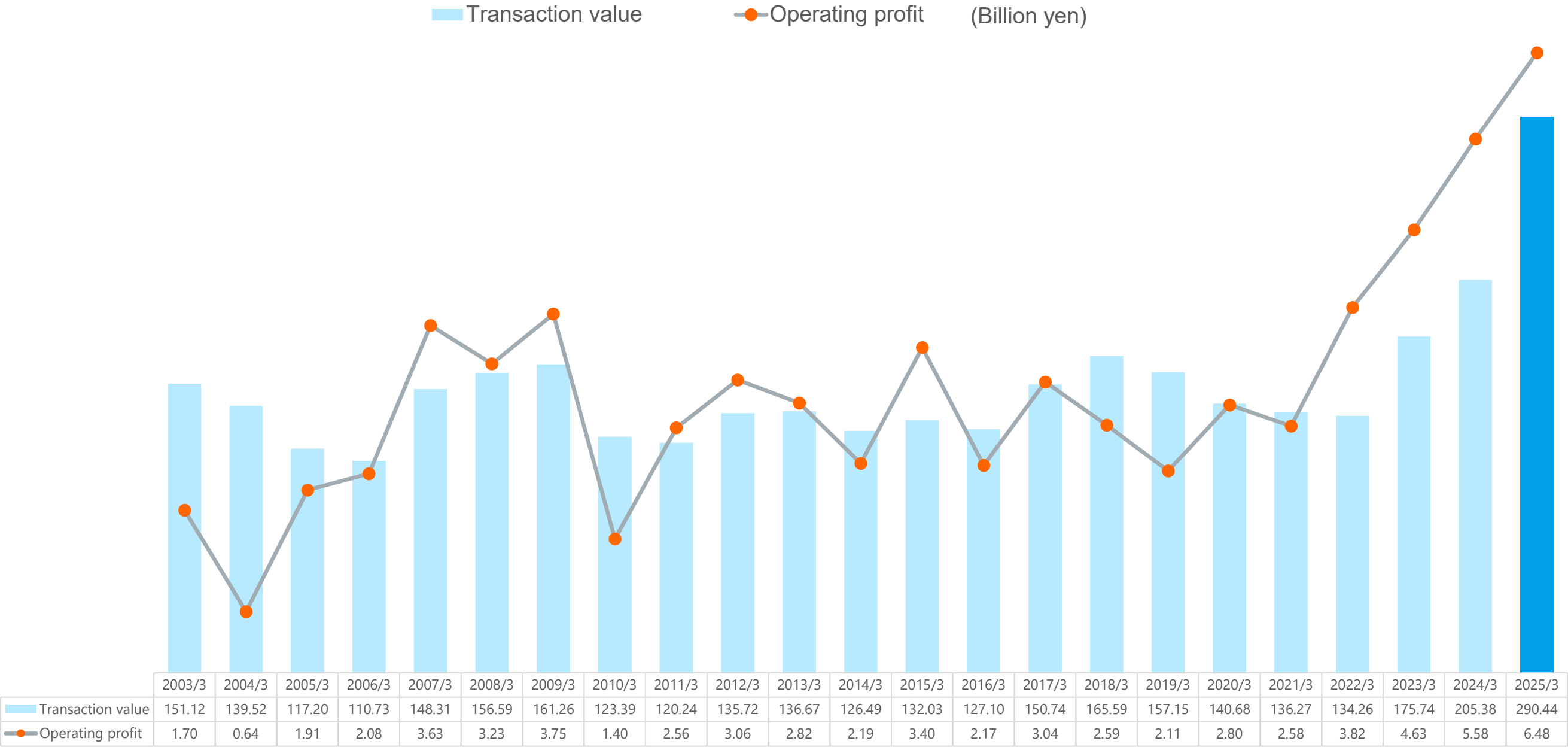


Unique products that are niche and competitive

Main products and services

- Marine engines
- Diaphragm valves and various other valves
- Plant equipment inspection using UT drones
- Laser-type gas analyzers, temperature data loggers, and other measuring equipment
- Underwater pumps for construction work and wastewater treatment equipment
- Particle image velocimetry systems
- Diffuser tubes for wastewater treatment equipment

