



The Heart of Industry

Results of Operations for the  
Fiscal Year Ended March 31, 2021  
(FY3/21)

May 25, 2021

**IWAKI CO.,LTD.**

Stock code: 6237

Trade name: Iwaki Pump



<b>I. Summary of FY3/21 Financial Results</b>	<b>••••P 3</b>
<b>II. Outlook for FY3/22</b>	<b>••••P 17</b>
<b>III. Medium-term Management Plan</b> <b>Business Development and Growth</b>	<b>••••P 26</b>
<b>IV. Appendix</b>	<b>••••P 34</b>

# **I. Summary of FY3/21 Financial Results**

4Q sales were much higher than 3Q sales. Earnings exceeded the initial plan.

Millions of yen	1Q-3Q FY3/21	3Q FY3/21	4Q FY3/21	Differences
Net sales	20,199	7,040	7,962	922
Gross profit (Gross margin)	6,851 (33.9%)	2,380 (33.8%)	2,851 (35.8%)	471 (+2.0pt)
Operating profit (Operating margin)	1,027 (5.1%)	315 (4.5%)	678 (8.5%)	363 (+4.0pt)

Millions of yen	FY3/21 Forecast	FY3/21 Results	Differences
Net sales	28,280	28,162	-118
Gross profit (Gross margin)	9,498 (33.6%)	9,703 (34.5%)	204 (+0.9pt)
Operating profit (Operating margin)	1,332 (4.7%)	1,706 (6.1%)	373 (+1.3pt)

Sales and earnings decreased because of a big decrease in sales in the medical equipment market in Japan.

	FY3/20		FY3/21		
	Amount (Millions of yen)	Amount (Millions of yen)	Differences	YoY change	
Net sales	28,636	28,162	-474	-1.7%	
Gross profit (Gross margin)	9,806 (34.2%)	9,703 (34.5%)	-103	-1.1% (-0.2pt)	
Operating profit (Operating margin)	2,114 (7.4%)	1,706 (6.1%)	-407	-19.3% (-1.3pt)	
Ordinary profit	2,578	2,222	-356	-13.8%	
Profit attributable to owners of parent	2,122	2,091	-31	-1.5%	
Net income per share (Yen)	96.06	94.90	-1.16	-1.2%	
Return on equity (ROE)	10.5%	9.7%	-	(-0.8pt)	
Exchange rate (average)	USD/JPY (Yen)	109.03	106.77		
	EUR/JPY (Yen)	122.03	121.88		

### 1 Sales ¥28,162 million (down 1.7%, ¥474 million)

- ✓ Sales requiring face-to-face meetings decreased due to COVID-19, but started to recover in the second half.
- ✓ Sales were higher in the semiconductor/liquid crystal market in Japan and overseas and in the medical equipment market overseas (mainly China).
- ✓ Iwaki Nordic Group (ING) contributed ¥648 million to FY3/21 sales (before eliminations for consolidation).  
\*ING is included in income statement beginning in the 3Q.
- ✓ Lower medical equipment market sales in Japan (down ¥947 million from FY3/20) was the main reason for the decrease in FY3/21 sales.

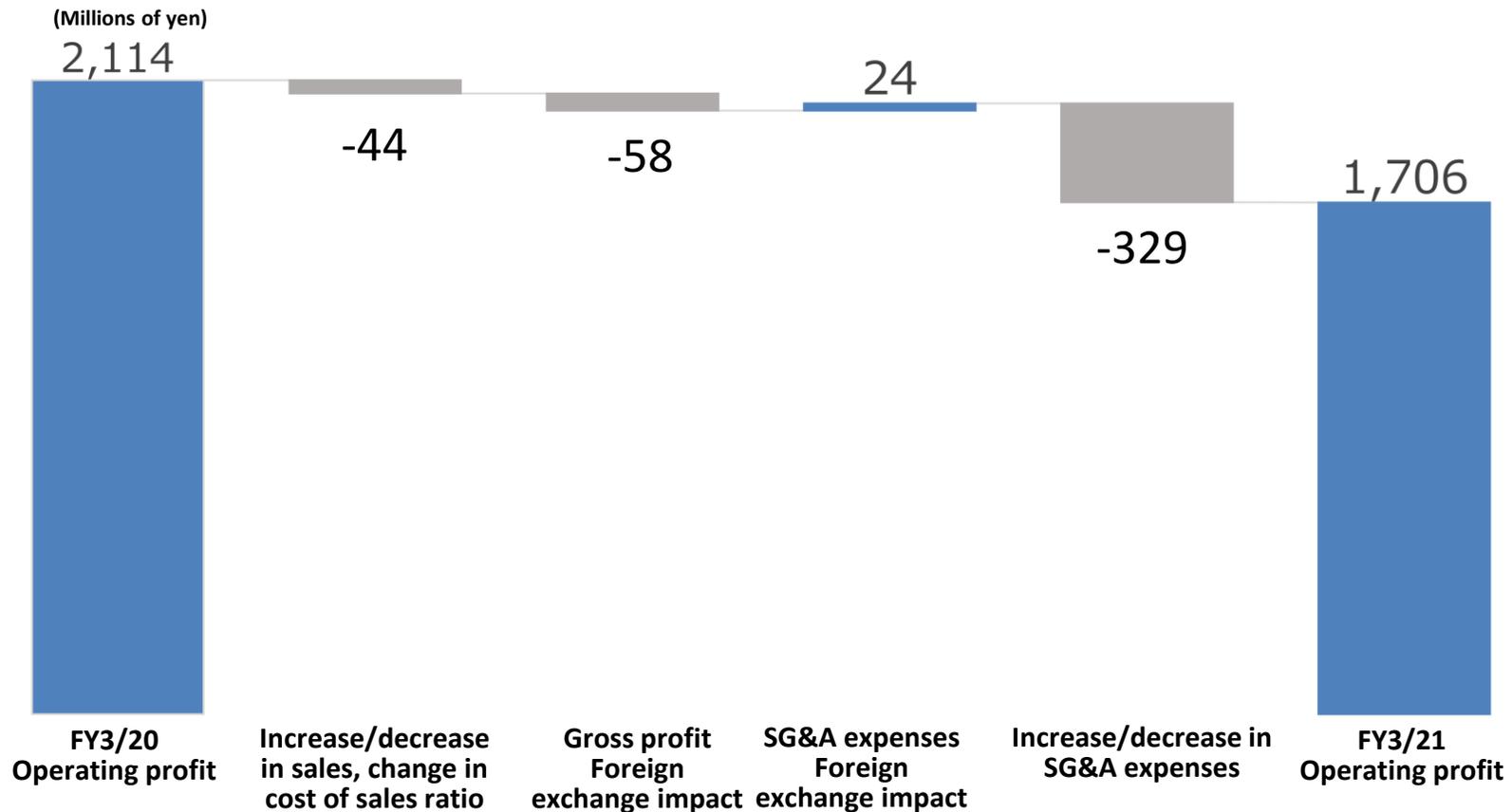
### 2 Operating profit ¥1,706 million (down 19.3%, ¥407 million)

- ✓ ING contributed ¥331 million to the gross profit (before eliminations for consolidation).
- ✓ Gross profit was down ¥103 million (1.1%) because of the big decline in medical equipment market sales in Japan.
- ✓ Major reasons for the increase in SG&A expenses
  - Expenses of ¥84 million for the ING acquisition.
  - Expenses of ¥279 million due to inclusion of ING in income statements.
  - Goodwill amortization of ¥39 million (including ¥38 million for ING goodwill).
  - Total SG&A expenses, including external warehouse use expenses, increased ¥304 million (4.0%).

### 3 Profit attributable to owners of parent ¥2,091 million (down 1.5%, ¥31 million)

- ✓ Higher equity-method profit mainly involving Hong Kong.
- ✓ 1Q extraordinary income for a gain due to the step acquisition of ING.

Effect of ¥1 exchange rate change	USD	EUR
Net sales	45 million yen	22 million yen
Operating profit	14 million yen	8 million yen



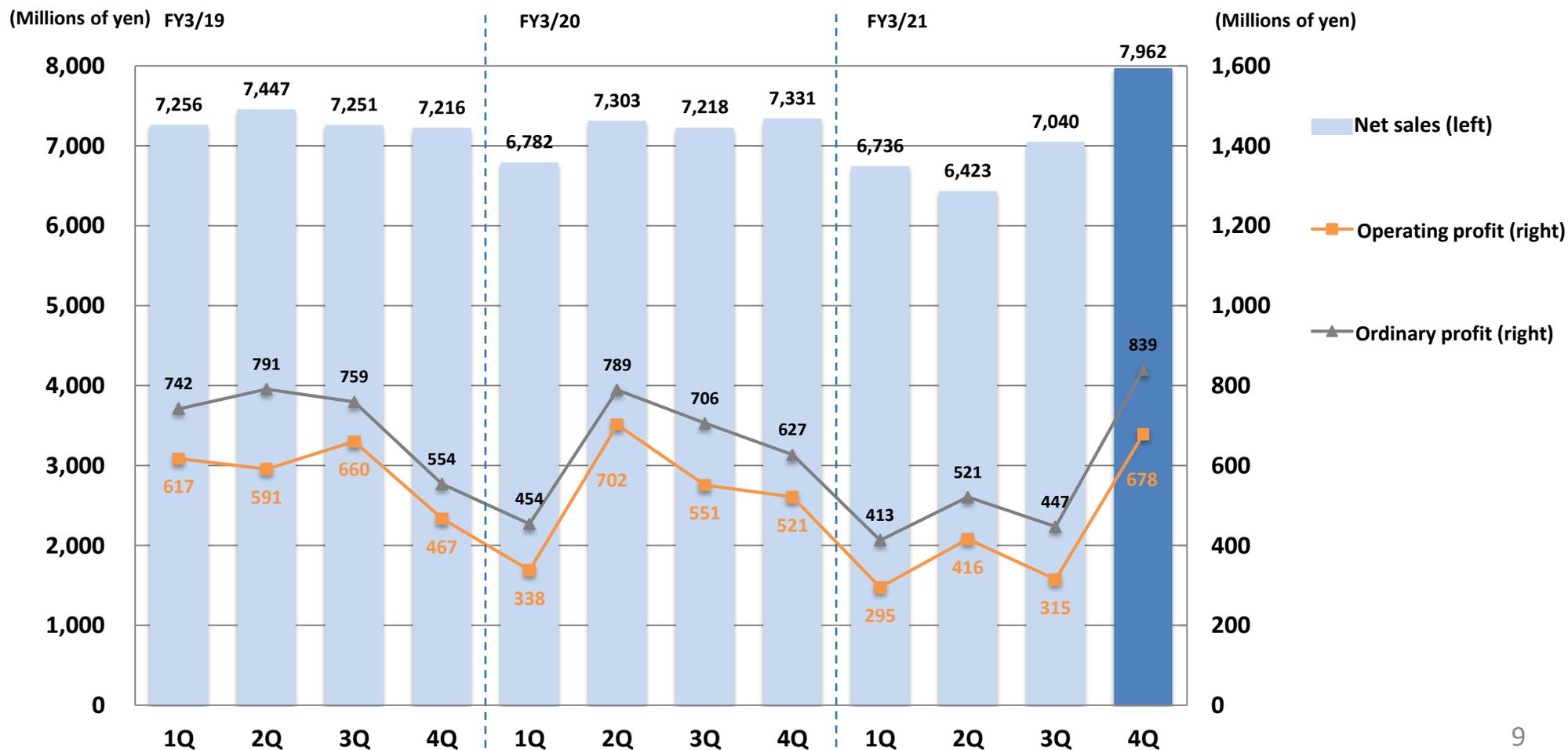
## Decrease in sales opportunities impacted sales but COVID-19 produced higher demand in some sectors

