

# World-class manufacturing

TSE Standard  
(Securities code: 6524)



**Company Profile**  
Kohoku Kogyo Co., Ltd.

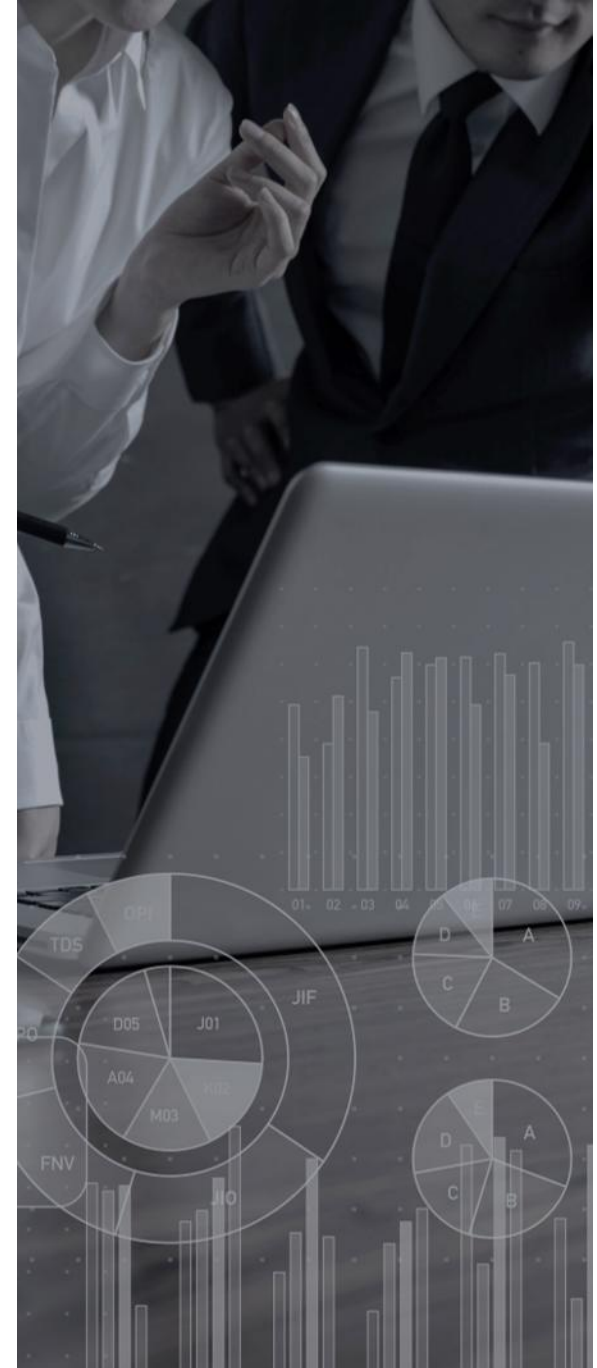
Kohoku Kogyo is a leading manufacturer of lead terminals for aluminum electrolytic capacitors and parts for submarine optical communication.

# Management Philosophy

## Management Philosophy

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**Practice all-participating-type management  
respecting rich originality to aim  
for an “only-one” company  
through creation of new values**