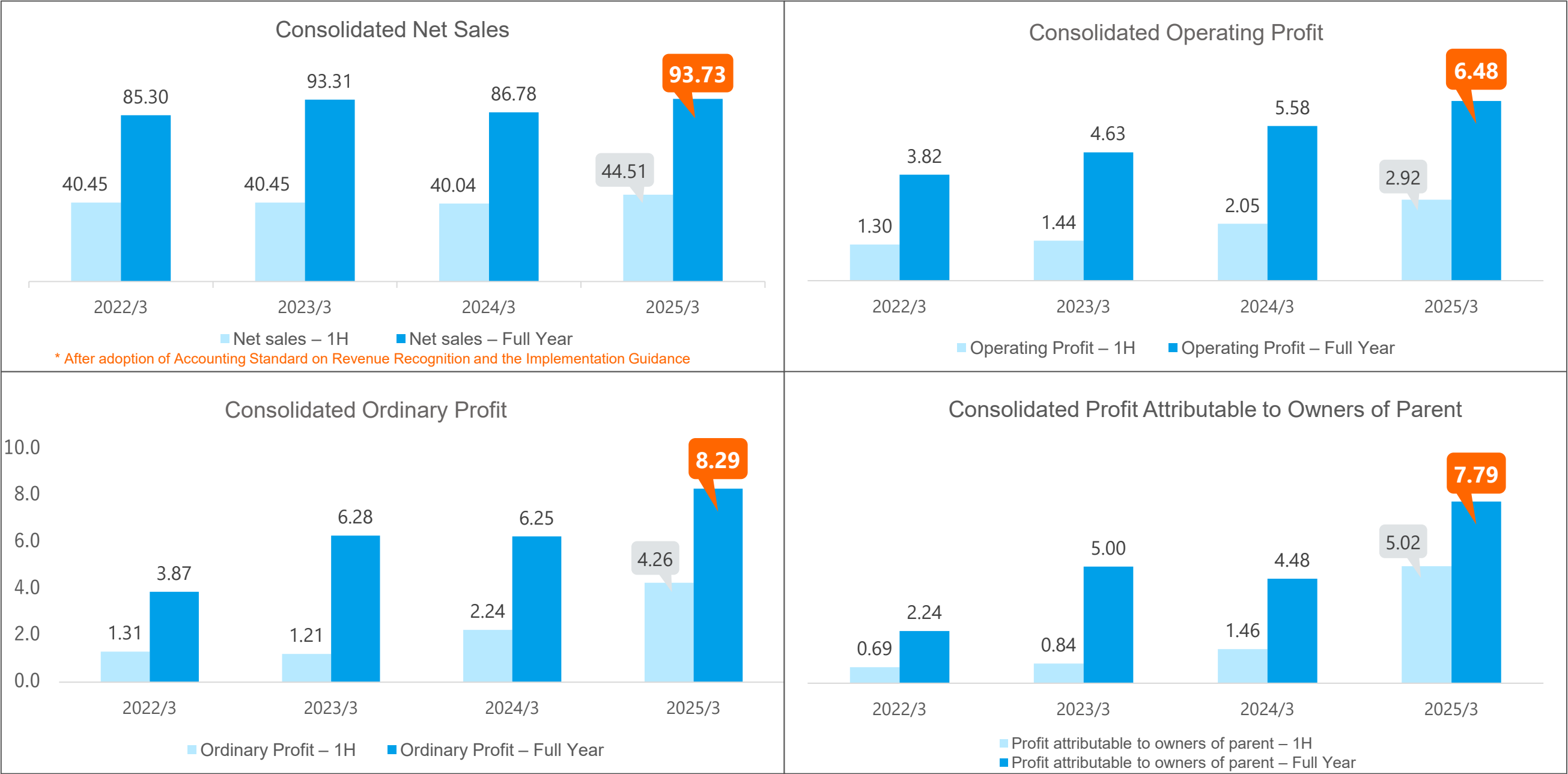
4. Changes in Consolidated Financial Results (Consolidated Transaction Value and Operating Profit)



