

Outline of RIKEN TECHNOS GROUP

Corporate Profile (As of March 31, 2021)

Company Name	RIKEN TECHNOS CORPORATION	Representative	Representative Director, President & CEO Kazuaki Tokiwa
Date of Establishment	March 30, 1951	Number of Employees	Consolidated: 1,894 Non-consolidated: 737
Capital Stock	JPY 8,514 million	Head Office	WATERRAS TOWER, 2-101, Kanda-Awajicho, Chiyoda-ku, Tokyo, 101-8336, Japan

Business Field

The RIKEN TECHNOS GROUP conducts business in the following four market segments.

Segment	Target market	Major Products
Transportation	Automotive, railroad, shipping markets, etc.	Compounds and films
Daily Life & Healthcare	Medical, consumer goods, food wrapping markets etc.	Compounds, films and food wrapping
Electronics	Energy, telecommunications, IT device markets, etc.	Compounds and films
Building & Construction (BC)	Housing, building and construction materials, public works markets, etc.	Compounds and films

Major Products

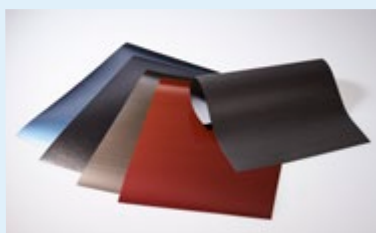
Compound products

Polyvinyl chloride compounds, thermoplastic elastomer compounds, electro-conductive compounds, anti-static compounds and biomass plastics compounds etc.



Film products

Film for interiors and furnishings, steel laminating film, polyester type film, IR cutting film, window decoration film, film for optical instruments etc.



Food Wrapping Products

Polyvinyl chloride wraps and polyolefin wraps etc.



Financial Results

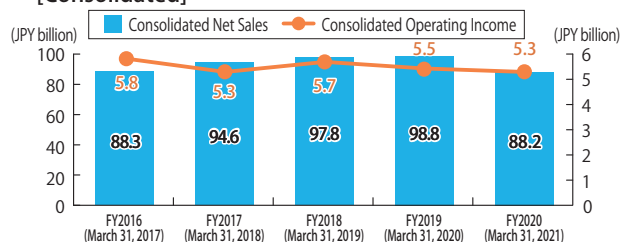
The Japanese economy in fiscal 2020 (ending March 31, 2021) showed signs of recovery from the impact of COVID-19, centered on areas such as exports, production, and capital investment. However, a severe situation continued to be in place, including a downturn in individual consumption due to the redeclaration of a state of emergency arising from a resurgence in the number of COVID-19 infections.

Overseas, the situation remains severe due to the impact of COVID-19, but a recovery trend can be seen in North America with the implementation of economic measures. The economy in China has also recovered gradually.

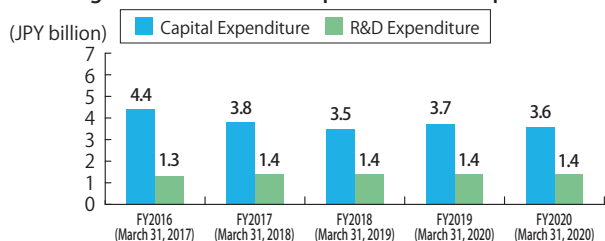
Looking at each market, although the number of new housing construction has dropped in Japan's domestic housing market, the

automotive and home appliance markets showed signs of recovery. Amid such an environment, the RIKEN TECHNOS GROUP worked on improving performance by meticulously and accurately grasping customer needs by market from a global perspective and efficiently using domestic and overseas management resources to generate orders. As a result, net sales were 88.224 billion yen, a decrease of 10.7% compared to the previous consolidated fiscal year (hereinafter referred to as "YoY"), operating income was 5.313 billion yen (down 4.8% YoY), ordinary income was 5.652 billion yen (down 0.3% YoY), and net income attributable to the shareholders of the parent company was 3.234 billion yen (up 5.5% YoY).