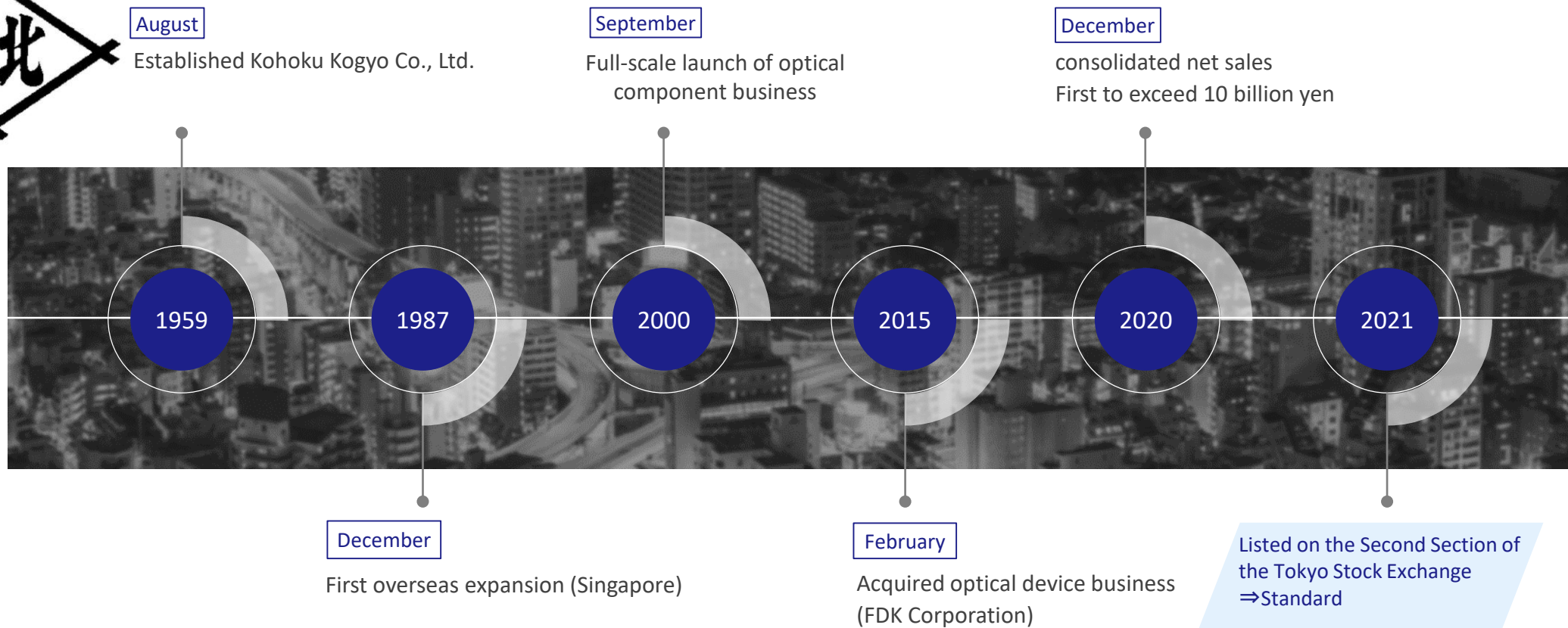


# About Us

Company Name	KOHOKU KOGYO Co., Ltd.		
Head Office	1623 Takatsuki, Takatsuki Town, Nagahama City, Shiga Prefecture		
representative	President & CEO Futoshi Ishii		
Established	August 1959		
Capital	350 million yen		
Business contents	<ul style="list-style-type: none"><li>■ Manufacture and sale of lead terminals for aluminum electrolytic capacitors</li><li>■ Manufacture and sale of optical components and devices for fiber optic communication networks</li></ul>		
Consolidated subsidiaries	7 companies (Overseas 6, Domestic 1)		
Number of Employees	Consolidated:	1,536	

\*As of the end of Dec.2024

## Continuous technological innovation since its establishment in 1959



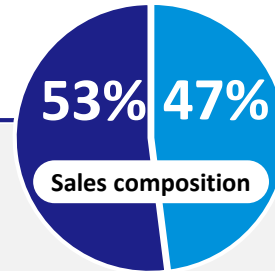


# Business content

Engaged in products essential for automobiles, network equipment, and submarine cables

