

Sustainable Development Goals
(External environment and trends)

Risks **Opportunities**

Materiality
▶ P.21-22

Six capitals

Source of value creation

Financial foundation
Shareholders' equity: 66.3 billion yen
Interest-bearing debts: 28.5 billion yen

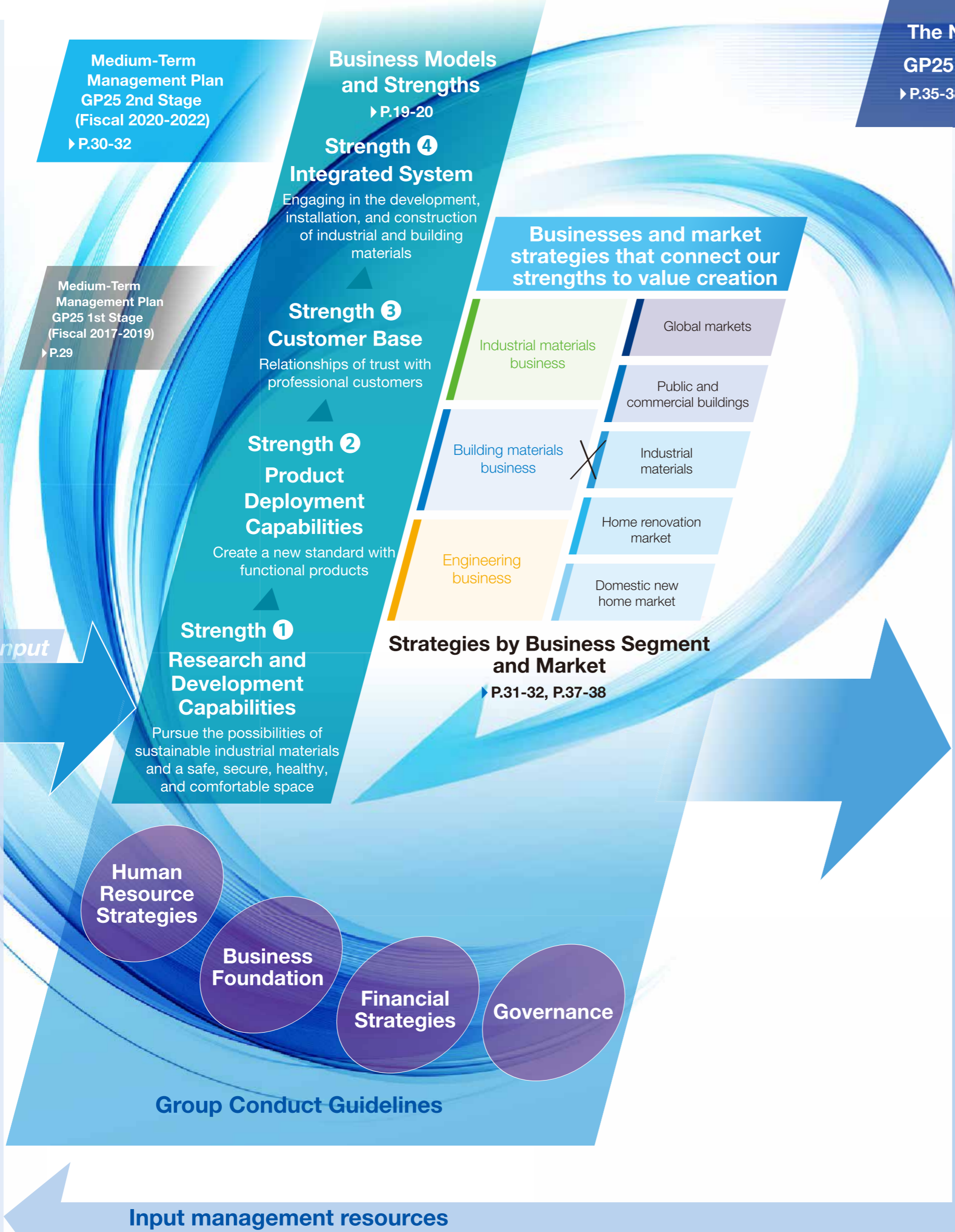
Production system
Capital investments: 2.8 billion yen
Production bases: 20 bases

Research and development
R&D expenses for the R&D center: 1.5 billion yen

Human resource
Consolidated number of employees: 3,965
The nationwide branch and sales office networks, as well as dedicated sales personnel by market and customer
Seven group companies' installation work management system

Customer base
A wide variety of customers ranging from the housing and construction industries to various manufacturers

Natural resources
Usage of wood materials (1,000 t)
Domestic: 219 Global: 1,565
Total energy input (1,000 GJ)
Domestic: 2,711 Global: 5,210
Water resource input (1,000 m³)
Domestic: 1,859 Global: 973



Output
Offering of products that use strengths ▶ P.15-16

Industrial materials business

Make full use of wood and mineral resources and offer a variety of functional materials

MDF	Veneer/LVL
Insulation board	Tatami facing
DAILITE	DAILOSTONE

Building materials business

Offer high-performance building materials that form spaces focusing on safety, peace of mind, health, and comfort

Flooring	Sound products
Door	Cabinet
Stairs	Construction materials

Engineering business

Interior construction for public spaces, commercial facilities, and houses to create spaces that optimize the performance of industrial and building materials

Interior projects for buildings and offices
Home renovation
Apartment renovation

Outcome
Creation of economic and social value

Creating shared value (CSV) by Daiken businesses
▶ P.23-28

- Contribution to carbon neutrality by utilizing wood resources
- Promotion the use of domestic timber
- Effective utilization of unused resources
- Creating a safe, secure, healthy, and comfortable space
- Saving construction time and work

Fiscal 2022

Financial Outcomes	
Net sales:	223.3 billion yen
Operating profit:	17.3 billion yen
EBITDA*:	24.5 billion yen
Profit attributable to owners of parent:	7.8 billion yen
ROE:	10.9%
Total dividend:	2.6 billion yen
Dividend payout ratio:	33.1%

*Operating profit + Depreciation + Depreciation of goodwill

Nonfinancial Outcomes	
Amount of carbon storage by the wood industrial materials business:	803,000 t-CO ₂ /year
Utilization of domestic timber for base materials for flooring:	51%
Total CO ₂ emissions in Japan (Compared to fiscal 2014):	(36%)

*Fiscal 2022