		Sales activities (including maintenance services)	Manufacturing and procurement activities	Results of operations	Pandemic events	Major Iwaki actions
Japan	1Q	No effect on sales activities  Restrictions on visiting customers	No effect on manufacturing activities No negative effect involving procurement activities on manufacturing	<ul style="list-style-type: none"> <li>Strong sales related to sanitizing products</li> </ul>	<ul style="list-style-type: none"> <li>First wave of COVID-19</li> <li>Declaration of the state of emergency</li> </ul>	<ul style="list-style-type: none"> <li>Started using telework</li> <li>Staggered working hours/Employee rotations for office work</li> <li>Social distancing for business activities</li> <li>Rigorous health management program</li> </ul>
	2Q			<ul style="list-style-type: none"> <li>Additional demand for products related to sanitizing products</li> </ul>	<ul style="list-style-type: none"> <li>Second wave of COVID-19</li> </ul>	
	3Q			<ul style="list-style-type: none"> <li>Demand down, mainly in the medical equipment and food markets, due to restrictions on the ability to visit customers' production sites</li> </ul>	<ul style="list-style-type: none"> <li>Number of infections increased in December</li> </ul>	
	4Q			<ul style="list-style-type: none"> <li>The third wave of COVID-19</li> <li>Another declaration of a state of emergency</li> </ul>		
Overseas	1Q	No effect on sales activities  Restrictions on visiting customers	No effect on manufacturing activities No negative effect involving procurement activities on manufacturing	<ul style="list-style-type: none"> <li>COVID-19 created additional demand for medical equipment in China</li> <li>Lockdowns worldwide severely restricted economic activity</li> </ul>	<ul style="list-style-type: none"> <li>Worldwide increase in COVID-19 cases</li> <li>Lockdowns and travel restrictions in many countries and regions</li> </ul>	<ul style="list-style-type: none"> <li>Started using telework</li> <li>Employee rotations for office work</li> <li>Social distancing for business activities</li> <li>Rigorous health management program</li> <li>COVID-19 preventive measures based on guidelines of countries and regions</li> </ul>
	2Q			<ul style="list-style-type: none"> <li>Slowdown in the increase in demand in China created by COVID-19</li> </ul>	<ul style="list-style-type: none"> <li>Spread of infections in the U.S. begins to slow down</li> <li>Pandemic severity differs greatly among European countries</li> <li>Pandemic severity begins to decrease, except in some Asian countries</li> </ul>	
	3Q			<ul style="list-style-type: none"> <li>Shortage of shipping containers</li> </ul>	<ul style="list-style-type: none"> <li>Another wave of infections in the U.S. and Europe resulting in tighter restrictions</li> <li>Increase in COVID-19 cases in Hong Kong</li> <li>Improvement in Australia and restrictions are eased in stages</li> </ul>	
	4Q			<ul style="list-style-type: none"> <li>Continuing shortage of shipping containers</li> <li>Strong demand in China for products involving vaccine antibody tests</li> <li>Sales in the Europe projector market recovered</li> </ul>	<ul style="list-style-type: none"> <li>U.S. restrictions are eased as COVID-19 cases decrease</li> <li>Pandemic suddenly becomes severe in South America</li> <li>Another wave of COVID-19 in Europe and countries tighten various restrictions</li> </ul>	

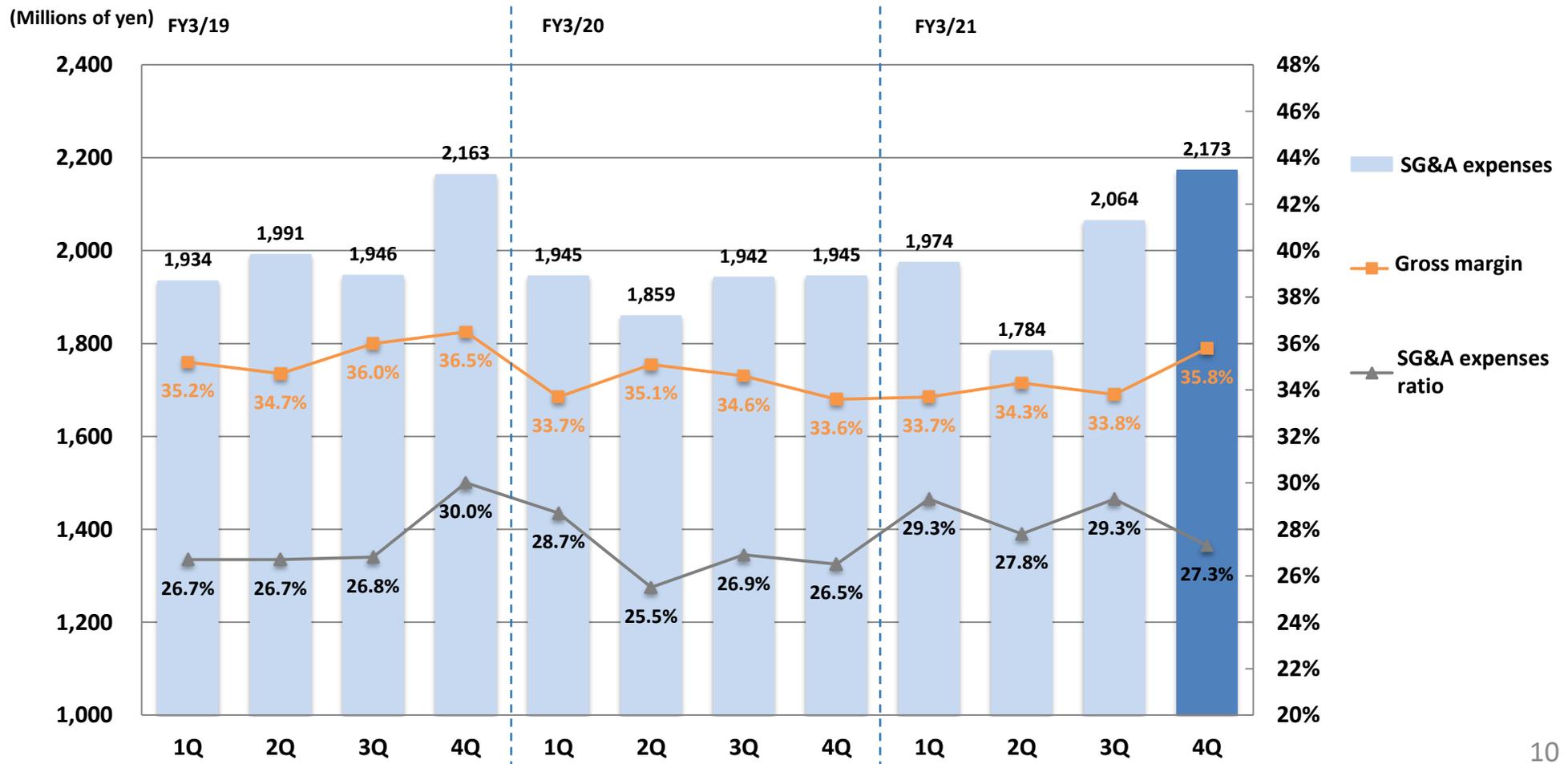
\*Red indicates negative effects

## 6 Net Sales and Operating Profit (Quarterly)

Sales and orders were strong in the semiconductor/liquid crystal market and FY3/21 4Q sales were the highest during the past three fiscal years, even after deducting the 4Q sales contribution of ING (before eliminations for consolidation).



SG&A expenses in FY3/21 were about the same as in prior years after deducting 3Q and 4Q ING SG&A expenses (¥279 million) and ING goodwill amortization (¥38 million).



The diversity of markets that use Iwaki products is a major strength during the COVID-19 crisis.

Sold in many markets	Major pump applications	Magnetic drive pumps 	Metering pumps 	Pneumatic drive pump 	Rotary displacement pumps 	Air pumps 	Systems products 
Semiconductor/liquid crystal	Semiconductor production equipment, etc.	●	○	●			○
Medical equipment	Dialysis equipment and clinical testing equipment, etc.	○	○		●	●	○
Surface treatment equipment	Printed circuit board manufacturing equipment, electronic component manufacturing, etc.	●	○				○
Chemicals	Liquid chemical manufacturing, etc.	●	○		○		○
Water treatment	Water purification plant, wastewater treatment, cooling towers, etc.	○	●		○	○	○
New energy	Renewable energy, rechargeable battery production, etc.	○	○		●		○
Others (Food, paper, others)	Food cleansing, cooling applications, etc.	○	○		●	○	○

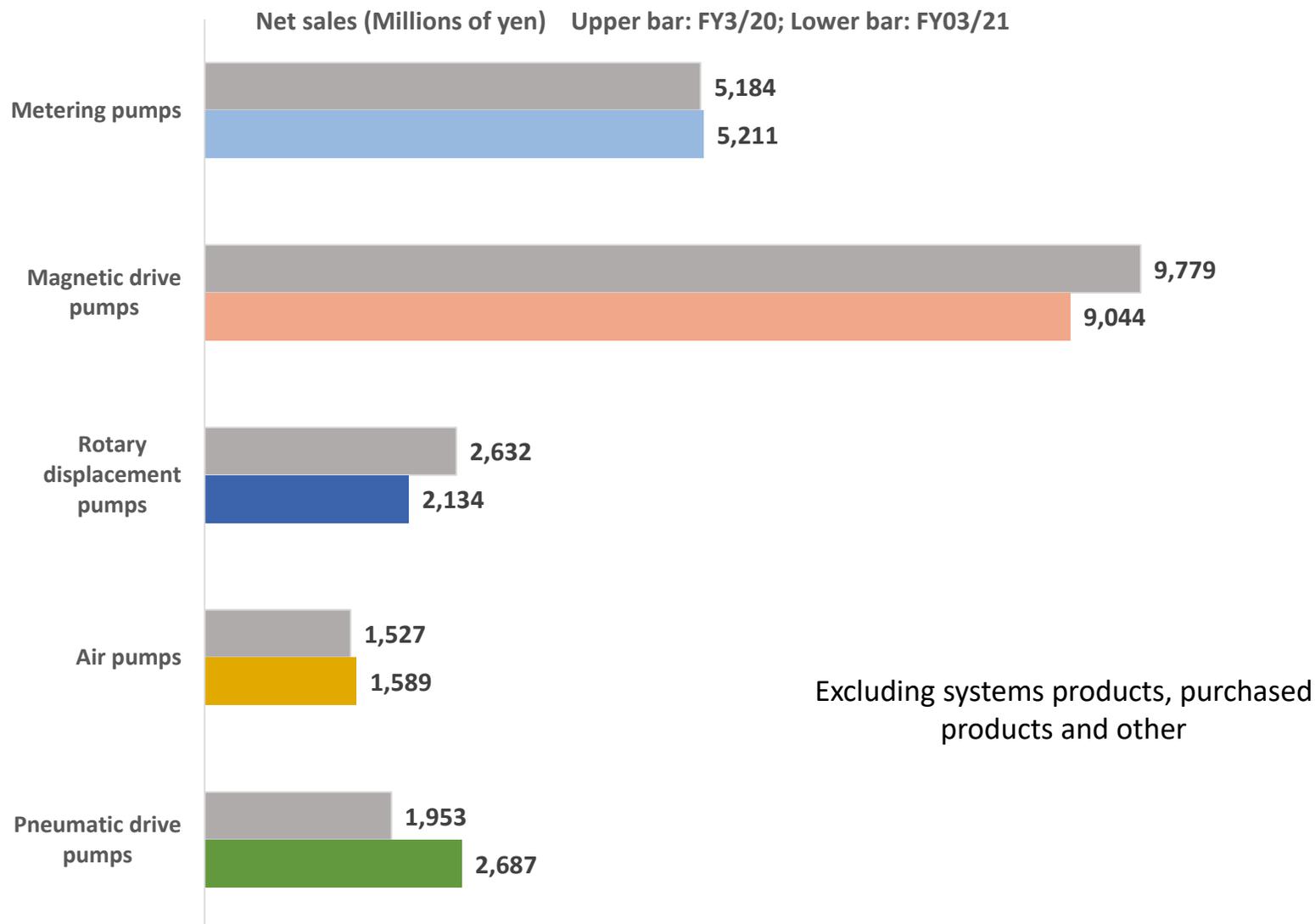
\* A filled circle means major pumps in each market.