## Lead terminal business

Lead terminals for  
aluminum electrolytic capacitors



Main product

## Optical components and devices business

Devices for submarine optical fiber  
communication cables



Over 60% global market share

market share

Over 50% global market share

Technological innovation in the automotive &  
network industry



In-vehicle



Base station

Applications/  
contribution fields

Increased communication capacity



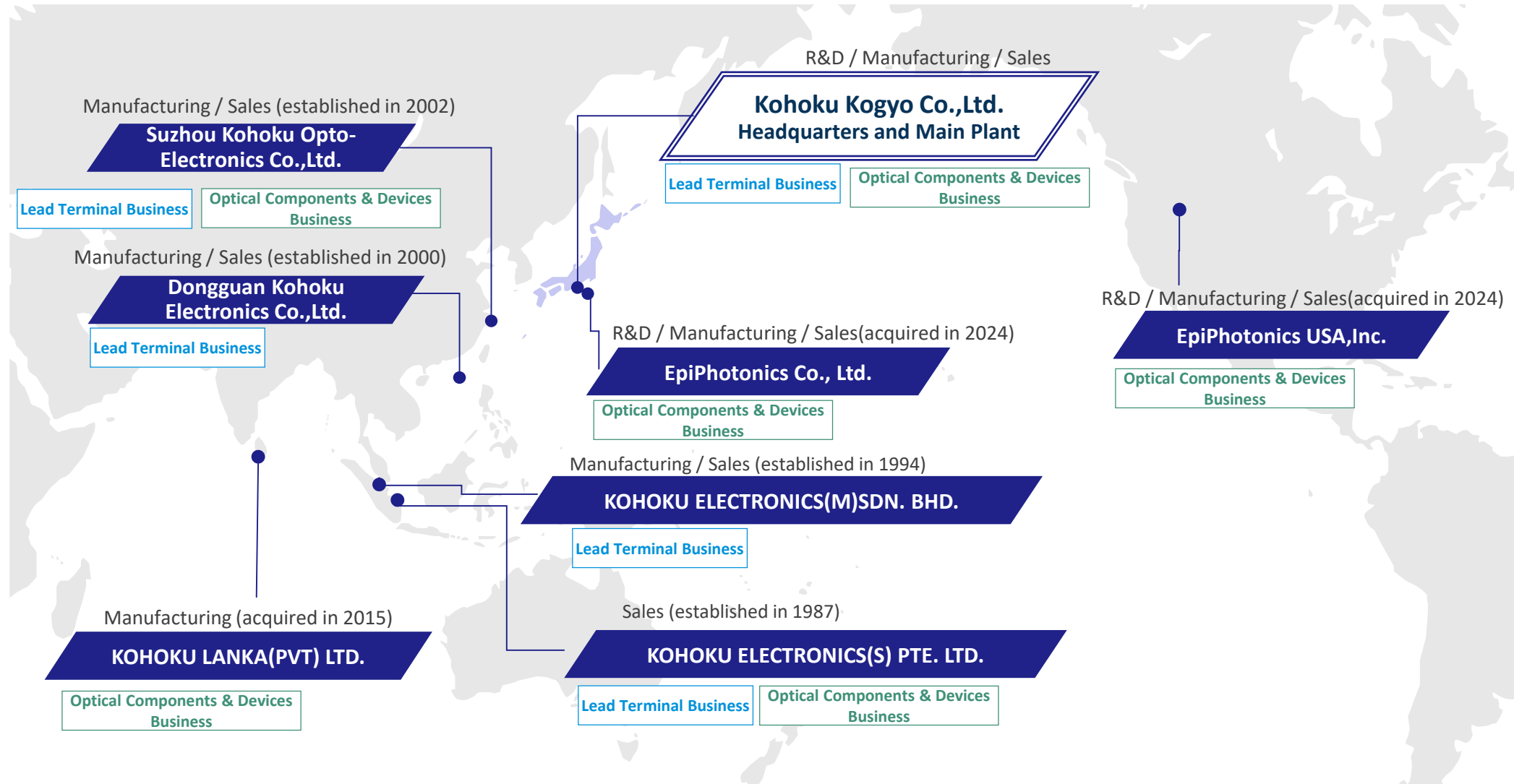
5G, 6G



IoT

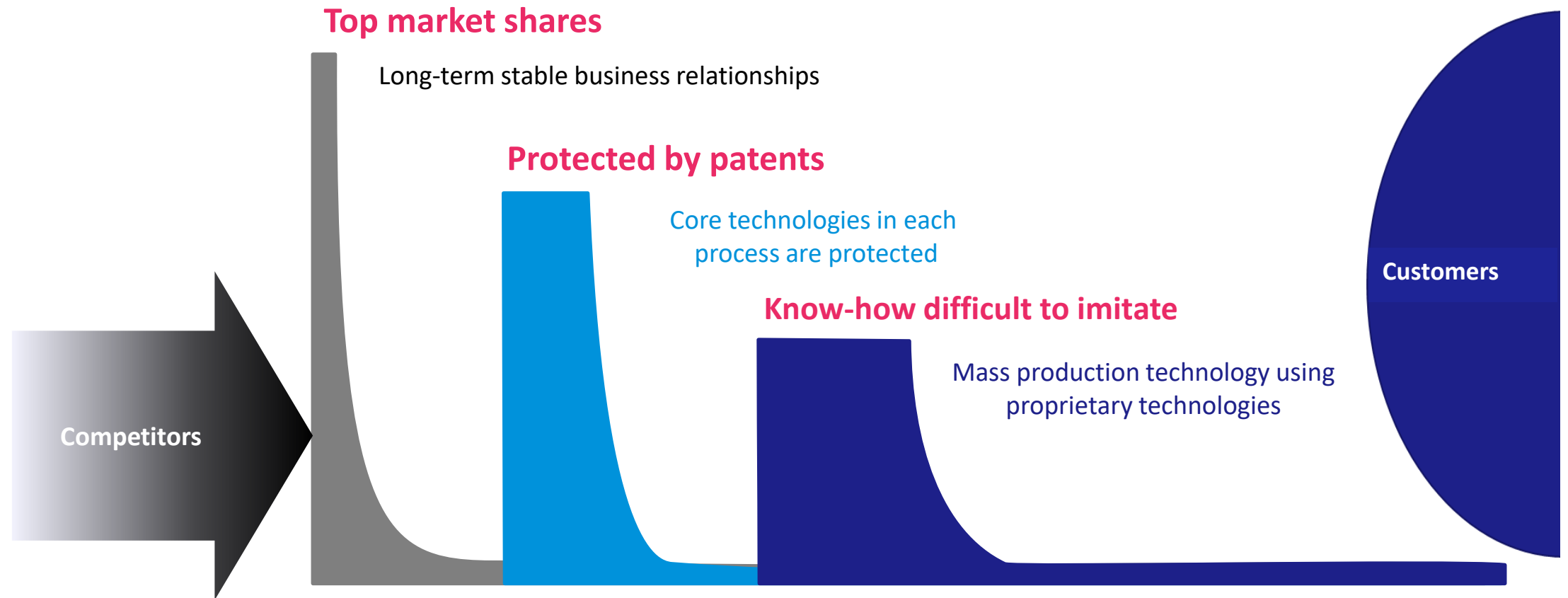
# Subsidiaries and Offices

## Worldwide operations from 8 locations in 6 countries



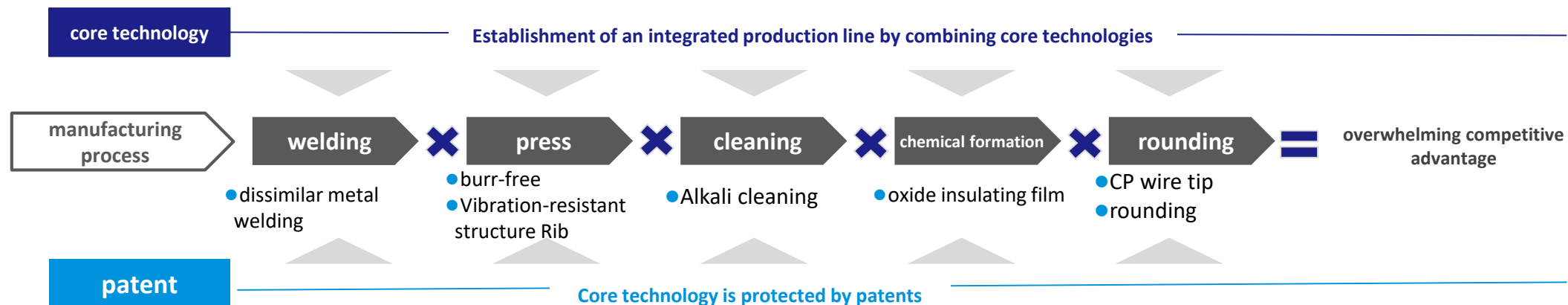
# Competitive Advantage

Kohoku has established three barriers to entry around its core technology



# Our Strengths and Barriers to Entry

Core technology is preserved by patents, while mass production technology is black boxed (in-house developed manufacturing equipment)



