

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

Medium-Term Management Plan Re-SEIKA 2023

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

April 2020 – March 2023

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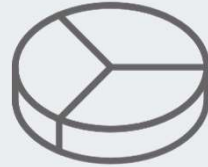
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Re-SEIKA 2023**





01

Long-Term Management Vision

April 2017 – March 2027



Long-Term Management Vision (April 2017 – March 2027)

Long-Term Management Vision

In 10 years,
the Seika Group will be:

A global corporate group that will adapt to changes in the business environment and hold a solid business foundation and in which employees are full of vigor and a pioneering spirit, have job satisfaction at their respective companies and achieve growth

Long-Term Management Policy

01

Press ahead with the reform and evolution of business models to continuously increase the Group's earning power

02

Discover and develop human resources capable of creating new businesses and playing significant roles in Japan and beyond, and implement optimal introduction of management resources in response to changes of the times

03

Create an attractive workplace environment that gives job satisfaction to employees to improve productivity





02

Review of Previous Medium-Term Management Plan CS 2020

April 2017 – March 2020



Review of Previous Medium-Term Management Plan CS 2020

CS2020 numerical target and result in consolidated profit

The target was not met in consolidated profit (attributable to owners of parent).

Profit attributable to owners of parent	2018/3	2019/3	2020/3
Numerical Target	2.20 billion yen	2.40 billion yen	2.70 billion yen
Result	1.65 billion yen	1.58 billion yen	-1.26 billion yen (Note)

(Reference) Consolidated operating income

Result	2018/3	2019/3	2020/3
	2.59 billion yen	2.11 billion yen	2.80 billion yen (Note)

(Note) For fiscal year ended March 31, 2020, consolidated operating income stood at 2.80 billion yen, above the forecast at the beginning of fiscal year. On the other hand, consolidated profit stood at minus 1.26 billion yen due to posting of a transient extraordinary loss.



03

Basic Policy **under Medium-Term Management Plan** **Re-SEIKA 2023**

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

April 2020 – March 2023



Basic Policy under Medium-Term Management Plan Re-SEIKA 2023

April 2020 – March 2023

Re-SEIKA 2023 (98th Term – 100th Term)

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



Basic Policy under Re-SEIKA 2023

With the Medium-Term Management Plan Re-SEIKA 2023, we will

- change our traditional ways of thinking and behaviors (Re-form)
- untiringly challenge all kinds of difficulties (Re-challenge), and
- establish a cycle of continued growth (Re-gain)
to enter a new phase (Re-start) towards improving corporate value.