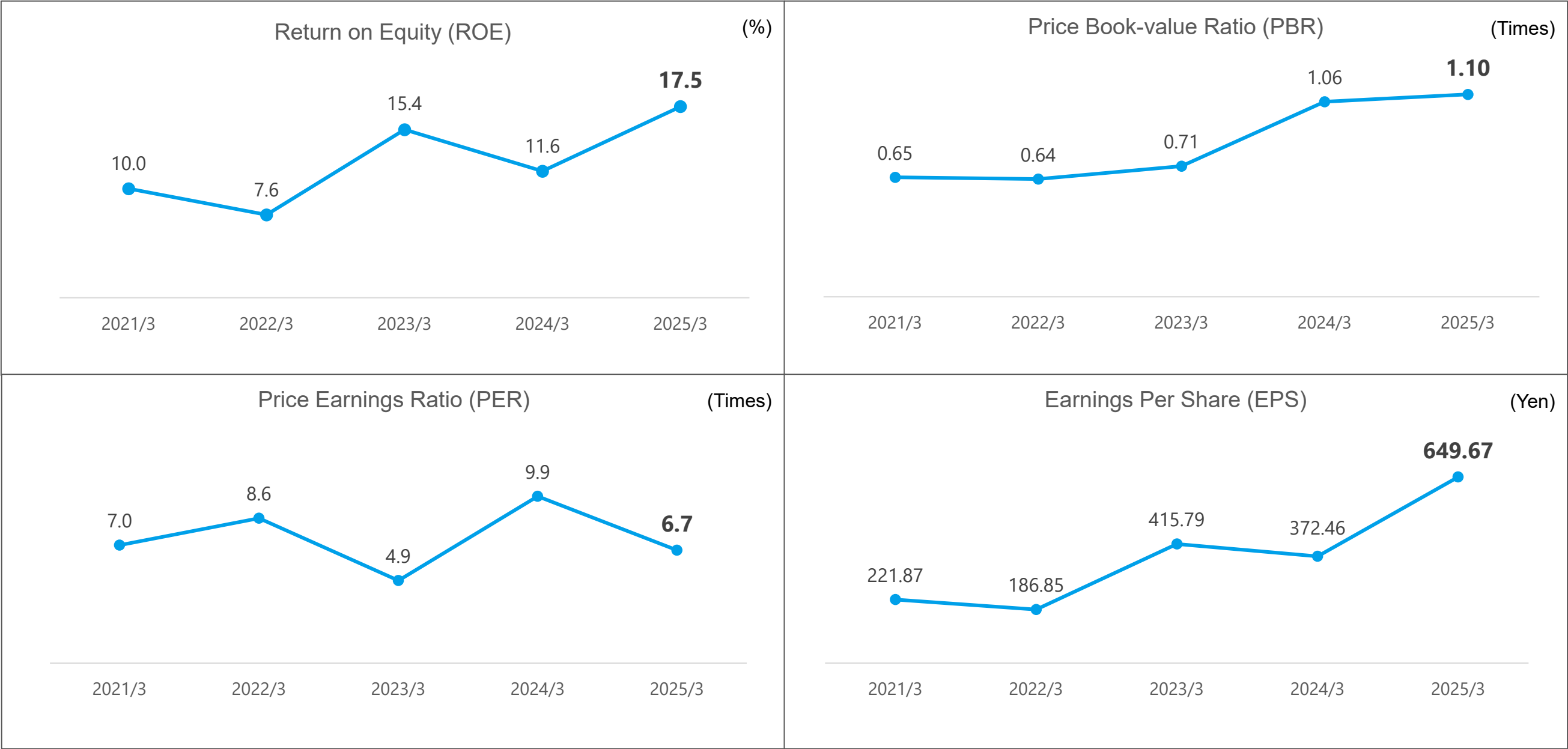
* The Accounting Standard for Revenue Recognition and other related standards are not applied to transaction value.

5. Changes in Consolidated Financial Results

(Billion yen)