## Core Technology Topics

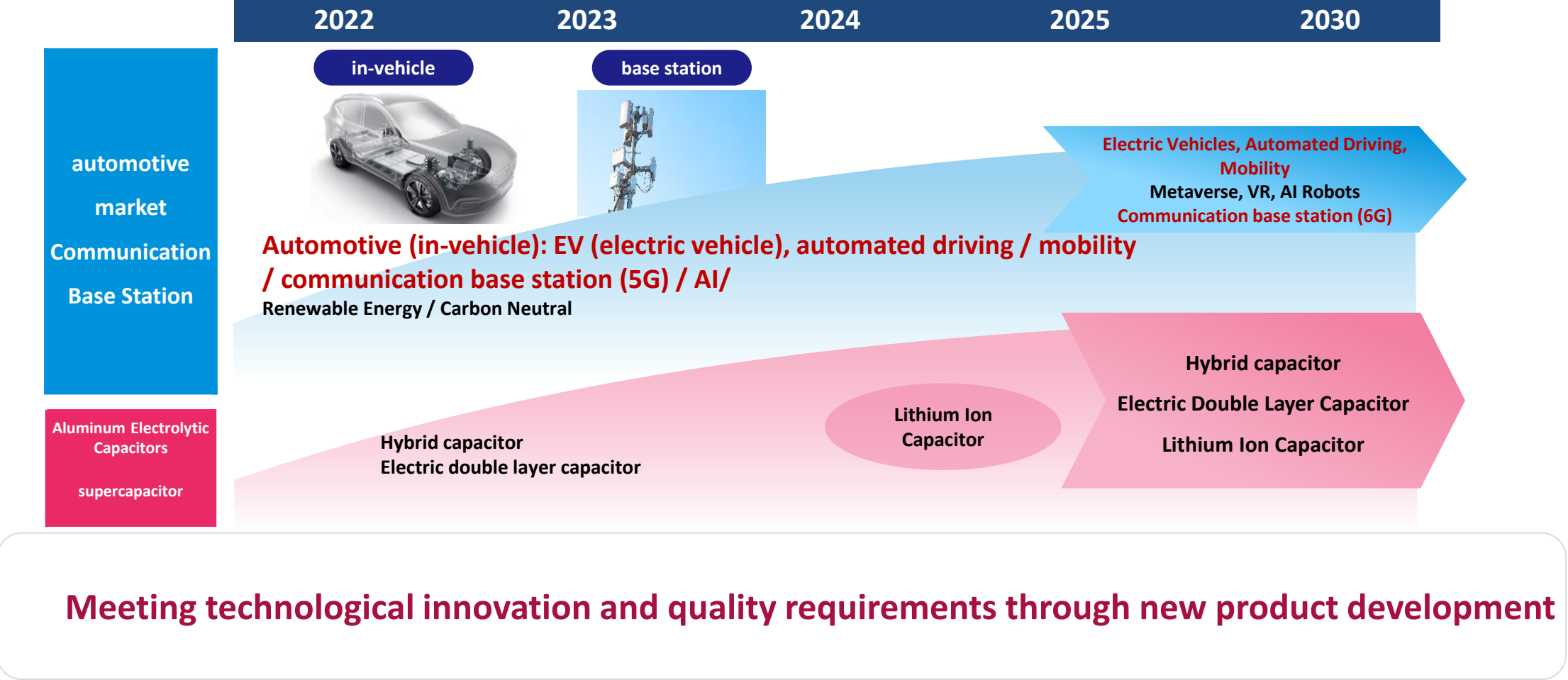
- ✓ Differentiation through in-house developed manufacturing equipment core technology
- ✓ Welding of dissimilar metals  
Shape and short-circuit measures
- ✓ Self-developed power source Welding temperature is 2,000° C, realizing 5 welds per second at high speed

- ✓ Ultra-high speed production 5 lead terminals per second
- ✓ Monthly production volume of mass-produced lead terminals is 4 billion units, equivalent to the length of 3.6 times the Earth or 20 million vehicles.