● Changes in Consolidated Financial Results [Consolidated]



● Changes in Consolidated Capital and R&D Expenditure

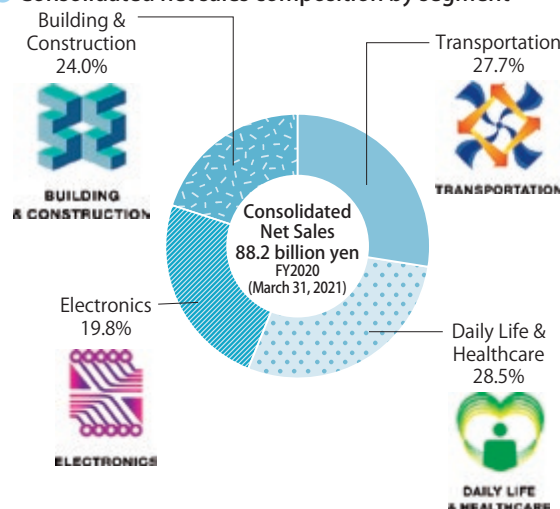


● FY2020 (ending March 31, 2021) Financial Results (JPY billion)

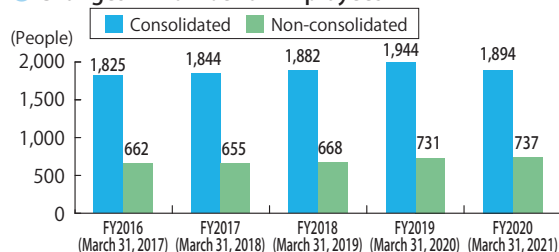
	Consolidated	Non-consolidated
Net Sales	88.2	35.5
Operating Income	5.3	1.4
Ordinary Income	5.6	3.1
Net Income*	3.2	2.6

* Net income attributable to the shareholders of the parent company

● Consolidated net sales composition by segment



● Changes in Number of Employees



● Mid-term Business Plan

The second fiscal year of the three-year mid-term business plan “More Value to All 2021: Generating Greater Value Together!” for the RIKEN TECHNOS GROUP is over. All employees will work together toward the completion of the five major tasks stated in the plan.

● Management Policy

More Value to All 2021:
Generating Greater Value Together!
Aiming to become the leading provider of comfort for all living spaces



● Numerical Targets

	Targets for FY2021 (final fiscal year)
Consolidated Net Sales	115.0 billion yen
Consolidated Operating Income	8.5 billion yen
Consolidated Ordinary Income	8.5 billion yen
Consolidated Net Income	5.0 billion yen

● Management Targets

	Return on sales (ROS)	Return on equity (ROE)
Targets for FY2021 (final fiscal year)	7%	8%

● Actions Until FY2021 for Major Tasks

1) Intensifying Global Management and Generating Synergies

We will continue to promote global operation through collaboration between bases while seeking to strengthen the compound business strategy in the Asian region.

2) Improving the Capacity to Generate Revenues and Profits through Strategic Thinking

We will carry out enhancement of shared functions and system integration of subsidiaries as well as work on cooperation with design subsidiaries. We will also carry out cost reduction and logistics reform aimed at services for customers.

3) Realizing a Production Structure that Reflects the Thorough Pursuit of Efficiency

We will seek to improve production efficiency through the introduction of equipment failure indication management systems and reorganize shared plant equipment to reduce energy cost. At the same time, we will promote the strengthening of global manufacturing.

4) Contributing to A Sustainable Society

We will establish SDG theme responding to each of the major tasks and strengthen actions toward the realization of a sustainable society.

5) Strengthening Corporate Foundations through Management Emphasizing Human Resource Development and Governance

We will strengthen global human resources through the diversification of recruitment methods and reorganization of our training system. We will also continue to be thorough in compliance.