Re-
form

Re-
challenge

Re-
gain

Re-
start

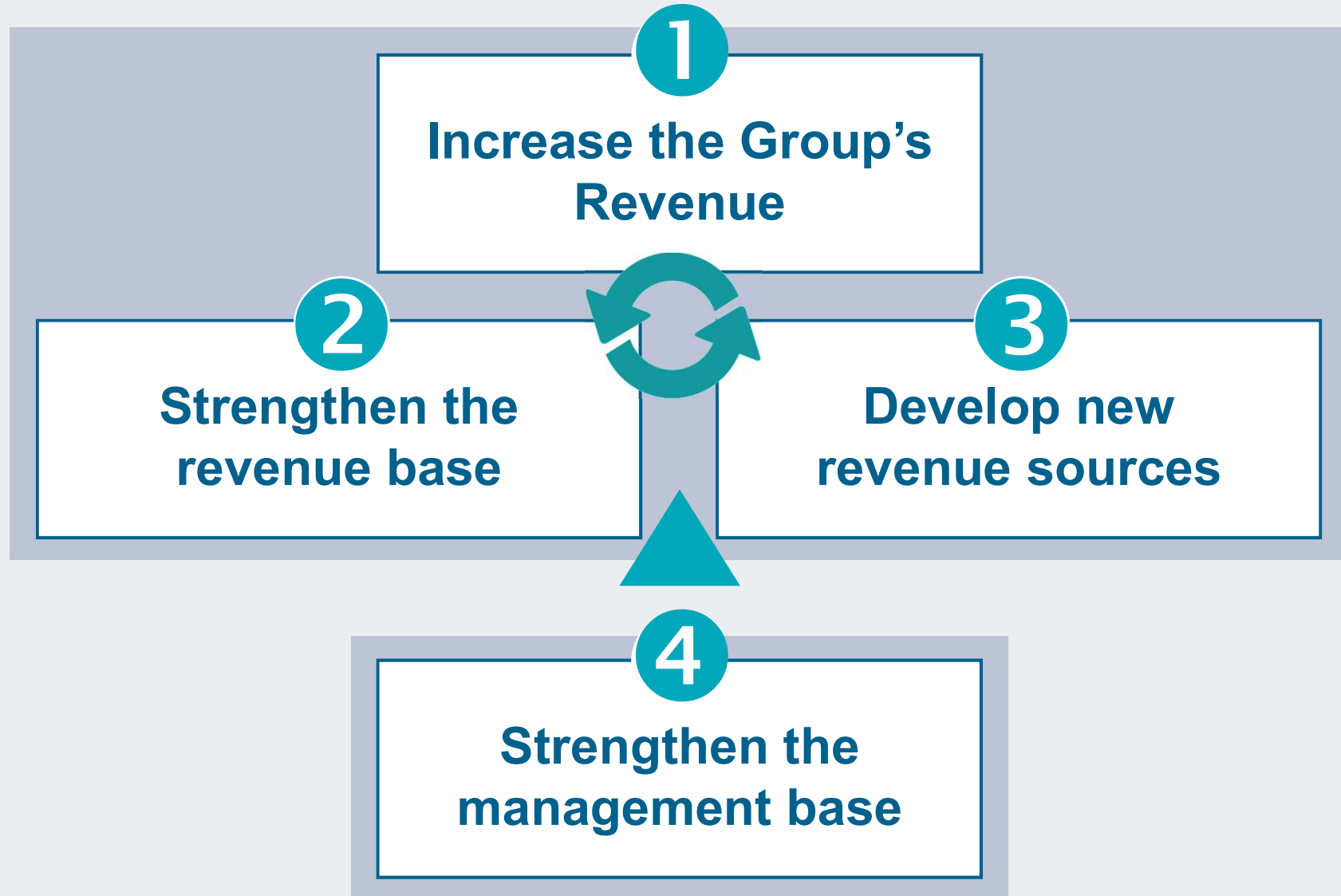




Basic Strategy under Medium-Term Management Plan Re-SEIKA 2023

Re-SEIKA 2023

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





1

Increase the Group's Revenue

Reorganize Seika Corporation's individual businesses and 25 group companies in 14 countries by business details into *business units* to implement integrated business operations

Companies in a single business unit will identify common issues they share and resolve them by making effective use of their respective functions in an aim to increase revenue of the whole business unit.



2

Strengthen the revenue base

**Divide the Group's businesses into
base revenue and growth revenue.**

**Push ahead with the optimization of the
business portfolio and effectively introduce
management resources as appropriate.**

We will efficiently introduce management resources to our business with a competitive advantage that will long serve as a revenue pillar, namely the Energy Plant Business Unit in the base revenue category. We will positively and boldly introduce management resources to promising businesses, namely the Industrial Machinery Business Unit and the Global Business Unit in the growth revenue category to construct a stable revenue base.



3

Develop new revenue sources

**Continuously devote management resources
to the development of new revenue sources
to accelerate construction of foundations
for the Group's continuous growth.**

We will launch an implementation system led by the head office and define it as a development business for securing future earnings. For the development business, we will determine subjects that are highly compatible with existing businesses and in which our experience will be helpful, such as renewable energy and life sciences, and then take positive actions to form strategic partnerships and to deploy personnel. For stabilizing earnings of overseas affiliates, we will support the development of new products with regional uniqueness to ensure their continued growth.

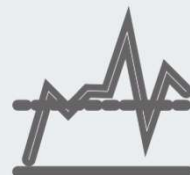


4

Strengthen the management base

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

We will work to reinforce financial foundations, in-house information infrastructure and organizational foundations to support the implementation of business strategies. We will also work to enhance corporate governance and the workplace environment for gaining trust from all stakeholders. Then, we will maintain it to strengthen our management base.