Profitability

High



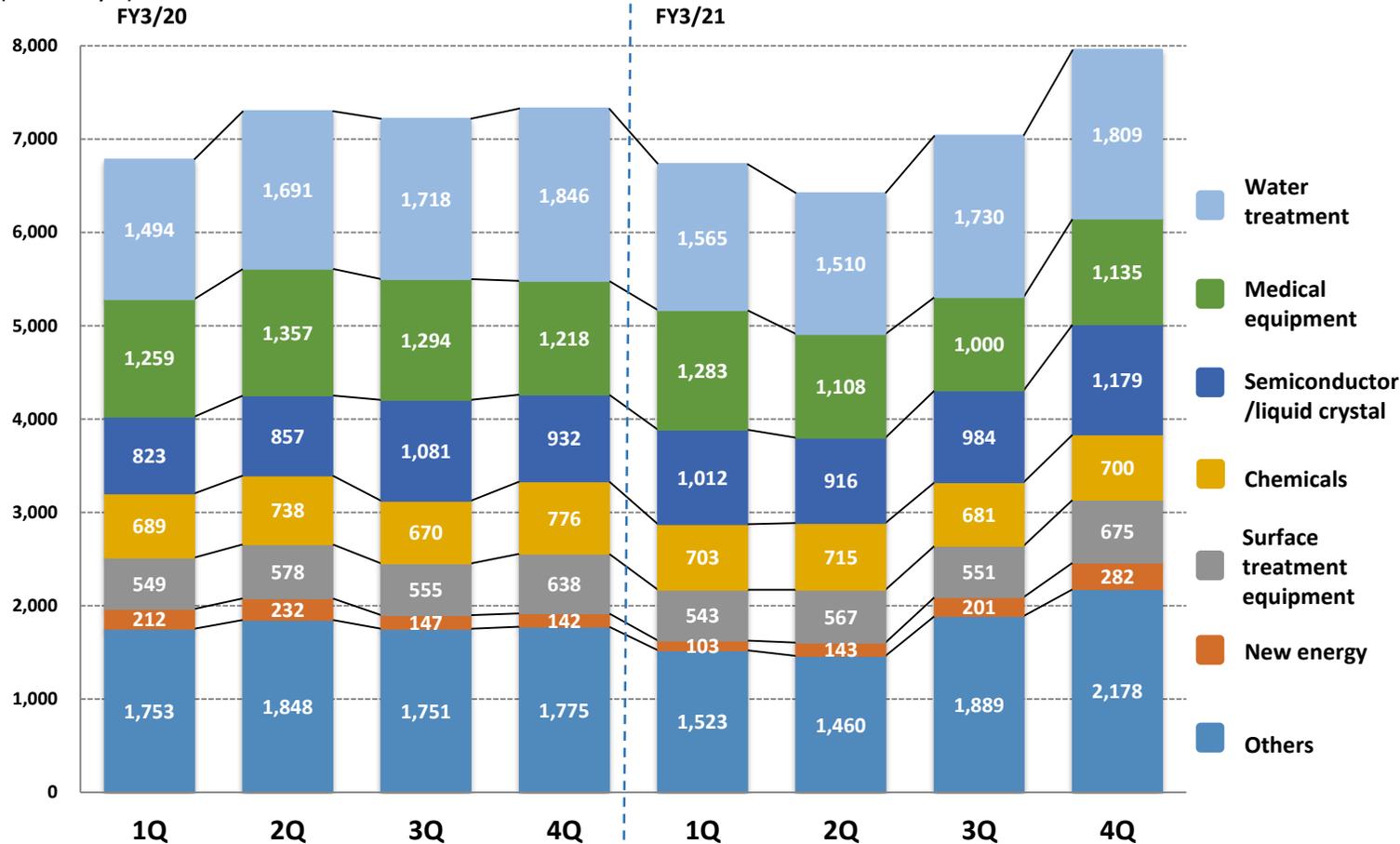
Low



Semiconductor/liquid crystal category sales increased because of the strength of this market.

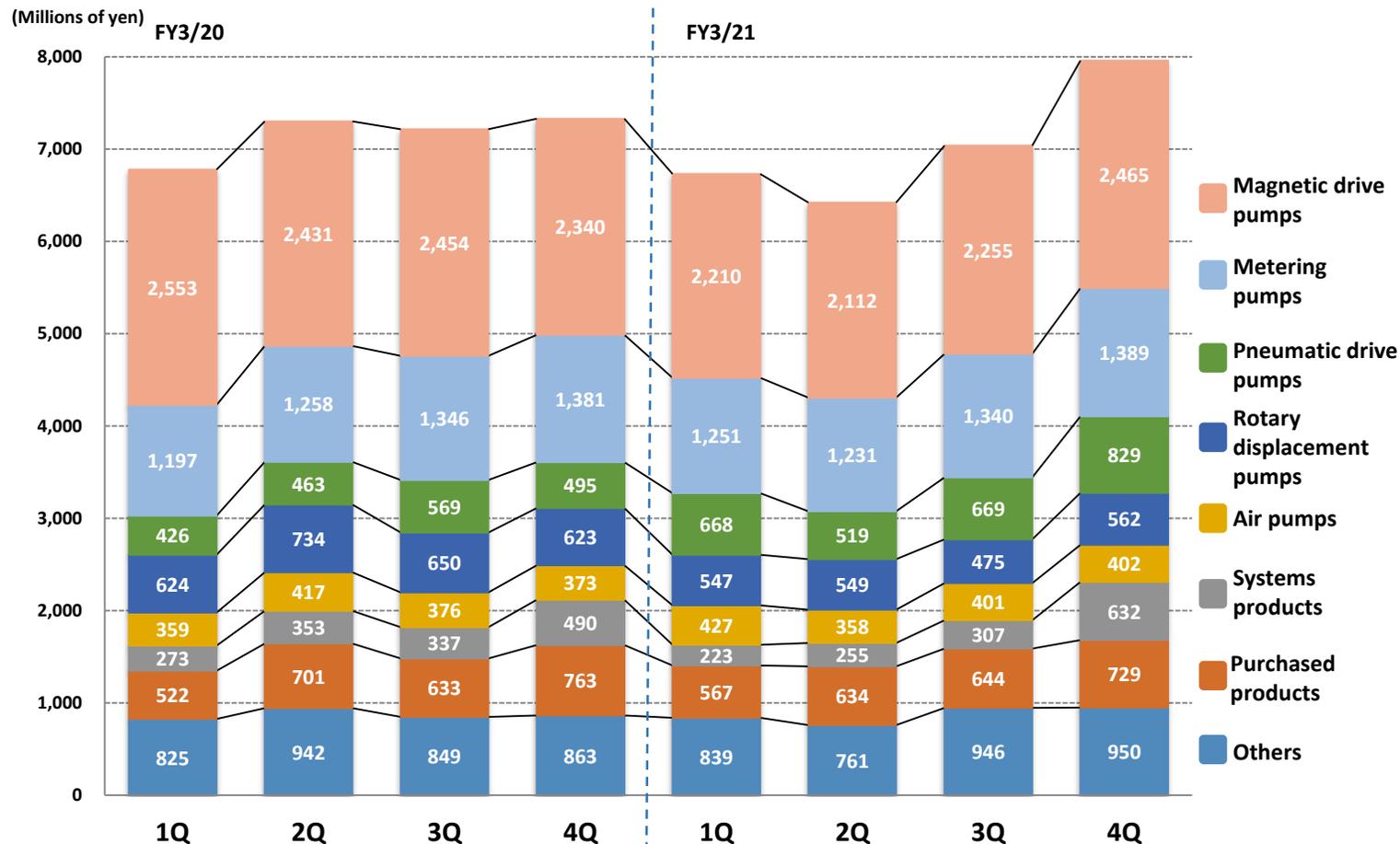
Medical equipment category sales in China were strong throughout FY3/21, but higher sales in China could not offset the downturn in medical equipment category sales in Japan.

(Millions of yen)



FY3/21 sales (Millions of yen)	YoY change (Millions of yen)	YoY change (%)
<b>6,616</b>	<b>-133</b>	<b>-2.0%</b>
<b>4,528</b>	<b>-601</b>	<b>-11.7%</b>
<b>4,092</b>	<b>397</b>	<b>+10.8%</b>
<b>2,801</b>	<b>-73</b>	<b>-2.6%</b>
<b>2,338</b>	<b>16</b>	<b>+0.7%</b>
<b>731</b>	<b>-3</b>	<b>-0.5%</b>
<b>7,053</b>	<b>-76</b>	<b>-1.1%</b>

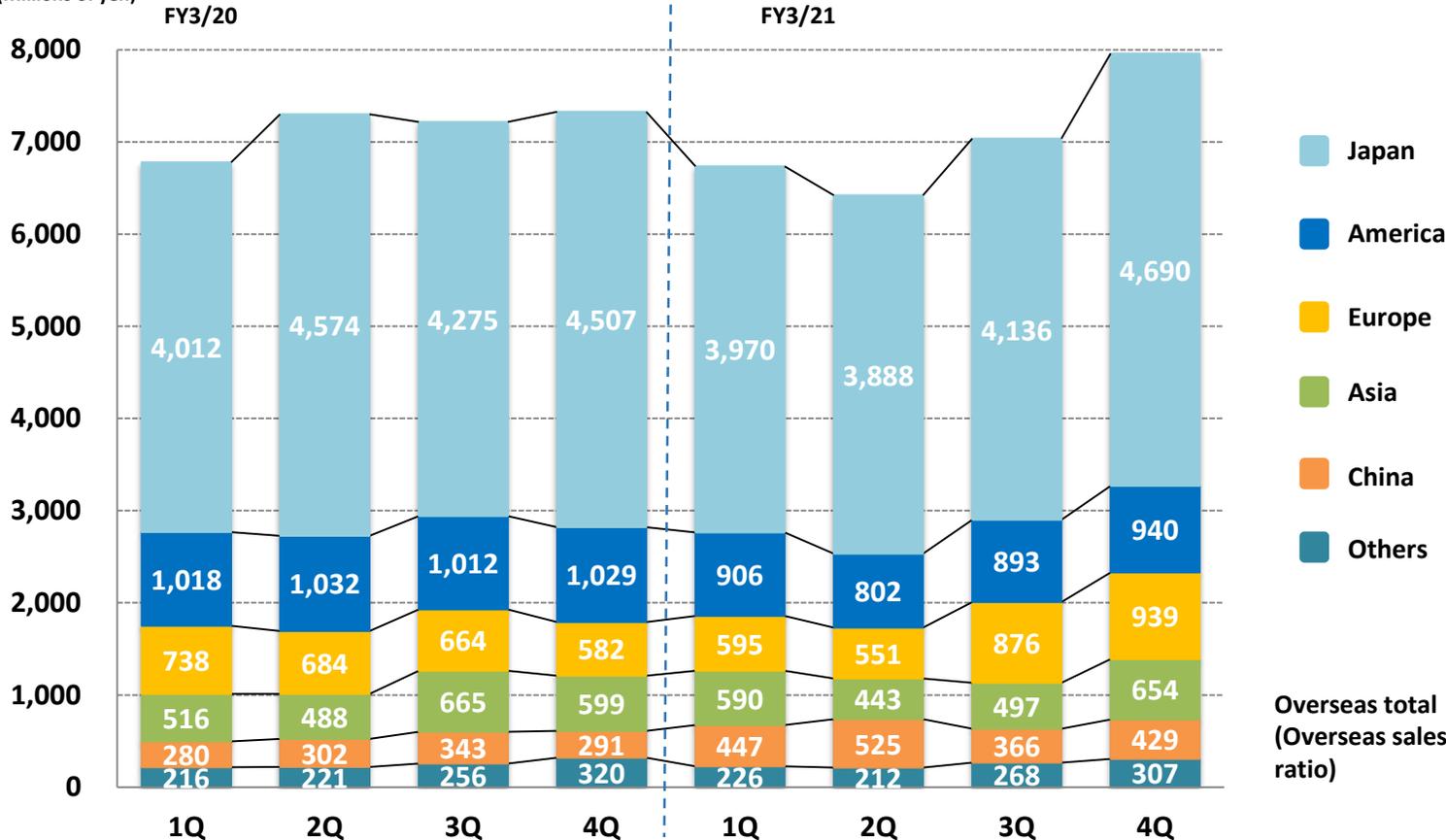
Magnetic drive pump sales are recovering, but FY3/21 sales were down because of the big downturn during the first nine months. Big increase in pneumatic drive pumps in the semiconductor/liquid crystal market. Rotary displacement pump sales were held down by weak demand in Japan in the medical equipment market.