6. Trends in Management Indicators



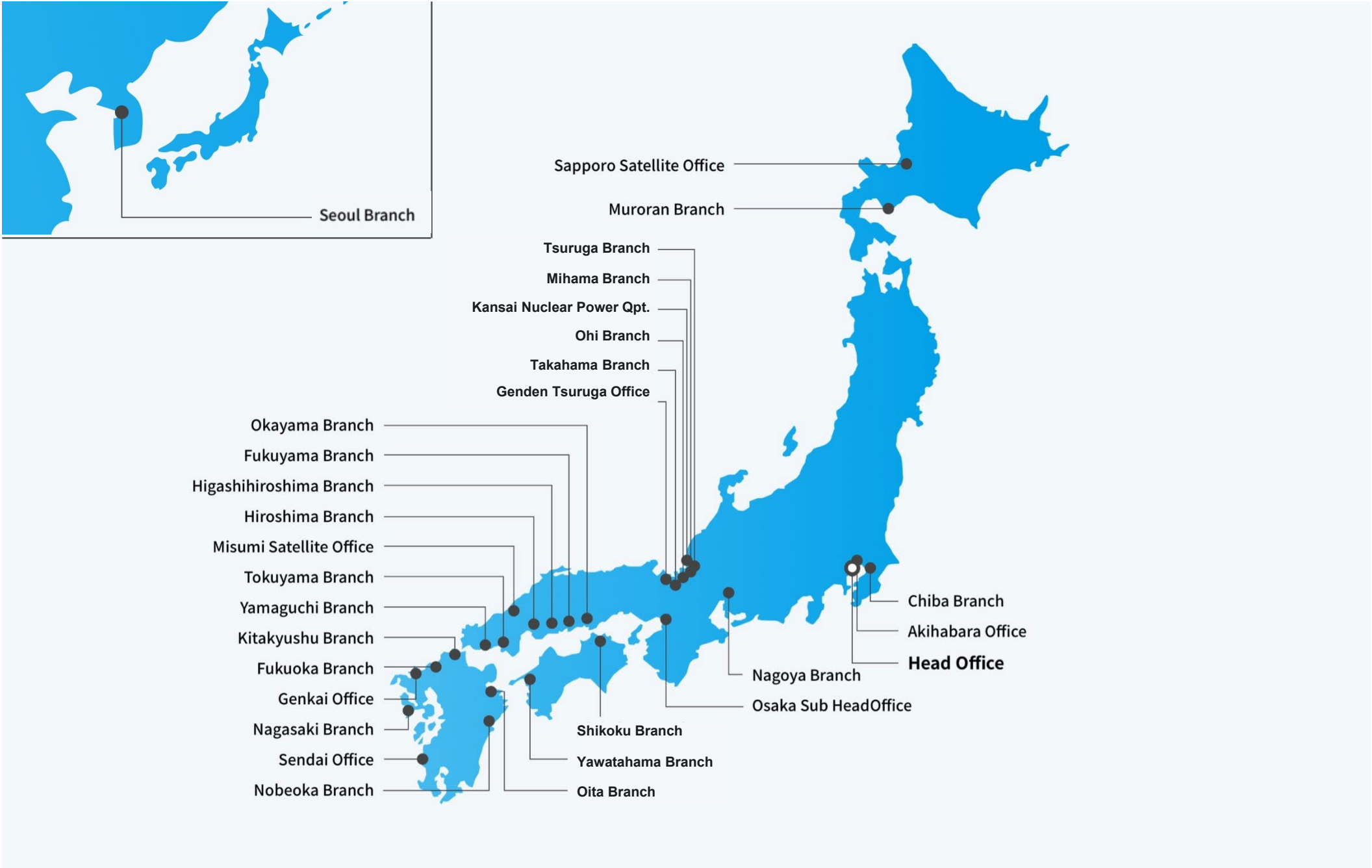
7. History of SEIKA CORPORATION (1)

- | | | |
|--------------------------|---|--|
| 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 | ● | Shares listed on First Section of Tokyo Stock Exchange (Capital 0.6 billion yen) |
| January 1974 | ● | Established the subsidiary Seika Sangyo GmbH in Germany (Dusseldorf) |
| December 1980 | ● | Capital increased to 3.0 billion yen |
| November 1983 | ● | Established the subsidiary Tsurumi (Europe) GmbH in Germany |
| May 1984 | ● | Capital increased to 4.3 billion yen |
| 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) |
| April 2005 | ● | Acquired 100% ownership of Nippon Daiya Valve Co., Ltd. |