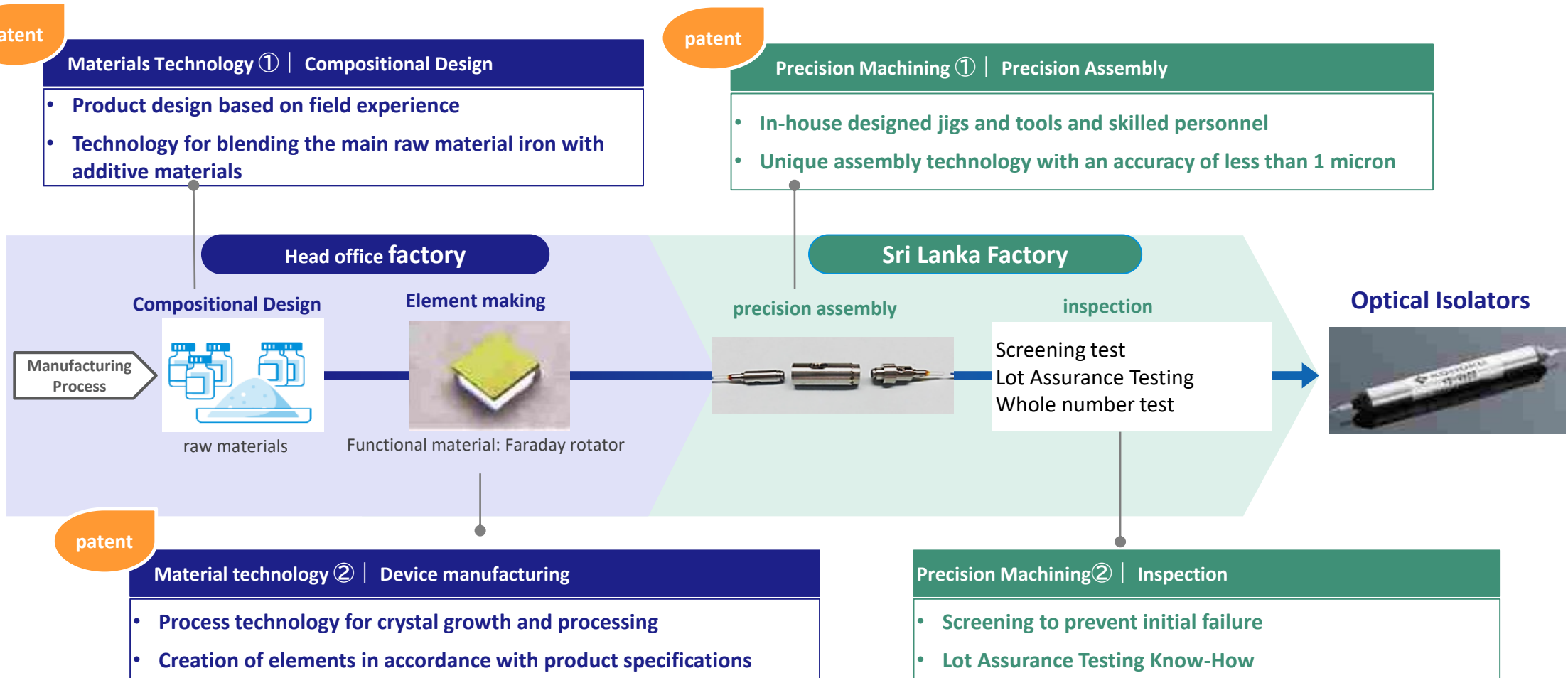
# Growth driver

In the Automotives and IOT markets, Strong tailwind from EVs, 5G, and other factors.



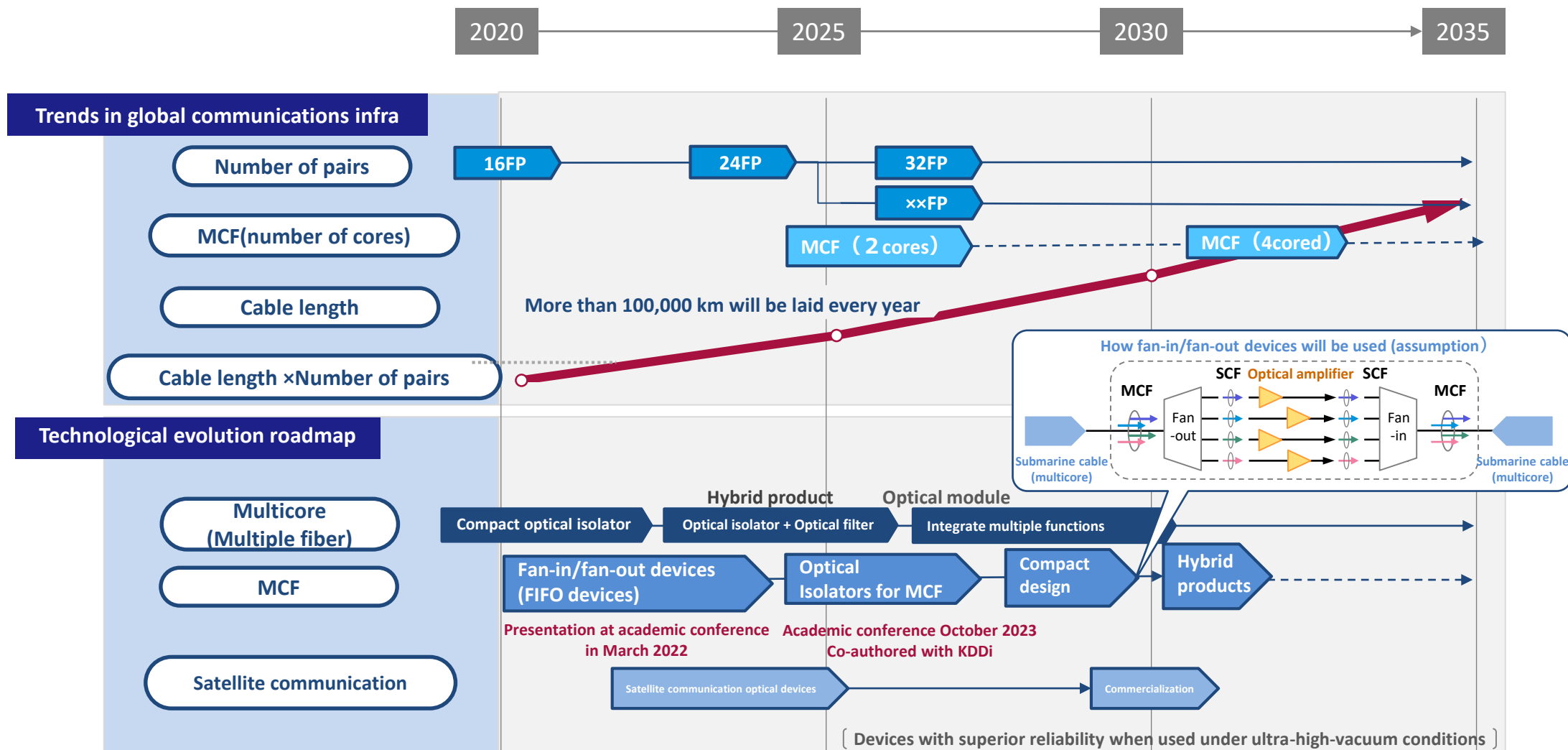
# Our Strengths and Barriers to Entry

High reliability spun by our one and only integrated production, patent-backed material technology and precision processing technology



# Technological Evolution in the Submarine Cable Market

Accelerating technological development against the backdrop of the spread of generative AI and the increase in the volume of information communication for IoT, etc.