FY3/21 sales (Millions of yen)	YoY change (Millions of yen)	YoY change (%)
<b>9,044</b>	<b>-735</b>	<b>-7.5%</b>
<b>5,211</b>	<b>27</b>	<b>+0.5%</b>
<b>2,687</b>	<b>733</b>	<b>+37.5%</b>
<b>2,134</b>	<b>-498</b>	<b>-18.9%</b>
<b>1,589</b>	<b>62</b>	<b>+4.1%</b>
<b>1,419</b>	<b>-35</b>	<b>-2.4%</b>
<b>2,575</b>	<b>-45</b>	<b>-1.8%</b>
<b>3,499</b>	<b>17</b>	<b>+0.5%</b>

Sales increased in China, mainly in the semiconductor/liquid crystal and medical equipment markets. Europe sales increased because of the inclusion of ING. The ING FY3/21 sales contribution was ¥648 million (before eliminations for consolidation). COVID-19 impacted sales in all regions except China.

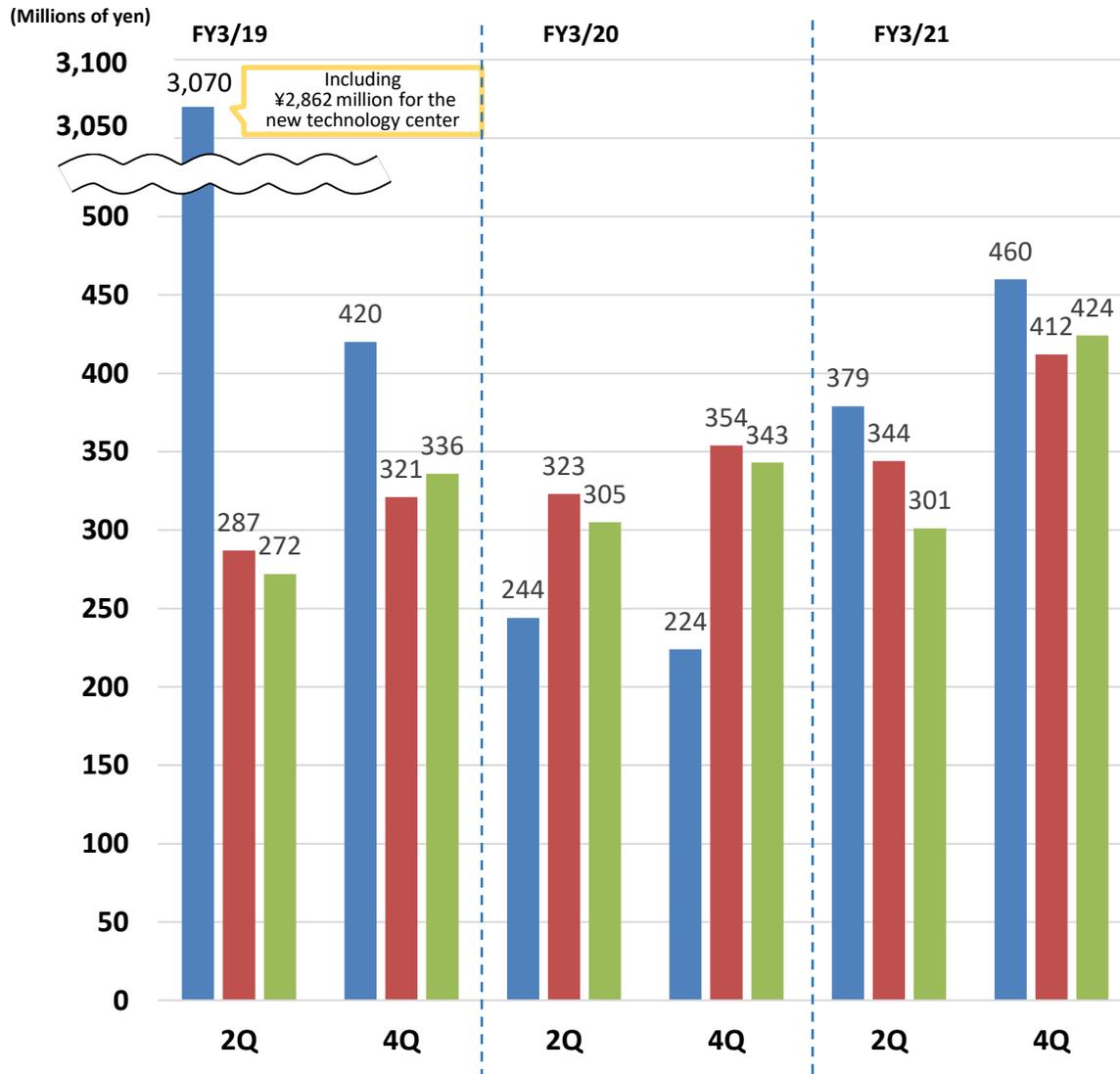
(Millions of yen)



	FY3/21 sales (Millions of yen)	YoY change (Millions of yen)	YoY change (%)
Japan	16,686	-683	-3.9%
America	3,543	-549	-13.4%
Europe	2,963	292	+11.0%
Asia	2,186	-82	-3.6%
China	1,768	550	+45.2%
Others	1,014	-0	-0.1%

Overseas total  
(Overseas sales ratio)

	11,476 (40.8%)	209	+1.9%
--	-------------------	-----	-------



	FY3/21 sales (Millions of yen)	YoY change
■ Capital expenditures	<b>839</b>	<b>+370</b>
■ R&D expenses	<b>757</b>	<b>+79</b>
■ Depreciation	<b>725</b>	<b>+76</b>

## **II. Outlook for FY3/22**

Forecast higher sales and gross, operating and ordinary profit backed as capital expenditures started to recover

	FY3/21		FY3/22 (forecast)	
	Amount (Millions of yen)	Amount (Millions of yen)	Differences	YoY change
Net sales	28,162	30,297	2,134	+7.6%
Gross profit (Gross margin)	9,703 (34.5%)	10,364 (34.2%)	660	+6.8% (-0.2pt)
Operating profit (Operating margin)	1,706 (6.1%)	1,752 (5.8%)	46	+2.7% (-0.3pt)
Ordinary profit	2,222	2,243	20	+0.9%
Profit attributable to owners of parent	2,091	1,831	-259	-12.4%
Net income per share (Yen)	94.90	83.78	-11.12	-11.7%
Return on equity (ROE)	9.7%	8.2%	-	(-1.5pt)
Exchange rate (average)	USD/JPY (Yen)	106.77	(Estimates) 104.00	
	EUR/JPY (Yen)	121.88	(Estimates) 125.00	

## 1 Sales ¥30,297 million (up 7.6%, ¥2,134 million)

- ✓ Forecast semiconductor/liquid crystal category sales to remain strong and all other categories to benefit from the restart of plans that were postponed by COVID-19; also anticipate a recovery in capital expenditures in all markets
- ✓ The strong sales of the medical equipment market category in China during FY3/21 are expected to continue in FY3/22
- ✓ Only a negligible effect on sales due to the FY3/22 start of applying the new revenue recognition standard

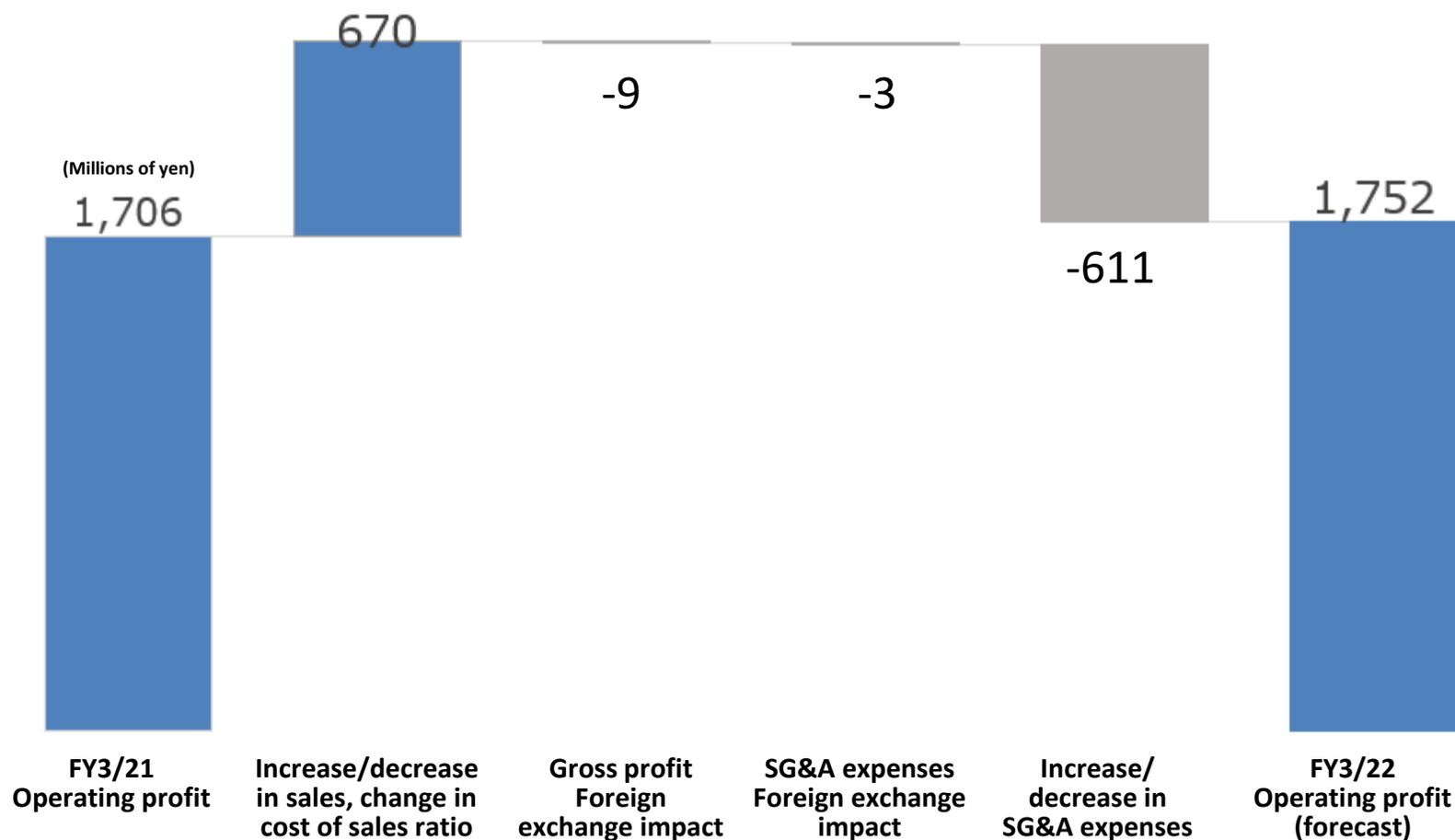
## 2 Operating profit ¥1,752 million (up 2.7%, ¥46 million)