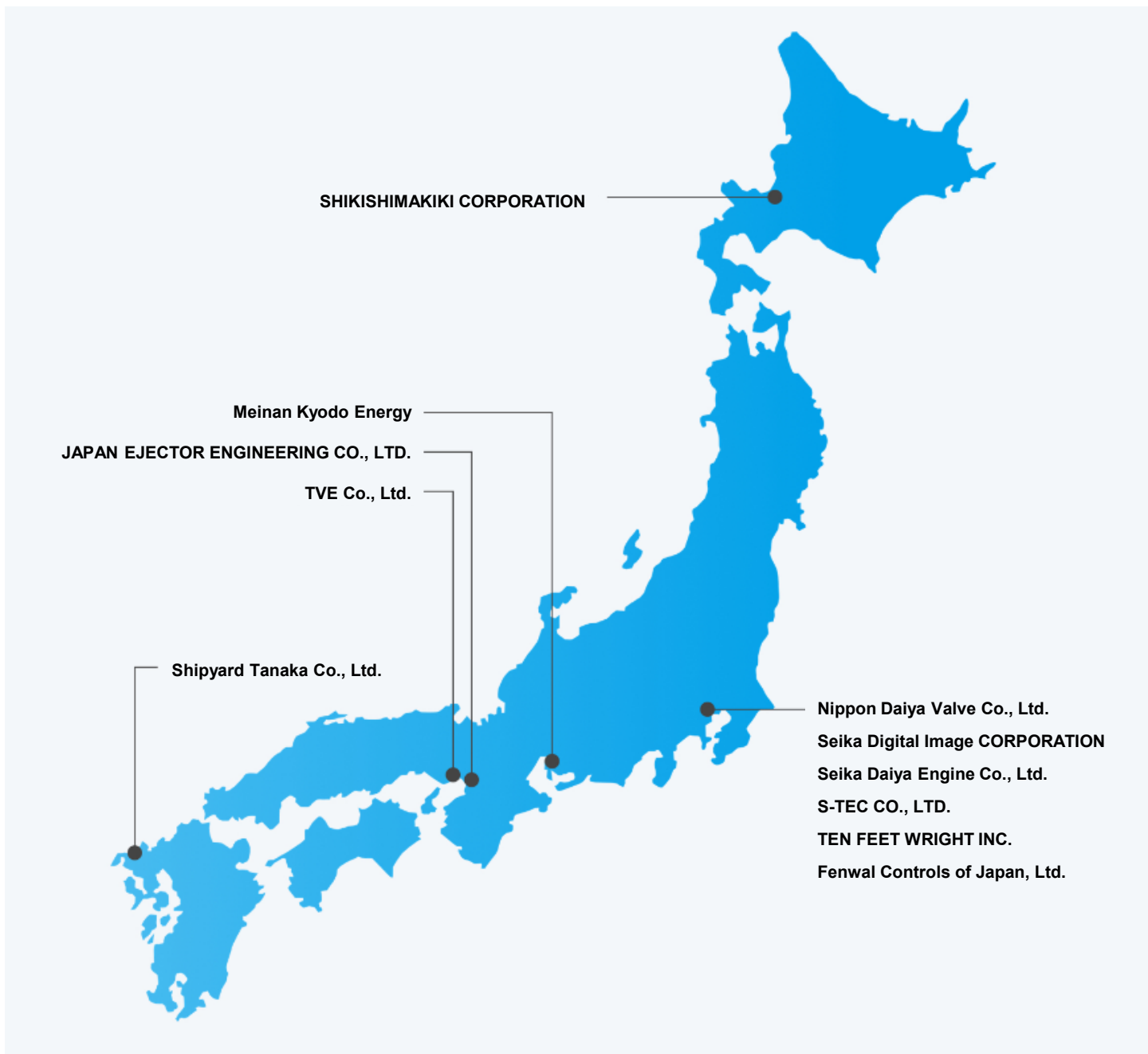
7. History of SEIKA CORPORATION (2)

- | | | |
|----------------------|---|--|
| April 2012 | ● | Established Seika Digital Image CORPORATION |
| December 2012 | ● | Established the subsidiary Seika Sangyo (Thailand) Co., Ltd. in Thailand (Bangkok) |
| May 2015 | ● | Established Meinan Kyodo Energy Co., Ltd. |
| March 2016 | ● | Acquired 100% ownership of Shikishimakiki Corporation |
| December 2018 | ● | Established the subsidiary SEIKA SANGYO (VIETNAM) COMPANY LIMITED in Vietnam (Ho Chi Minh City) |
| October 2020 | ● | Established Seika Daiya Engine Co., Ltd. |
| April 2022 | ● | Transferred to the TSE Prime market |
| June 2022 | ● | Shifted from a company with a board of company auditors to a company with an audit and supervisory committee |
| March 2023 | ● | Acquired shares in TVE Co., Ltd. (making it an equity method company) |
| November 2023 | ● | Established FORMOSA SEIKA CORPORATION (Taipei) |
| April 2024 | ● | Acquired shares in Shipyard Tanaka Co., Ltd. through Seika Daiya Engine Co., Ltd. (making it a sub-subsidiary) |
| June 2024 | ● | Acquired shares in Fenwal Controls of Japan, Ltd. (making it an equity method affiliate) |

8. Domestic and Overseas Locations



9. Consolidated Subsidiaries and Affiliated Companies (Domestic)



Nippon Daiya Valve Co., Ltd.
Tokyo (head office), Osaka, Nagoya, Okayama, Kita Kyushu