# Toward a New Business Pillar - Creation of Cutting-edge Businesses

Expect to expand into semiconductor equipment through breakthroughs in manufacturing technology

## Developing a New Market for High Purity Silica Glass by SSG®

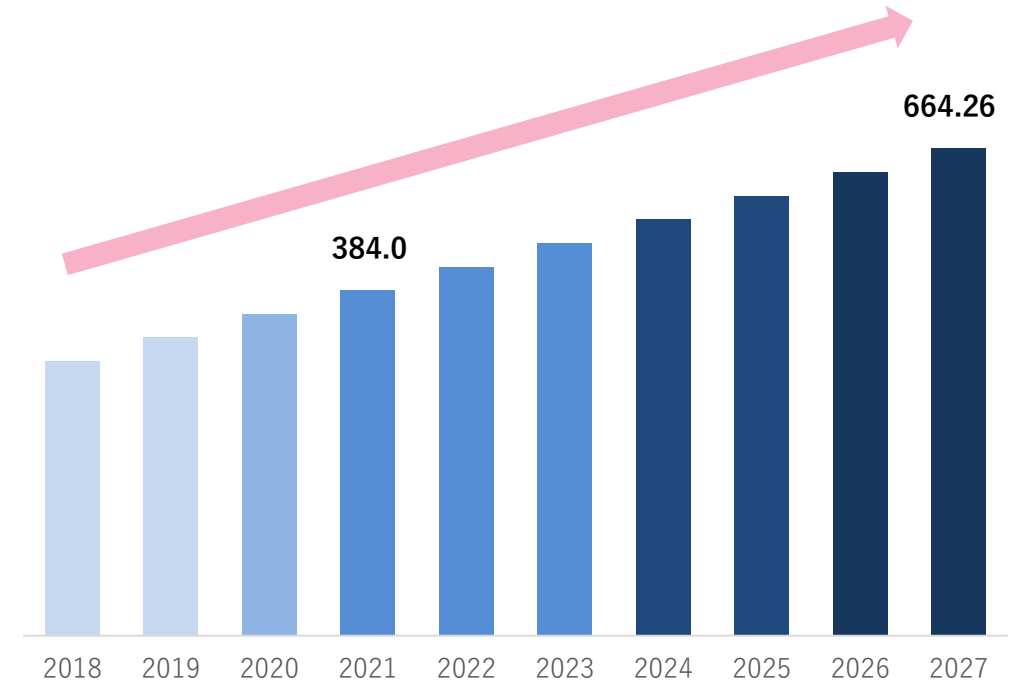
Up until now, a large amount of energy was required to cut and polish a large block of glass into the required shape,



But, this new manufacturing method allows the glass to be formed into a highly flexible shape, greatly reducing the cutting and polishing process. Material waste and energy consumption can be significantly reduced.

## <Forecast for High Purity Quartz Glass Market>

(Million US\$)



## < Examples of quartz components fabricated using SSG®. >



Semi-dome shape for semiconductor manufacturing equipment, etc.