- ✓ For the cost of sales (manufacturing expenses), increases are expected in up-front investments for rebuilding the manufacturing system, depreciation due to investments in molds, personnel expenses due to a larger workforce, and other items
- ✓ SG&A expenses are expected to increase because of the first full-year inclusion of ING expenses (vs. six months in FY3/21), ING goodwill amortization (also six months in FY3/21), and the return of travel, trade show and other expenses that stopped during the COVID-19 crisis
- ✓ Based on this outlook, the operating profit forecast is ¥1,752 million, an increase of 2.7%

## 3 Profit attributable to owners of parent ¥1,831 million (down 12.4%, ¥259 million)

- ✓ The FY3/22 profit are expected to decrease because an extraordinary income of ¥381 million was recorded for a gain on the step acquisition of ING in FY3/21.
- ✓ The FY3/22 forecast is a 12.4% decrease to ¥1,831 million.

Effect of ¥1 exchange rate change	USD	EUR
Net sales	49 million yen	27 million yen
Operating profit	15 million yen	11 million yen



We assume that all market sectors will recover or remain strong, except new energy

Priority markets targeted for growth

	Japan	Overseas
Water treatment market	<ul style="list-style-type: none"> <li>Firm demand for equipment used at plant factories</li> <li>Increasing demand for remote controllers mainly due to telework and travel restriction</li> <li>Growth due to restart of projects delayed by COVID-19 and other reasons</li> </ul>	<ul style="list-style-type: none"> <li>Signs are emerging of a recovery in global demand for pumps used in ballast water treatment equipment</li> <li>Firm demand for disinfection applications</li> </ul>
Medical equipment market	<ul style="list-style-type: none"> <li>Expect the clinical trial equipment sector (immunology analyzers and biochemical analyzers) to start recovering slowly in the 2Q</li> <li>Pump replacement demand for endoscope sterilization equipment is expected to recover in the 2Q</li> <li>Recovery in maintenance/replacement demand in the dialysis equipment sector</li> </ul>	<ul style="list-style-type: none"> <li>Steady demand for clinical trial equipment (immunology analyzers and biochemical analyzers) in China</li> </ul>
New energy market	<ul style="list-style-type: none"> <li><b>Soft demand</b> in the rechargeable battery market</li> <li>Recovery in some demand for household fuel cell production recovered due to start of projects</li> </ul>	<ul style="list-style-type: none"> <li>Signs of a recovery in Asia as companies resume rechargeable battery investments</li> </ul>
Semiconductor/ liquid crystal market	<ul style="list-style-type: none"> <li>Anticipate a continuation of the recovery in demand for pumps used by semiconductor/liquid crystal production equipment manufacturers</li> </ul>	<ul style="list-style-type: none"> <li>Consistently high level of capital expenditures involving memory devices and foundries</li> </ul>
Chemicals market	<ul style="list-style-type: none"> <li>Firm demand related to development of value-added products</li> <li>Focusing on electric vehicles as environmental restrictions increase demand; expect higher demand at manufacturers of materials for these vehicles</li> </ul>	<ul style="list-style-type: none"> <li>Signs of a recovery in investments for manufacturing rechargeable battery materials, mainly in Europe and Asia</li> </ul>
Surface treatment equipment market	<ul style="list-style-type: none"> <li>Increasing demand for value-added electronic components for 5G, IoT and other applications</li> <li>Demand for products used in automotive components is recovering as automobile sales climb</li> </ul>	<ul style="list-style-type: none"> <li>Worldwide increase in demand for electronic components used in automotive and ICT applications</li> <li>Anticipate a large volume of capital expenditures involving package substrates</li> </ul>

\*Red indicates negative outlooks

Forecast assumes semiconductor/liquid crystal sales growth and a recovery from the COVID-19 downturn in all other markets.

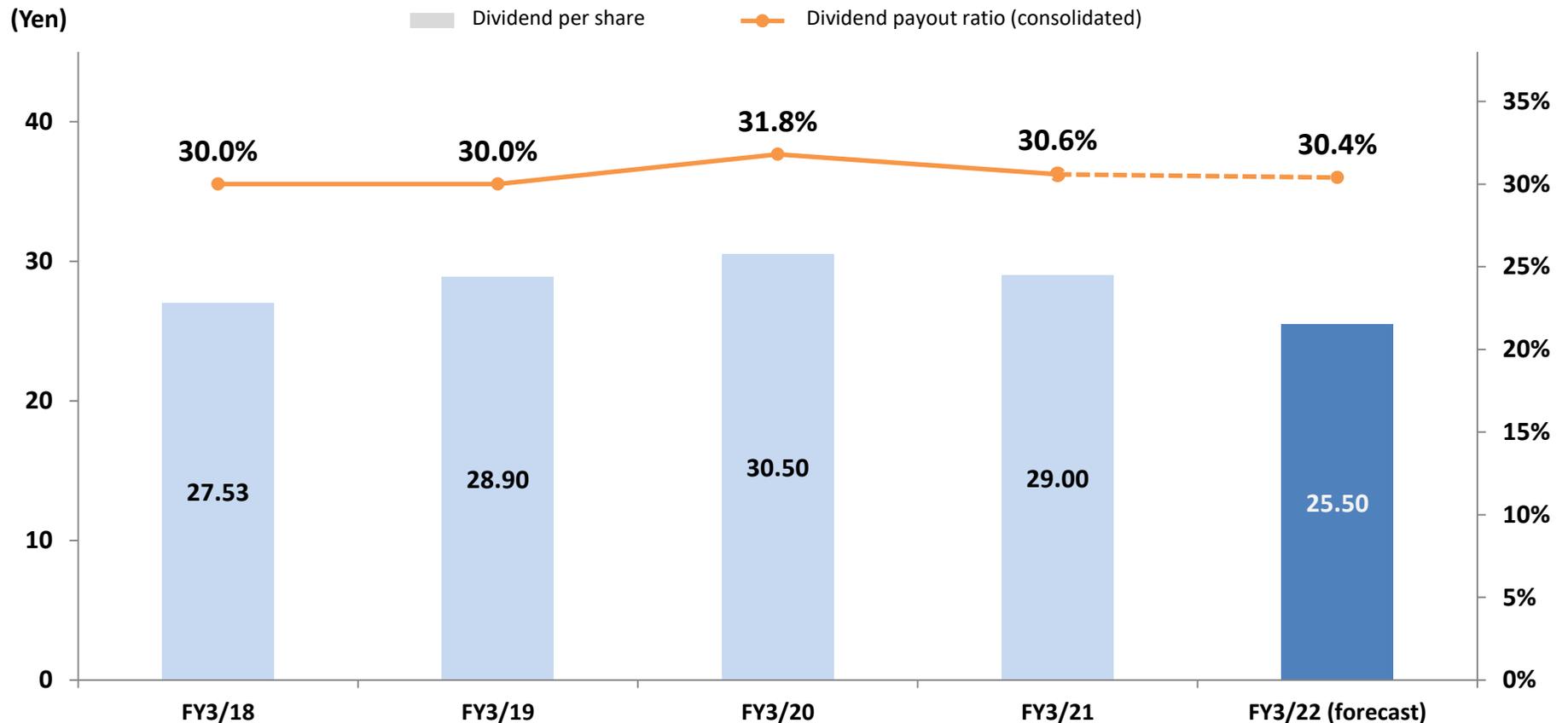
	FY3/21 forecast (Millions of yen)	FY3/21 results (Millions of yen)	YoY change (vs. forecast)	FY3/22 forecast (Millions of yen)	YoY change
Water treatment	6,394	6,616	+3.5%	6,962	+5.2%
Medical equipment	4,951	4,528	-8.5%	4,556	+0.6%
Semiconductor/ liquid crystal	3,817	4,092	+7.2%	4,331	+5.8%
Chemicals	2,894	2,801	-3.2%	3,204	+14.4%
Surface treatment equipment	2,298	2,338	+1.7%	2,492	+6.6%
New energy	608	731	+20.2%	644	-11.9%
Others	7,316	7,053	-3.6%	8,104	+14.9%
<b>Total</b>	<b>28,280</b>	<b>28,162</b>	<b>-0.4%</b>	<b>30,297</b>	<b>+7.6%</b>

Forecast a recovery in magnetic drive pump demand from the COVID-19 downturn and higher air pump sales due to growth of the overseas medical equipment market

	FY3/21 forecast (Millions of yen)	FY3/21 results (Millions of yen)	YoY change (vs. forecast)	FY3/22 forecast (Millions of yen)	YoY change (%)
Magnetic drive pumps	9,516	9,044	-5.0%	9,918	+9.7%
Metering pumps	5,059	5,211	+3.0%	5,715	+9.7%
Pneumatic drive pumps	2,159	2,687	+24.4%	2,984	+11.0%
Rotary displacement pumps	2,597	2,134	-17.8%	2,305	+8.0%
Air pumps	1,615	1,589	-1.6%	1,795	+12.9%
Systems products	1,257	1,419	+12.9%	1,260	-11.2%
Purchased products	2,555	2,575	+0.8%	2,683	+4.2%
Others	3,519	3,499	-0.6%	3,634	+3.9%
Total	28,280	28,162	-0.4%	30,297	+7.6%

