**Long-Term Vision GP25** ▶ P.4

**Daiken Global Environment** Vision 2050 ▶ P.47-50

Target Achieve the vision of the group corporate philosophy → P.3-4



**DEVELOPMENT** 

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

#### **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 m<sup>3</sup>) Domestic: 1,859 Global: 973

Medium-Term **Management Plan GP25 2nd Stage** (Fiscal 2020-2022) ▶ P.30-32

Fiscal 2017-2019

P.29

**Product Deployment** Capabilities Create a new standard wi

Strength 1 Research and **Development** 

Pursue the possibilities of ustainable industrial material and a safe, secure, healthy, and comfortable space

**Business Models** and Strengths

Strength 4 **Integrated System** 

Engaging in the development nstallation, and construction of industrial and building materials

Strength 3 **Customer Base** 

Relationships of trust with professional customers

Strength 2 Building materials business

functional products

Capabilities

▶ P.19-20

**Businesses and market** strategies that connect our strengths to value creation

Global markets

Industrial materials business

Public and commercial buildings

materials

Home renovation

market

home market

Industrial

Engineering business Domestic new

**Strategies by Business Segment** and Market

P.31-32, P.37-38

Human Resource **Strategies** 

> Business **Foundation**

**Financial Strategies** 

Governance

**Group Conduct Guidelines** 

# Input management resources

The New Medium-Term Management Plan **GP25 3rd Stage (Fiscal 2023-2026)** ▶ P.35-38

#### 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	DAILOTONE

# **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 17.3 billion yen Operating profit: EBITDA\*: 24.5 billion yen

Profit attributable to

7.8 billion yen owners of parent: 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<sub>2</sub>/year Utilization of domestic timber for base materials

for flooring: Total CO<sub>2</sub> emissions in Japan (Compared to

fiscal 2014): (36%)