Large ring for semiconductor manufacturing equipment

SSG®(Slurry cast Silica glass is a registered trademark of Kohoku Kogyo

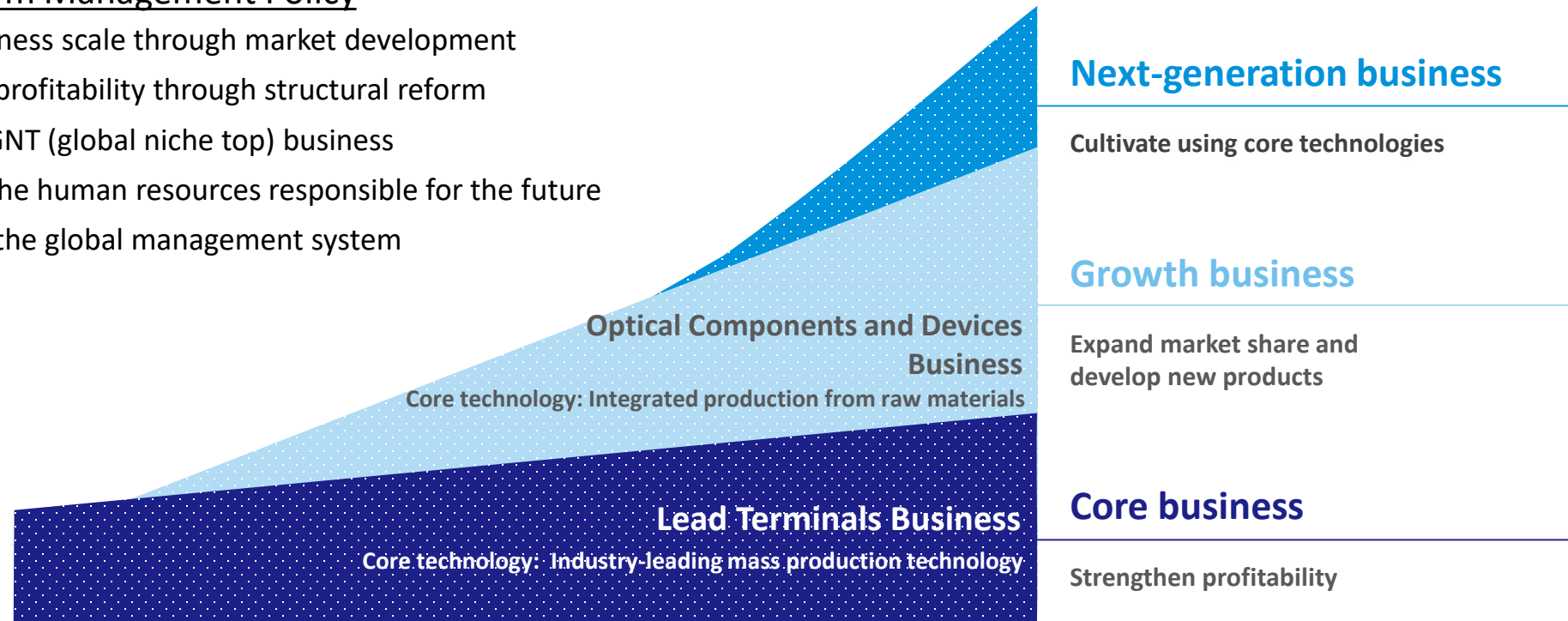
# Basic Medium-Term Management Policy

## Management Vision

**We will carry out research and development, technology development, etc. that contribute to the realization of a one-of-a-kind company and build a highly profitable business.**

## Basic Medium-Term Management Policy

- Expansion of business scale through market development
- Strengthening of profitability through structural reform
- Creation of new GNT (global niche top) business
- Development of the human resources responsible for the future
- Strengthening of the global management system



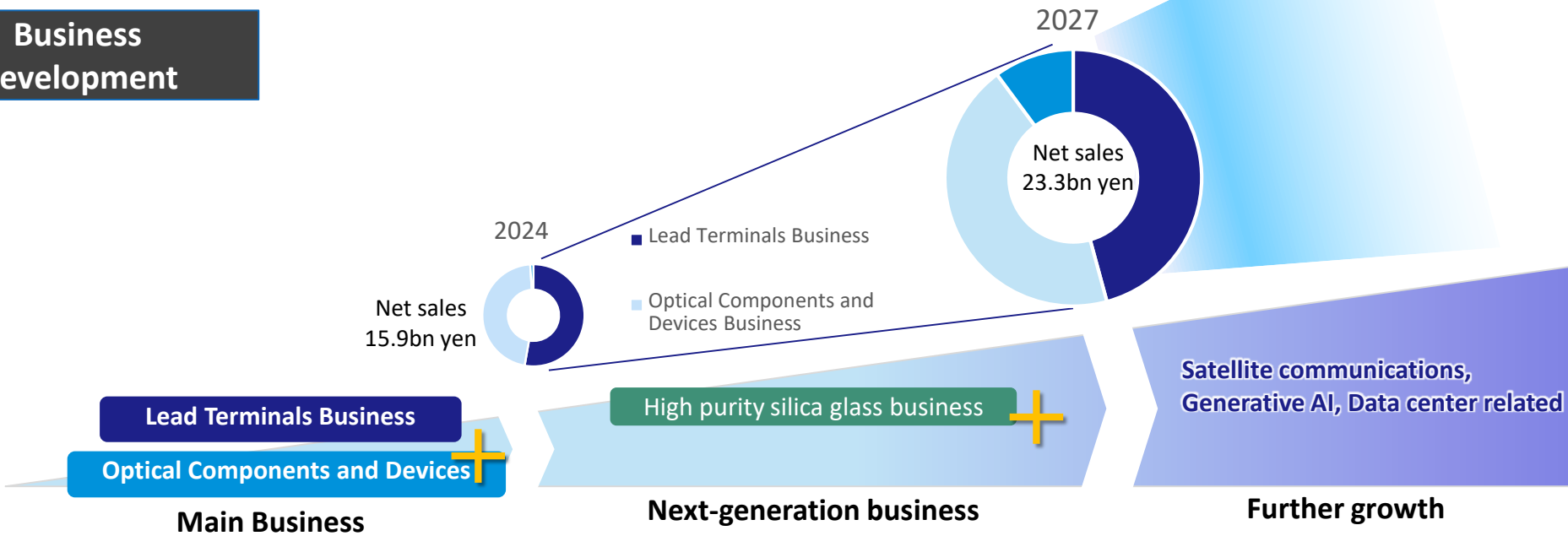


# Vision and Business Portfolio

## Management Philosophy

“Practice all-participating-type management respecting rich originality to aim for an only-one company through creation of new values.”

## Business Development



## Strengthening the Management Structure

### Strengthening Governance

- Transition to a company with an audit and supervisory committee, strengthen sustainability activities
- Strengthen the structure for the prime market

### Maibara New Base Concept

- Core technology base for developing the third and fourth pillars
- Increase customer access and adoption through improving convenience

### Others

- Strengthen efforts to improve ROIC by segment
- Increase employee motivation, improve performance awareness, etc.
- Strengthen sales structure for Lead Terminals, Optical Components and Devices, etc.

# Mid-term Management Indicators until 2027

Further enhance the competitiveness of the two main businesses and put a third business on a growth track.