## Basic policy

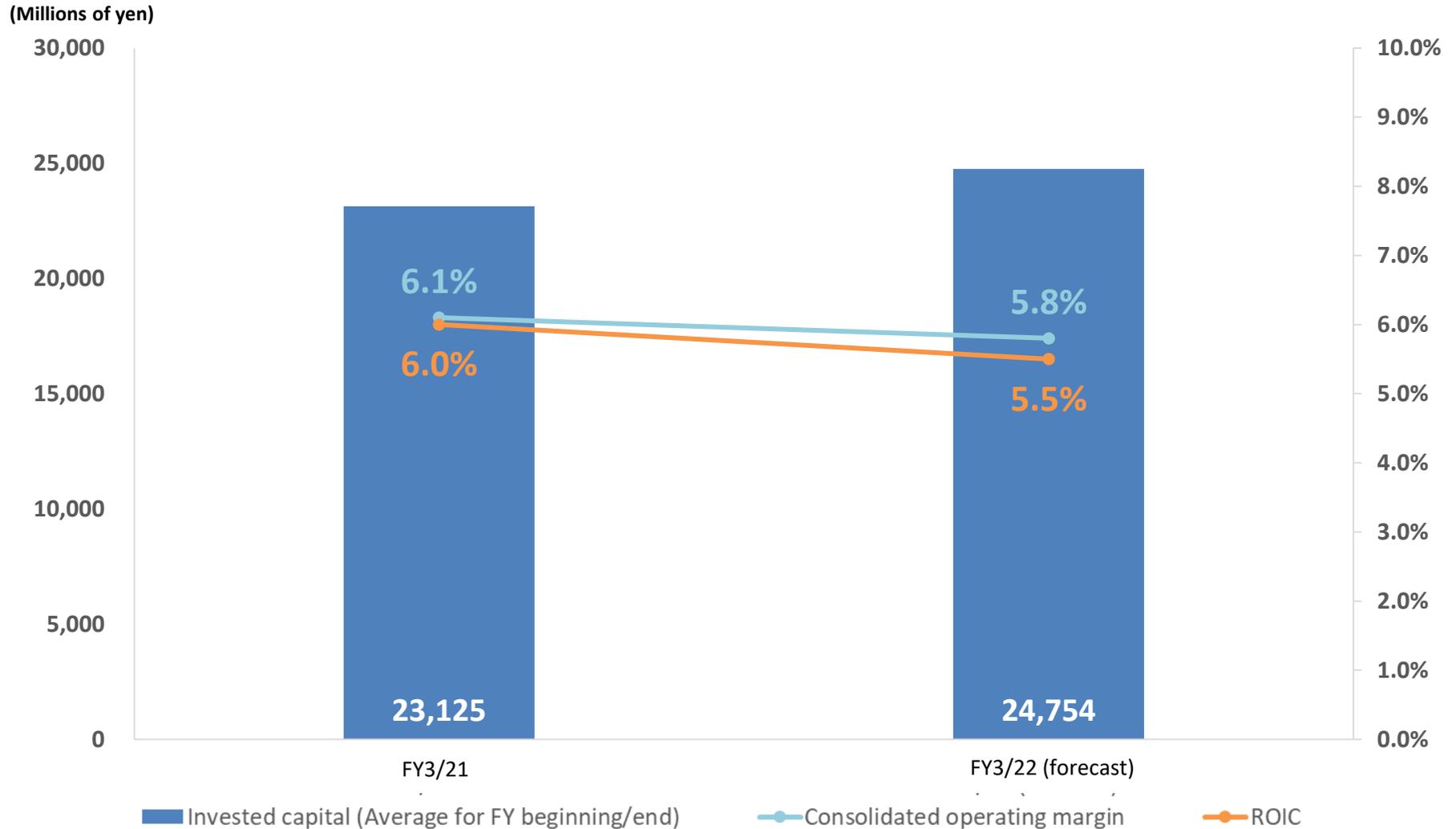
- Dividend payout ratio: more than 30%
- Consistent distribution of dividends



Note: Dividends for FY3/18 are adjusted (with fractions after the hundredths place dropped) to reflect the 3-for-1 common stock split on July 1, 2018.

# 8 Return on Invested Capital (ROIC)

The goal is more growth of corporate value by using the ROIC as a key performance metric

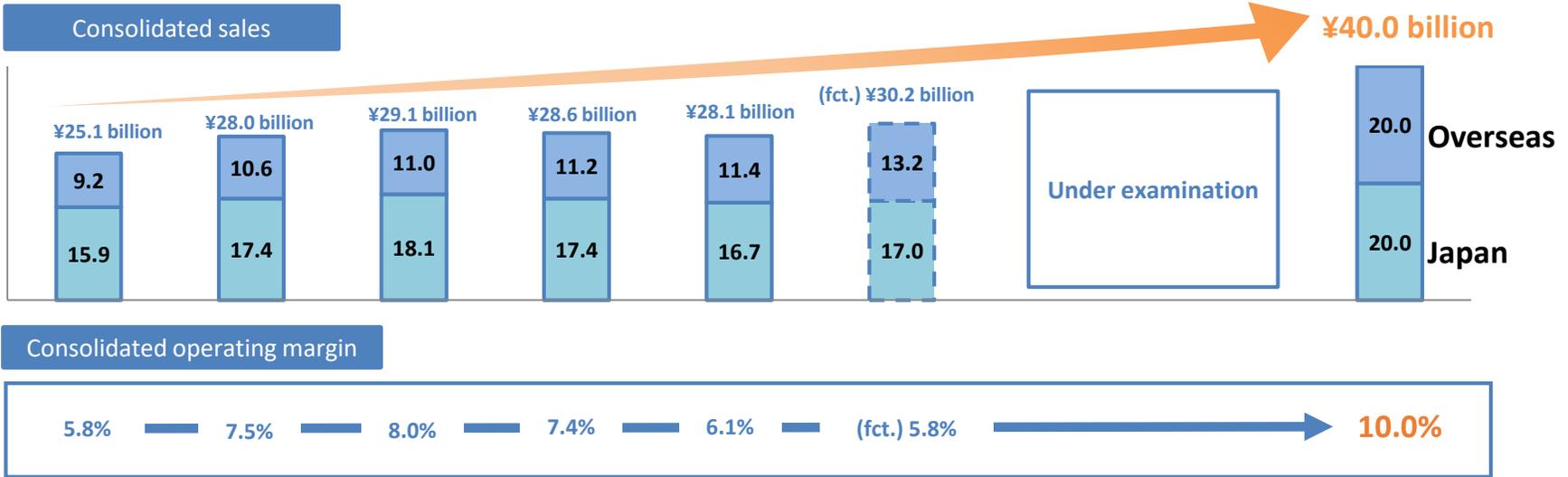


## **III. Medium-term Management Plan Business Development and Growth**

# 1 Overview of the 10-Year Vision



Numerical targets



Qualitative targets

## To supply the world's best products as All Iwaki

– We will work together to supply the world's best products, quality, value, and services –

“Change & Challenge” is our stance for accomplishing this goal

– We will firmly establish a corporate culture of never being afraid of change and new challenges –

**A growth strategy for increasing corporate value  
as a company capable of sustained growth**

**Key themes and goals of the business development and growth phase**

**Specific initiatives for reaching the  
numerical targets of the 10-year vision**

- 1) Rebuild the manufacturing system**
- 2) Improve accuracy of production and sales plans**
- 3) Eliminate product defects and other problems**
- 4) Improve productivity in all aspects of operations**

**Management with the goal of consistently  
increasing corporate value**

- 1) Drastic review of personnel systems**
- 2) Renovate core IT systems**
- 3) Fully utilize the IoT**
- 4) A commitment to CSR**

### Specific initiatives for reaching the numerical targets of the 10-year vision

Key goals	Major activities	Upcoming actions
<b><u>Rebuild the manufacturing system</u></b>	<ul style="list-style-type: none"> <li>Identify issues involving global manufacturing operations</li> <li>Use external warehouses for faster deliveries</li> <li>Consider and implement shift to outsourced logistics to specialize in manufacturing</li> <li>Start a project for rebuilding the manufacturing system</li> </ul>	<ul style="list-style-type: none"> <li>Improve procurement activities for parts/materials</li> <li>Further reduce time needed to deliver products</li> <li>Cost reduction</li> </ul>
Improve accuracy of production and sales plans	<ul style="list-style-type: none"> <li>Establish frameworks for customer data sharing and collaboration among different departments of Iwaki</li> <li>Consider improving the accuracy of the plans for process applications</li> <li>Reduce the volume of shipments on hold by starting a forecasting system</li> </ul>	<ul style="list-style-type: none"> <li>Continue to strengthen the framework for collaboration</li> <li>More studies for improving accuracy of plans</li> <li>Overseas market surveys (no activity now due to COVID-19)</li> </ul>
<b><u>Eliminate product defects and other problems</u></b>	<ul style="list-style-type: none"> <li>Use theme-specific projects to eliminate defects</li> </ul>	<ul style="list-style-type: none"> <li>Continue these projects</li> </ul>
Improve productivity in all aspects of operations	<ul style="list-style-type: none"> <li><b>Reexamine the basic policy for the ASEAN headquarters</b></li> <li>Use external warehouses to open up space at factories and improve factory operations</li> <li>Use many types of business systems (customer management, human resources and budget management)</li> <li>Use assembly robots</li> </ul>	<ul style="list-style-type: none"> <li><b>Establish policies and goals for the ASEAN region (no activity now due to COVID-19)</b></li> <li>More IT systems for non-core business processes</li> <li>Horizontal expansion of robot utilization</li> </ul>

\*Orange box: High priority goals

\*Red: Activities requiring more speed

## Management with the goal of consistently increasing corporate value

Key goals	Major activities	Upcoming actions
Drastic review of personnel systems	<ul style="list-style-type: none"> <li>Consider starting to use a variety of systems</li> </ul>	<ul style="list-style-type: none"> <li>Increase the speed of personnel system reviews</li> </ul>
<b><u>Renovate core IT systems</u></b>	<ul style="list-style-type: none"> <li>Completed selections of IT systems and started a project for the installation of these systems</li> <li>Review all business process flows to prepare for the use of IT systems</li> </ul>	<ul style="list-style-type: none"> <li>Implement this project with the goal of using new IT system starting in FY3/23</li> </ul>
Fully utilize the IoT	<ul style="list-style-type: none"> <li>Use the IoT for the use of water treatment controllers for monitoring and management services</li> <li>Use robotic process automation to reduce man-hours needed for specific tasks</li> </ul>	<ul style="list-style-type: none"> <li>Establish a business model</li> <li>Use the business model for manufacturing</li> <li>Measures to start using robotic process automation</li> </ul>
<b><u>A commitment to CSR</u></b>	<ul style="list-style-type: none"> <li>Supplying products in compliance with environmental laws and regulations (RoHS Directive, REACH and others)</li> <li>Develop environmentally responsible products (highly efficient products and others)</li> <li>Employee training programs</li> </ul>	<ul style="list-style-type: none"> <li>Continue employee training programs</li> <li>Expansion of RoHS/REACH compliance</li> <li>Activities involving sustainability</li> </ul>

\*Orange box: High priority goals

\*Red: Activities requiring more speed

## 1 Compliance with the revised Corporate Governance Code for the TSE Prime Market

- ✓ Strengthen corporate governance by using activities based on the revised Corporate Governance Code for sustained growth and medium/long-term growth of corporate value.

## 2 Repurchase of stock

- ✓ Buying back stock distributes earnings to shareholders, contributes to the efficient use of equity and facilitates flexible measures involving capital that reflect the current business climate.