04

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

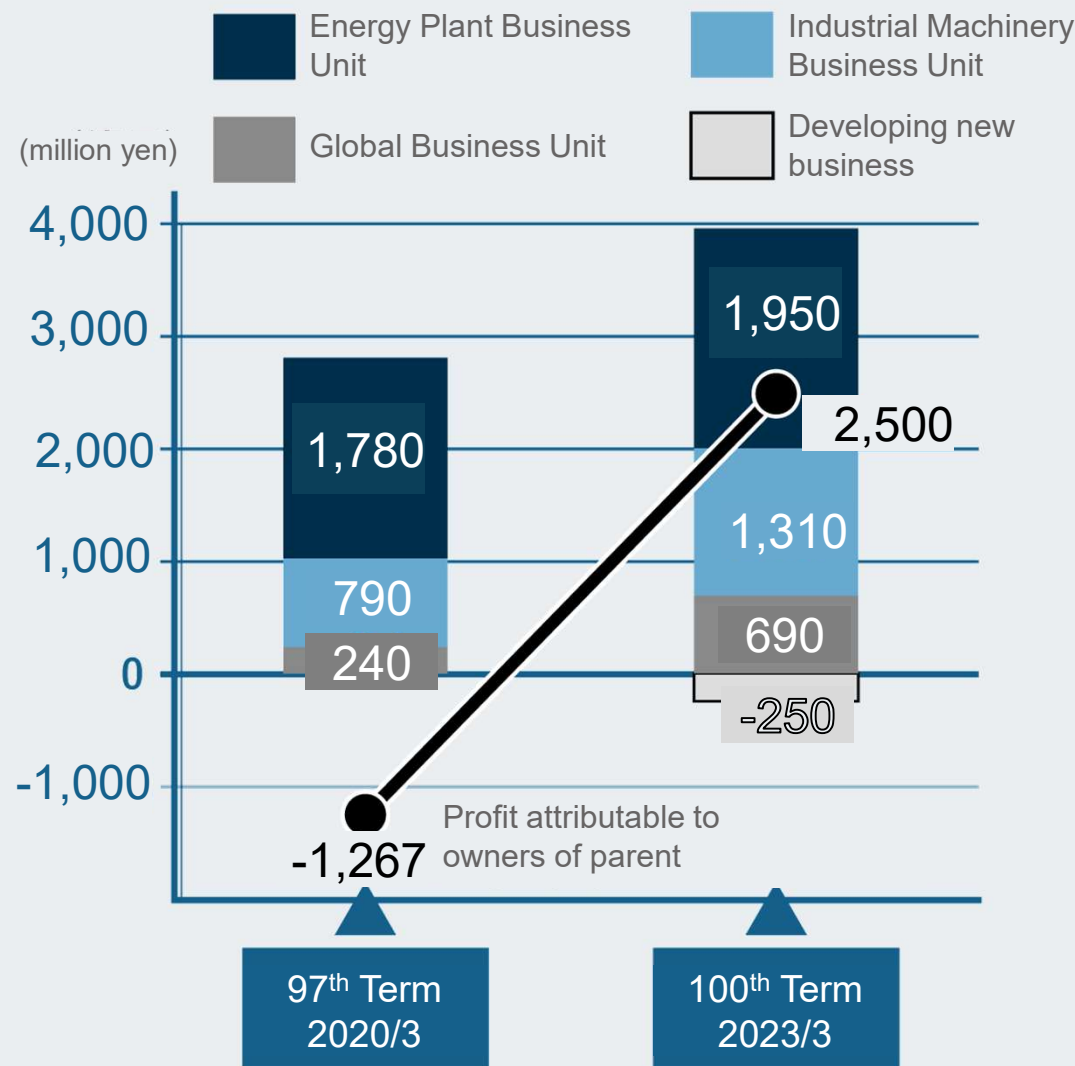
**Evolving into a strong and valuable company
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April 2020 – March 2023



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

Management Numerical Targets (consolidated)



	2020/3 (97 th Term)	2023/3 (100 th Term)
Operating income	(Note 1) 2.80 billion yen	(Note 2) 3.7 billion yen
Profit attributable to owners of parent	(Note 1) -1.26 billion yen	(Note 2) 2.5 billion yen

(Note 1) For fiscal year ended March 31, 2020, consolidated operating income stood at 2.80 billion yen, above the forecast at the beginning of the fiscal year. On the other hand, consolidated profit stood at -1.26 billion yen due to the posting of a transient extraordinary loss.

(Note 2) The numerical targets for fiscal year ending March 31, 2023 represent the current forecast. They do not consider any impact of the COVID-19 pandemic.

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

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* Plans, outlook and other forward-looking statements in this material are based on our strategies and assumptions and actual results may differ due to a variety of factors.