

## **Formulation of 2022 Sumitomo Riko Group Vision**

Sumitomo Riko Company Limited (Headquarters: Nakamura-ku, Nagoya-shi; President & CEO: Tetsu Matsui) has formulated "2022 Sumitomo Riko Group Vision (2022V)," its mid-term business vision up to FY2022.

In what has been described as a "once-in-a-century grand transformation" of the automotive industry, the Sumitomo Riko Group is facing major changes to its business environment. Along with the strengthening of environmental regulations in the various countries and heightened market demands for improvements to safety and comfort, technological innovations such as electric vehicles and self-driving cars are also accelerating. The Sumitomo Riko Group views these major changes in the business environment as new business opportunities.

Under these circumstances, we have undertaken a fundamental review of our 2020V (ending FY2020), formulated and announced in 2016, and formulated a new mid-term business vision. In 2022V, to ensure that the Group does not miss out on these new business opportunities, we have established a new "ideal image for 2029" as the direction of transformation and proposed business strategies designed to realize that image.

### ■ **2022 Sumitomo Riko Group Vision (2022V)**

<b>Vision Theme</b>	Aim for consistent growth and organizational reinforcement amid major changes in the business environment	
<b>Business Strategies</b>	1. Creation of new businesses and new customers	Creation of new businesses and global expansion
	2. MONOZUKURI Innovation	Development of strong work sites to win against the competition (SRIM 22 Act), technological innovation (environmental technology), and world's top quality
	3. Reinforcement of global business foundations	Strengthening of global human resources and global infrastructure
<b>Ideal Image for 2029</b>	Global systems supplier that contributes to safety, comfort, and environment	

In the Automotive Products Division, we will continue our action to improve our corporate value as a manufacturer, positioned in a group with the top global share. In the General Industrial Products Division, looking toward 2029, we will develop new business themes in the pursuit of "consistent growth" of existing businesses, with a focus on the global expansion of our businesses, and of "organizational reinforcement" with a focus on strategic investments in the next growth areas.

In FY2029, our 100th anniversary year, in addition to the evolution of the customer relationships we have cultivated to date and our core technologies, we will actively introduce new technologies and complete our transformation from our current status as a “parts manufacturer” into a “systems supplier,” with a sales target of 1 trillion yen.

## ■ 2022V Numerical Targets

### (1) Financial Objectives

Index	Numerical target
Net sales	530 billion yen
Business profit	25 billion yen
Operating profit	25 billion yen
Operating profit ratio	5%
ROA (Operating profit to total assets)	6%
ROE (Return on equity attributable to owners of the parent company)	7%

\* Business profit = Operating profit – Other income and expenses

### (2) Sales Objectives by Business Field

Business field	Net sales
Automotive (Mobility)	430 billion yen
Infrastructure and Housing Environment	60 billion yen
Electronics	35 billion yen
Healthcare	5 billion yen

### (3) Strategic Investments toward 2022

Index	5-Year cumulative investment target
CAPEX	190 billion yen
R&D expenses	100 billion yen

Further, in keeping with the Sumitomo Spirit, through our technological innovation, we will strive to solve the issues facing society, as embodied by the SDGs and other initiatives. By enhancing both our corporate value and public-benefit value at the same time, we will aim to create social value and achieve sustainable growth together with society.

While faithfully safeguarding “integrity and sound management,” as proclaimed in the Sumitomo Spirit, based on the core competencies of “Polymer Materials Technology” and “Comprehensive Evaluation Technology” that we have cultivated over many years as a MONOZUKURI company, the Sumitomo Riko Group will steadily build up its initiatives in the areas of “Safety, Environment, Compliance and Quality (S.E.C.-Q)” in our aim to become the kind of “Global Excellent Manufacturing Company” that the world needs.

### About Us-----

Founded in 1929, Sumitomo Riko is a manufacturing company headquartered in Nagoya-shi, Aichi, Japan. We changed our name from Tokai Rubber Industries, Ltd. in 2014. In the automotive field, we manufacture anti-vibration rubber parts, in which we have a leading global share, as well as rubber and resin hoses and urethane sound controlling/insulation products and interior equipment. We are also applying the technologies we have accumulated in automobile parts development to expand our business in the fields of electronics, infrastructure, and “housing environment and health & nursing”. Utilizing our global network of 106 bases in 23 countries, we aim to be a “Global Excellent Manufacturing Company” that provides safety, security and comfort to people worldwide.

### Contact Information

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