Total number of shares to be repurchased: Up to 270,000 shares (1.23% of total shares outstanding, excluding treasury shares)

Total value of shares to be repurchased: Up to 200 million yen

Repurchase schedule: From May 14, 2021 to June 30, 2021

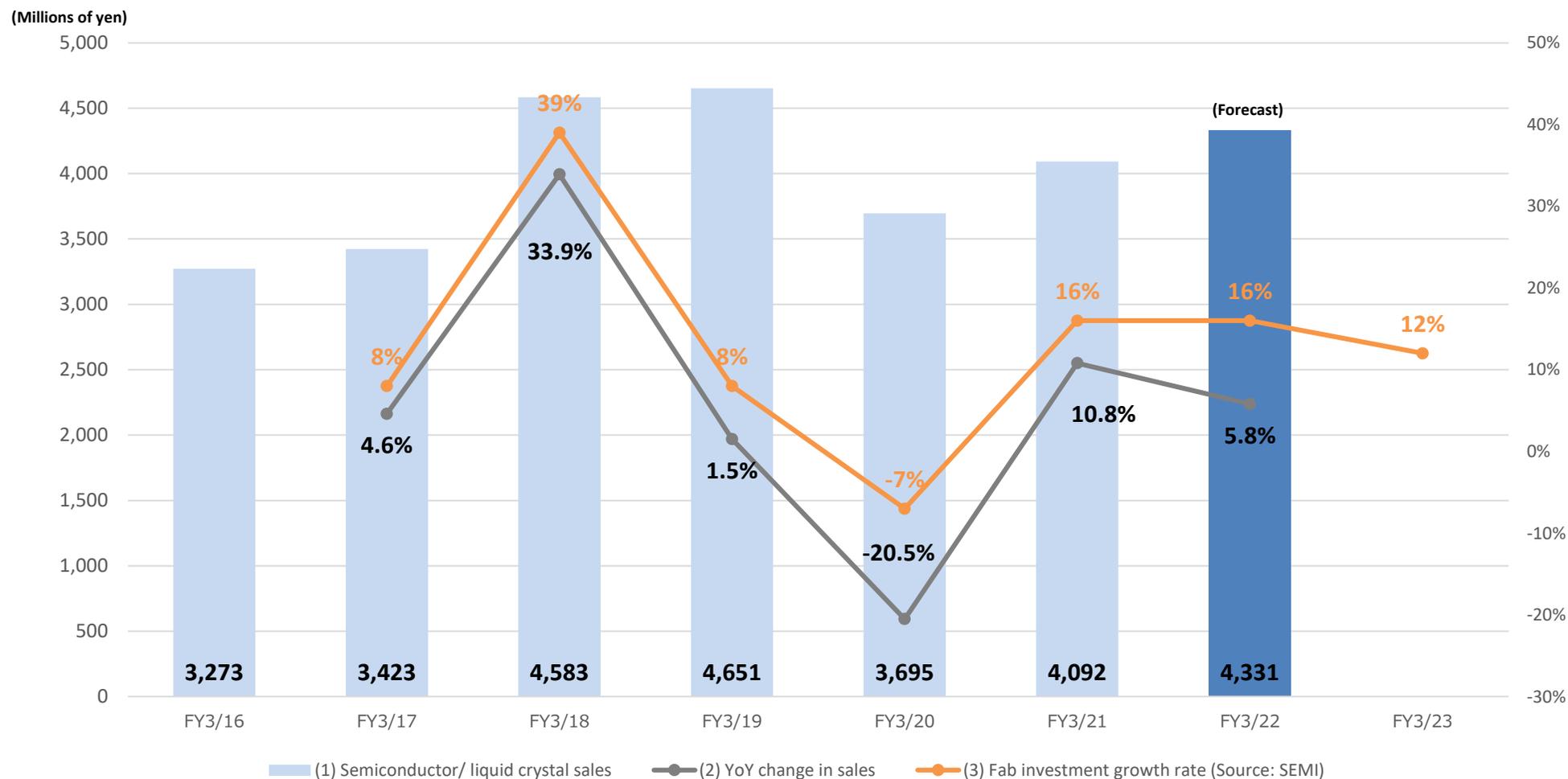
## 3 Reduce cross-shareholding

- ✓ Review cross-shareholdings based on the Corporate Governance Code and increase financial soundness. Plan to sell the stock of one listed company during 1Q of FY3/22.

## 4 Start using the executive officer system

- ✓ The goals are to upgrade decision-making, oversight and other roles of the Board of Directors and strengthen activities for conducting business operations.
- ✓ Plan to reduce the number of directors from nine to four (including two outside directors) to create a more efficient management structure and facilitate strategic and speedy decisions by the directors.

Semiconductor/liquid crystal market growth is expected to continue in FY3/22.



\* The fab investment growth rate uses 2016 data for FY3/17 (same in following years too)

Position the SDGs as business opportunities and seek ways to use business operations to be a source of value.

## SUSTAINABLE DEVELOPMENT GOALS



Identify key issues at Iwaki and determine ways to use business operations to contribute to creating solutions for these issues.

### SDGs associated with the markets of Iwaki

Semiconductor/ liquid crystal	Semiconductor production equipment, etc.	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	
Medical equipment	Dialysis equipment and clinical testing equipment, etc.	3 GOOD HEALTH AND WELL-BEING	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	
Surface treatment equipment	Printed circuit board manufacturing equipment, electronic component manufacturing, etc.	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	
Chemicals	Liquid chemical manufacturing, etc.	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	
Water treatment	Water purification plant, wastewater treatment, cooling towers, etc.	6 CLEAN WATER AND SANITATION	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER
New energy	Renewable energy, rechargeable battery production, etc.	7 AFFORDABLE AND CLEAN ENERGY	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	
Others (Food, paper, others)	Food cleansing, cooling applications, etc.	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION

## IV. Appendix



**Name** IWAKI CO., LTD.  
**A manufacturer of a broad line of chemical pumps**

**Establishment** April 10, 1956

**Representative** Shigeru Fujinaka

**Head office** 2-6-6, Kanda Suda-cho, Chiyoda-ku, Tokyo

**Capital** 1,044.69 million yen (as of the end of March 2021)

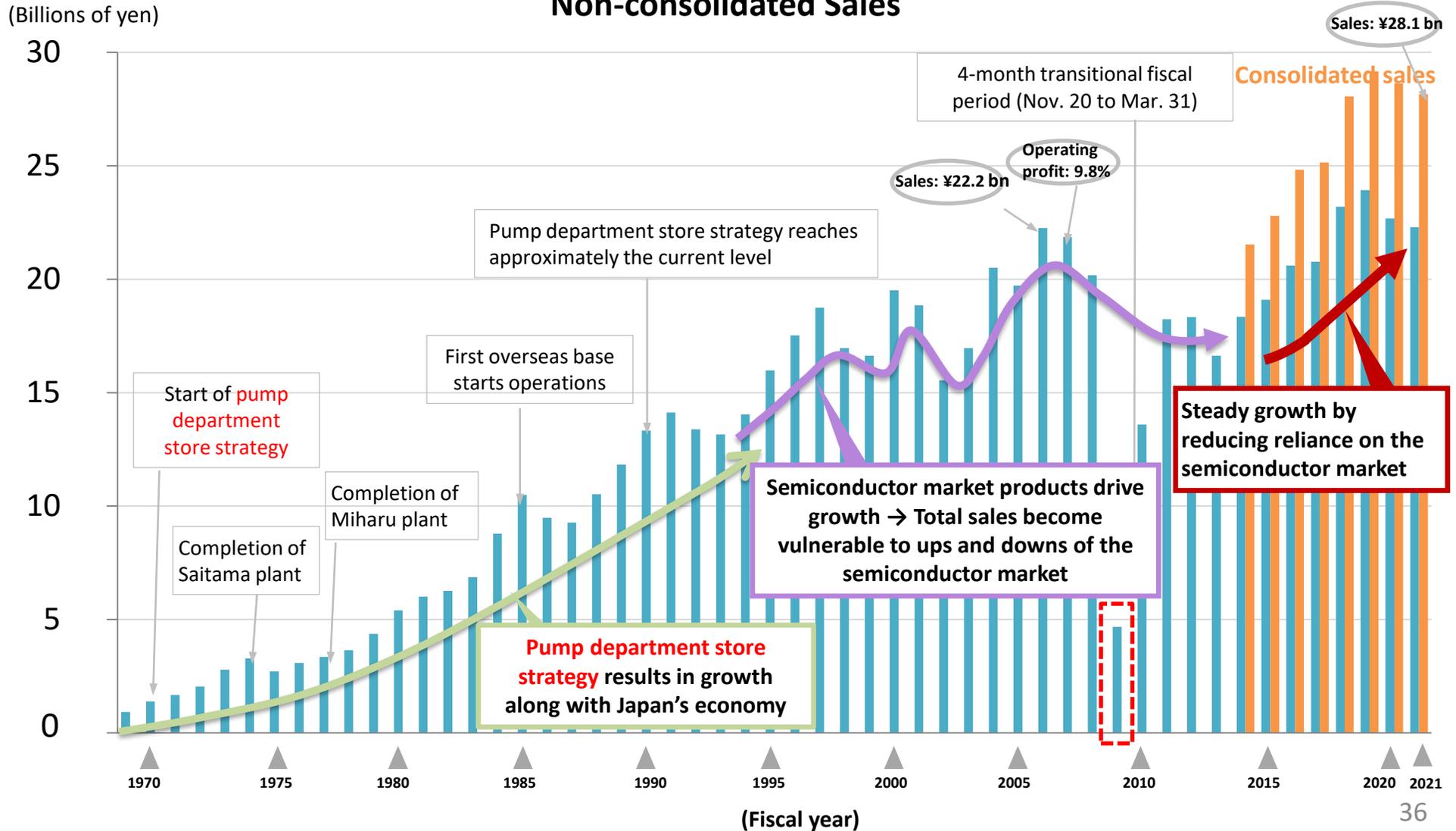
**Number of Employees** Consolidated: 994/Non-consolidated 766  
 (as of the end of March 2021)

**Business** Development, manufacture, purchase, sale and other activities for chemical pumps and pump controllers and other pump peripherals

**Listing:** First Section of the Tokyo Stock Exchange  
 (Trade name: Iwaki Pump/Stock code: 6237)

\* Please note that IWAKI & CO., LTD. (Stock code: 8095) is a different company.

## Non-consolidated Sales



**Chemical pumps** are used for the transmission of chemicals and other substances



Unlike water pumps, chemical pumps are used for the transmission of many types of liquids, including sulfuric acid and other hazardous chemicals.