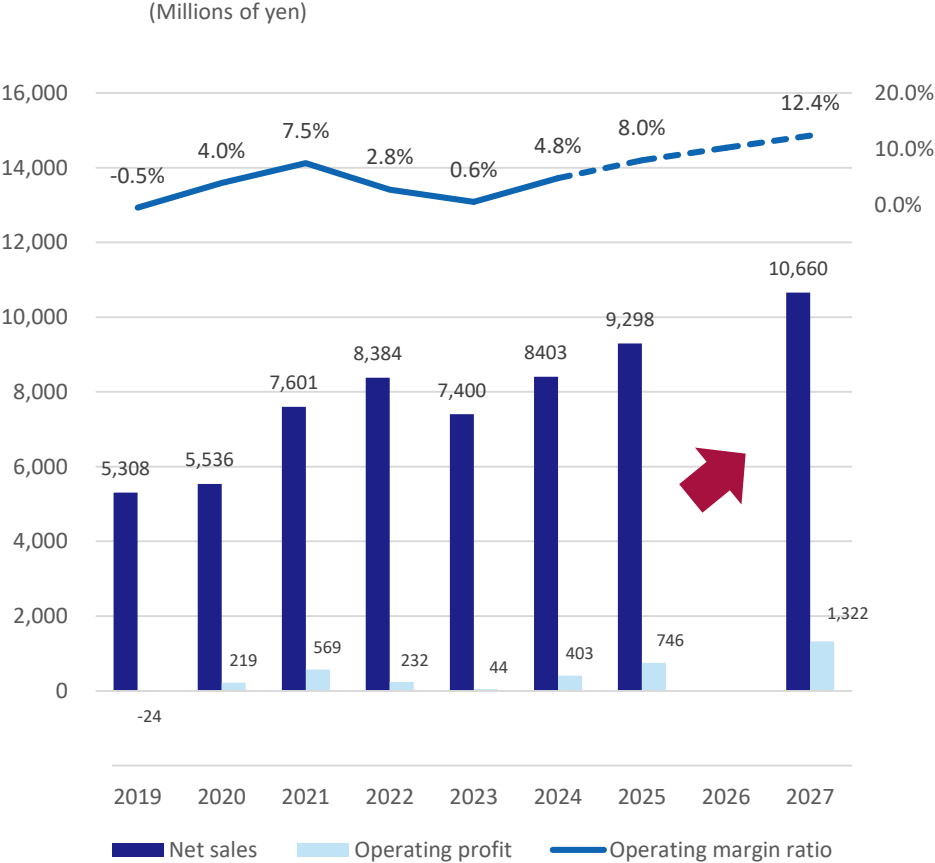
		FY12/2024 Results	FY12/2027 Medium-term management plan
Growth	Net Sales	15.9 billion yen	23.3 billion yen
Profitability	Operating profit	3.9 billion yen	7.3 billion yen
Investment	Capital Expenditures	Past three years 4.3 billion yen	Next three years 9.4 billion yen
Efficiency	ROIC	12.2%	16%
	ROE	15.0%	18%
Shareholder Return Policy		Goal of Consolidated Dividend payout ratio 30% DOE 3% or more	Goal of Consolidated Dividend payout ratio 30% DOE 3% or more



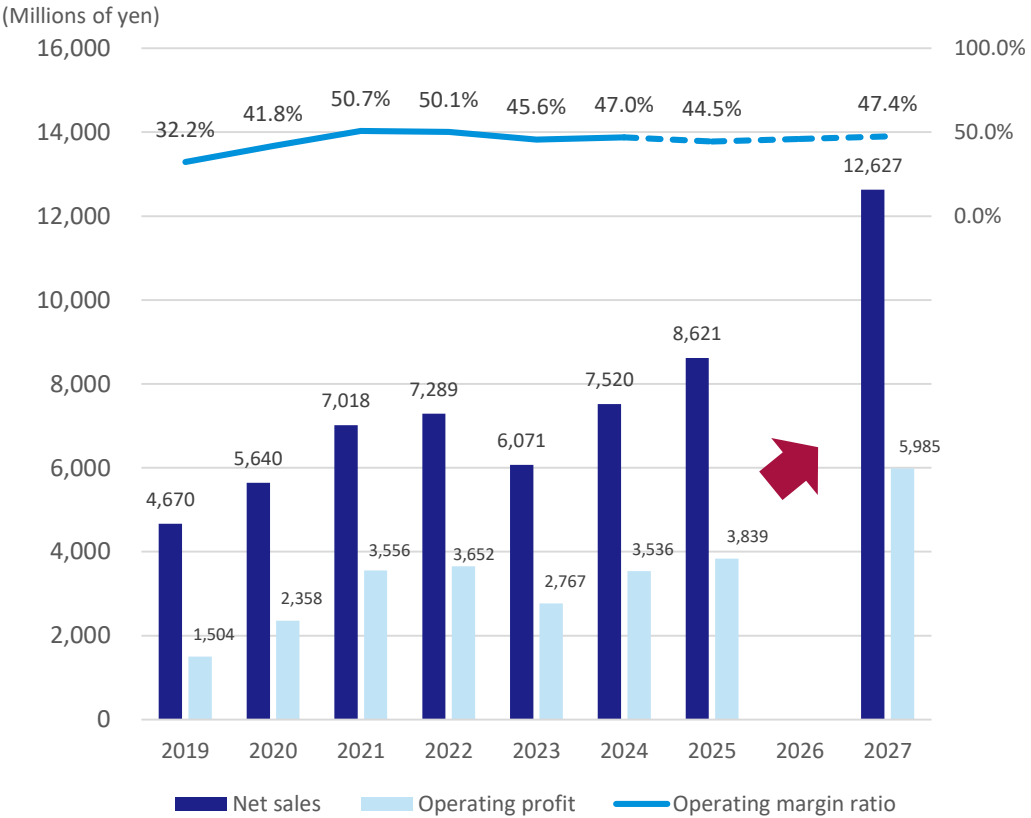
# Image of performance of two main business

Aiming to increase sales by approximately 1.4 times in three years through growth in the two main businesses as well as contributions from the high-purity silica glass (SSG®) business.

## Lead Terminals Business



## Optical Components and Devices Business (Includes high-purity silica glass business, etc.)



**This document contains our current plans and performance forecasts.**

**These future plans and forecast figures are plans and projections made by us based on available information. Actual results may differ from these plans and forecast figures due to various conditions and factors.**

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