Seika Digital Image CORPORATION, Tokyo

Shikishimakiki Corporation
Head Office in Sapporo and ten other offices in Hokkaido

Seika Daiya Engine Co., Ltd.
Tokyo Head Office
Tohoku, Kanto, Chubu, Kinki, Kyushu areas
25 offices nationwide

Shipyard Tanaka Co., Ltd. Matsuura

MEINAN KYODO ENERGY Co., Ltd., Chita

S-TEC Co., Ltd.
Tokyo (head office), Osaka, Tsukuba

TEN FEET WRIGHT INC.
Tokyo (head office), Osaka, Takamatsu, Fukuoka

JAPAN EJECTOR ENGINEERING Co., Ltd.,
Osaka (head office), Wakayama

TVE Co., Ltd.
Hyogo (head office), Tokyo, and 15 other locations

Fenwal Controls of Japan, Ltd.
Tokyo (head office)
12 other locations

9. Consolidated Subsidiaries and Affiliated Companies (Overseas)



10. Social Contribution Activities in Recent Years

[Activities to revitalize and support local communities]

- Disaster relief donation for the Noto Peninsula Earthquake through the Japanese Red Cross Society.

- Donation to the red feather community chest

- Disaster relief donation through the Japanese Red Cross Society

- Donation to Kainaniji Ikueikai



Awarded certificate of commendation from Kainaniji Ikueikai

- Donation of unused calendars and notebooks (Ebetsu Kyodo Network, an NPO)

- Donation to educational activities sponsored by Kitakyushu City, Fukuoka Prefecture using the corporate *furusato nozei* program

- Donation of disaster supplies (FUKUSHIMA Inochi-no Mizu, an NPO)

- Participation in the Otemachi-Marunouchi-Yurakucho Kirapika Operation (local cleanup activity)

- Support for employees' participation in volunteer activities

We took part in the Otemachi-Marunouchi-Yurakucho Kirapika Operation (local cleanup activity).



[Humanitarian aid activities]

- Donation to A Dream A Day in Tokyo, activities for supporting children with intractable diseases

- Support for Furugi de Vaccine

- Collection of PET-bottle caps (Japan Committee, Vaccines for the World's Children)

- Collection and donation of used stamps (Japan Overseas Christian Medical Cooperative Service)



Used stamps

11. IR Topics in the Fiscal Year Ended March 31, 2025

List of Topics

Apr 1	Seika Daiya Engine Co., Ltd., a Seika Group company, acquires shares of Shipyard Tanaka Co., Ltd.
Apr 1	Concludes memorandum of understanding concerning a business alliance with Tanaka Hydropower Co., Ltd.
May 27	Financial results briefing for the fiscal year ended March 31, 2024
Jun 13	Acquires shares in Fenwal Controls of Japan, Ltd.
Jun 13	Holds corporate briefing for IFA (hosted by Shareholder Handbook)
Jul 26	Interview with the president appears in <i>Nikkei Business</i> July 29, 2024 Edition, published on July 26
Aug 26	Article covering ultralight solar power panels appears in <i>The Denki Shimbun</i> (The Electric Daily News) published on August 26
Sep 12	Article on demonstration testing of an electric-powered ship appears in <i>The Nikkan Kogyo Shimbun</i> published on September 12
Nov 21	Obtains new credit rating (A-) from Japan Credit Rating Agency, Ltd.
Nov 22	Financial results briefing for the first half of the fiscal year ended March 31, 2025
Nov 22	Publishes Integrated Report 2024
Dec 25	Published in joint Nikkei electronic publication, "Kiritani-ryu investment technique: The first stock I bought was Seika Sangyo"
Dec 25	Awarded "Excellent Company" in Overall Category in Nikko IR's "FY2024 Ranking of Website Substantiveness of All Listed Companies"
Dec 31	Appearances on Radio NIKKEI / President and CEO Sakurai (two appearances in FY2024)
Feb 10-11, 2025	IR interviews in Taiwan (Taipei) (seven companies total)
Feb 13	Revised targets for the final year of the Long-Term Management Vision and Medium-Term Management Plan
Mar 15	Participated in "Corporate IR & Individual Investor Support Event," co-sponsored by Radio NIKKEI × PRONEXUS (four times in FY2024)
Mar 19	Listed in "70 Carefully Selected Stocks," <i>Kaisha Shikiho Pro 500 Spring 2025 Issue</i>



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.