**Chemical pumps must meet very high safety standards  
(No leaks)**

1

**A diverse lineup of products to meet our customers' requirements**

2

**Strong customer support backed by a global production, sales and support infrastructure**

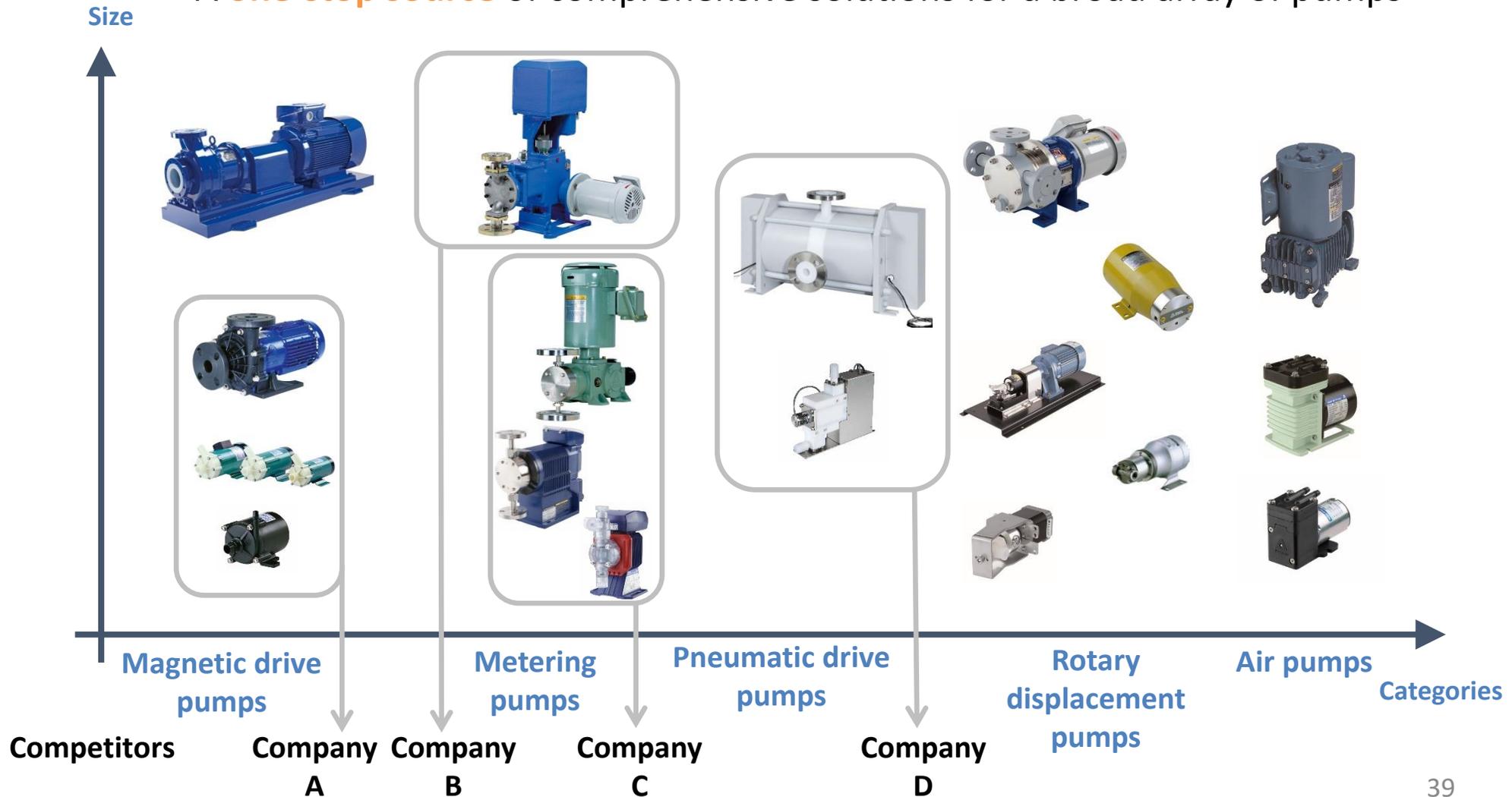
3

**Able to create solutions using fluid control functions centered on pumps**

## Strengths That Define Iwaki A Large and Diverse Product Lineup

More than 60 series of pump models and tens of thousands of models

A **one-stop source** of comprehensive solutions for a broad array of pumps

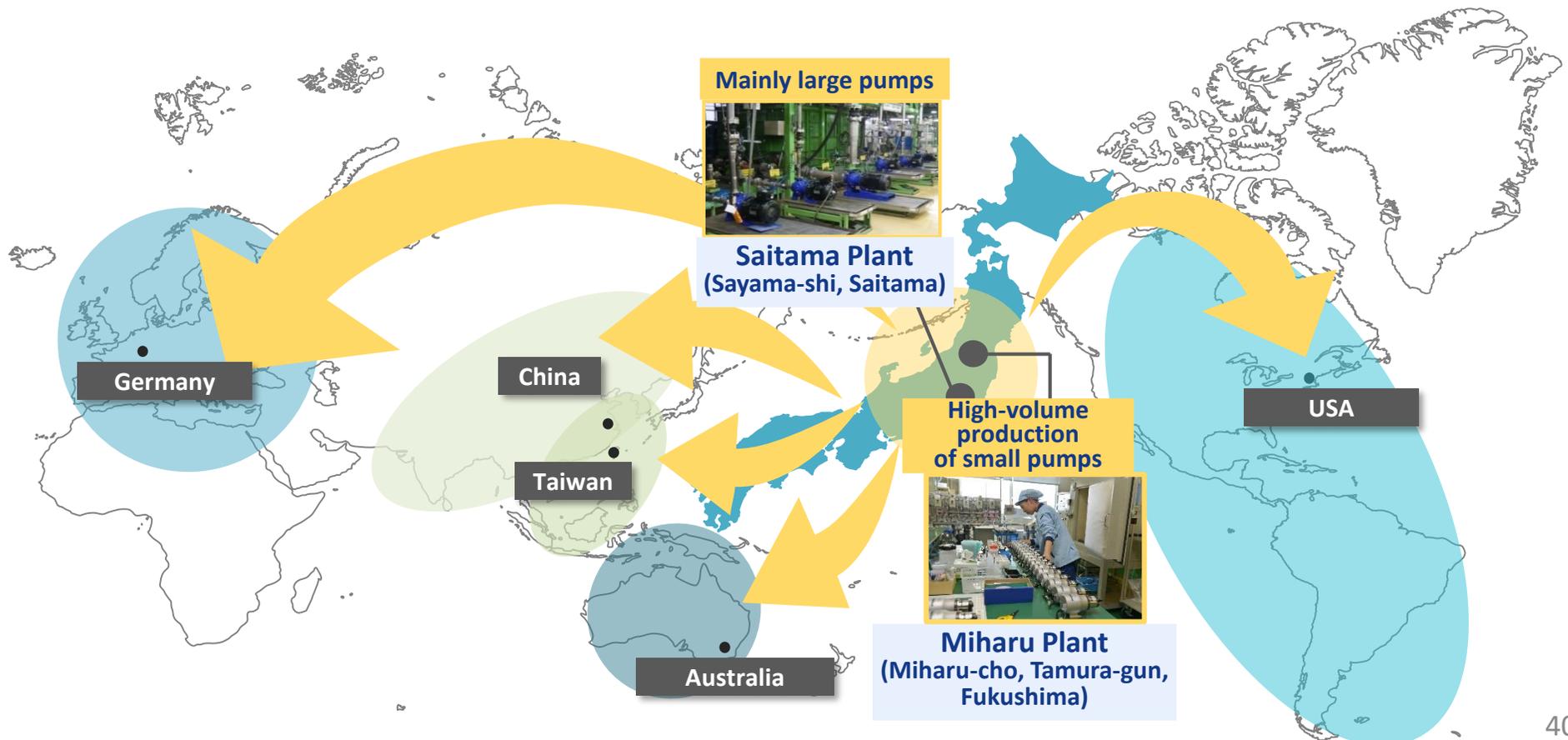


## 6 Strengths That Define Iwaki Global Manufacturing Network

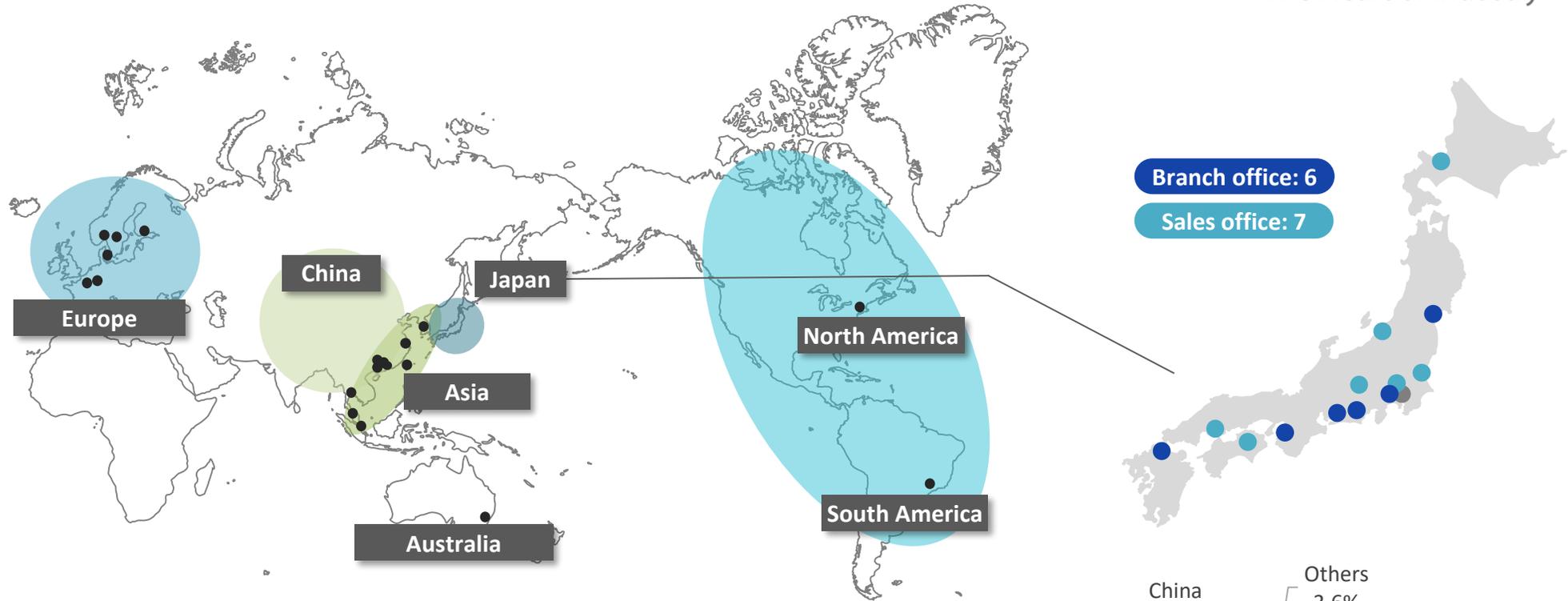
**Annual capacity of around 800,000 units with the ability to make many models in small quantities**

**Japan: Small-lot production of many models and highly reliable quality assurance systems**

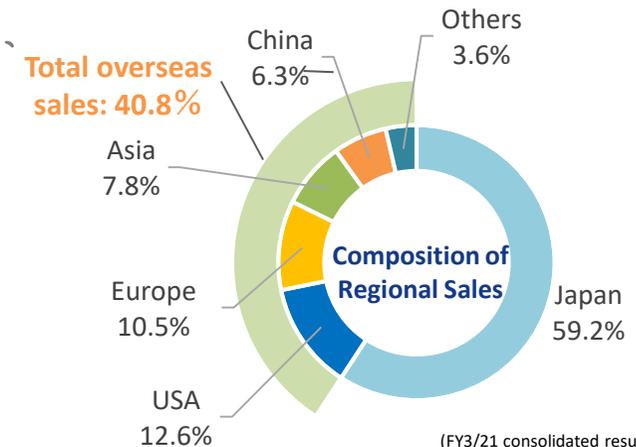
**Overseas: Five locations manufacture pumps using main parts (knock-down manufacturing), resulting in efficiency for deliveries and inventories**



# Strengths That Define Iwaki A Global Sales and Support Infrastructure



**Branch offices and sales offices in 13 major cities Japan in addition to the head office**  
**A worldwide sales and service network with 21 group companies in 15 countries**



(FY3/21 consolidated results)

Iwaki uses pump and fluid control expertise to create **solutions** that match the **needs** of every customer

Iwaki



Pumps



Fluid control expertise



Problems requiring solutions

Needs



Users (Customers)



Ideas for problems and other needs

Solutions



The Heart of Industry

Dedicated to remaining at the forefront of progress in order to contribute to a broad range of progress and to the happiness and wellbeing of people worldwide

For more information:  
Corporate Planning Department,  
Business Management Head Office,  
IWAKI CO.,LTD.  
E-mail: [ir@iwakipumps.jp](mailto:ir@iwakipumps.jp)  
Operating hours: 9:00 to 17:30

# Disclaimer and Precautions Concerning Forward-looking Statements



- This presentation was prepared by IWAKI to provide information to investors about business operations.
- Information in this presentation is based on reasonable judgments by IWAKI using generally accepted views of economic, social and other factors as of May 25, 2021. This information may have to be revised without prior notice in the event of a change in the business climate or some other event.
- The information in this presentation includes forward-looking statements. These statements are current outlooks, forecasts and assumptions that include risk and incorporate uncertainties that may cause actual performance to differ from these statements.
- Risk factors and other uncertainties include but are not limited to items related to the Japanese and global economies, such as changes in business and market conditions and in interest rates and exchange rates.
- IWAKI has no obligation to update or revise the forward-looking statements in this presentation even if there is new information, a significant event or some other reason for a change.
- This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.
- IWAKI assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.