



CEO MESSAGE

Shinji Sakuma



As a Risk Sharing Partner

Today, the business environment and social values that surround us are undergoing major changes. Technology is progressing, a global consensus has formed on sustainable societies under the banner of the SDGs and ESG, and global natural disasters and pandemics have led to changes in lifestyles and ways of working. These macro changes will likely lead to the modernization and diversification of current regulations and standards.

In an environment where these complex changes and uncertainties are presupposed, the risks that must be considered in doing business are also complex and diversified. We now live in an era where it is difficult for a lone organization or group to handle the full range of risks it might encounter. That is why we believe that leveraging expertise from multiple fields to build systems and structures for risk diversification and risk sharing is essential for the long-term survival of a business. The risk-sharing partnerships that Eto builds are indispensable for both our clients and suppliers in today's complex business environment and society. As a technology oriented trading company, we will continue to take on big challenges in unison with clients and suppliers while working to fulfill our social responsibilities, achieve sustainable growth and help realize the Sustainable

OUR PHILOSOPHY

Mission

Development Goals.

We meet technological innovation head on, and by maximizing business potential, contribute to people's prosperous lifestyles and the development of a technological society.

Vision

Through our pursuit of evolving technology from a global perspective, we will strive to become an Eto that is needed around the world as a technological general trading company and continue to advance dynamically.

CORPORATE PROFILE

Business Activities

We are a technical proposal firm offering support to a wide range of industries, from precision mechanical parts to automation equipment.

Principal Stockholder

KYOKUTO BOEKI KAISHA, LTD.(100%)

Major Customers

Alps Alpine Group

Nippon Caterpillar

Canon Group

Cleanup Corporation.

Sharp Corporation.

Stanley Group

Sony Group

Pacific Engineering Corporation.

Takara Standard Co.,Ltd.

TOTO Group

NEC Group

Pioneer Group

Panasonic Group

Hitachi Astemo Group

Hitachi Construction Machinery Group

Hitachi Group

FANUC Corporation.

FUJITSU Group

BRIDGESTONE Group

MIKUNI Group

Mitsubishi Heavy Industries Group

Yazaki Group

Yaskawa Electric Group

Yamabiko Group

Establishment

1913

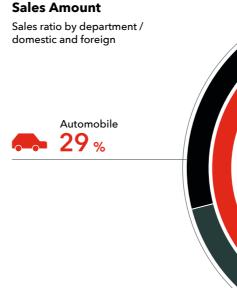
Capital

669.1_M

Number of Employees

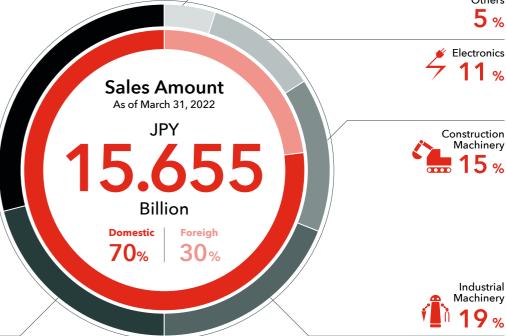
As of March, 2022

221



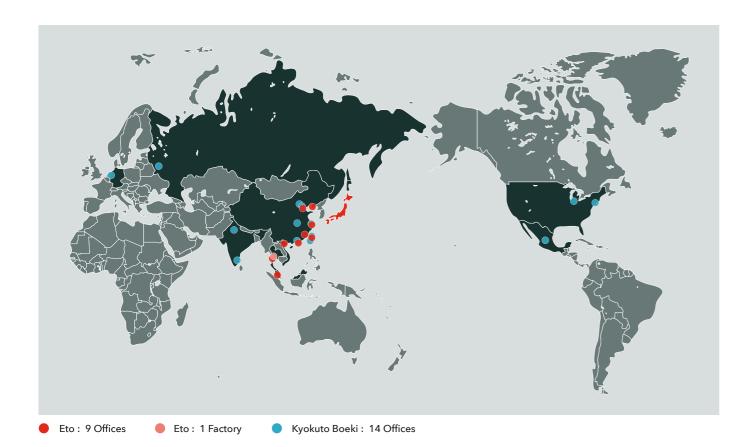
Housing Equipment

21%



Others

NETWORK



Foreign Base Location

North America

- Indianapolis
- Michigan

Latin America

Silao (Mexico)

Europe

Dusseldorf

Moscow

Asia
Gurgaon (India)

- Chennai (India)
- Bangkok (Thailand)
- Ayutthaya Factory (Thailand)
- Hanoi (Vietnam)
- Kuala Lumpur (Malaysia)
- Hong Kong
- Shanghai
- Tianjin
- Dalian
- BeijingGuangzhou
- Wuhan
- Taipei
- Kaohsiung
- Dongguan

Domestic Base Location

Yokohama Head Office
P.I. Center (Tokyo)
Sendai Branch Office
Morioka Branch Office
Yamagata Branch Office
Fukushima Branch Office
Minamikanto Branch Office (Ibaraki)
Hitachi Branch Office
Sakura Branch Office
Kitakanto Office (Saitama)

Sakura Branch Office
Kitakanto Office (Saitama)
Kanagawa Branch Office
Hachioji Office
Kofu Branch Office
Suwa Branch Office
Hamamatsu Branch Office
Nagoya Branch Office
Osaka Branch Office

Nagoya Branch Office Osaka Branch Office Hiroshima Branch Office Kyushu Branch Office Kagoshima Factory

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SUPPLIERS RESOURCE

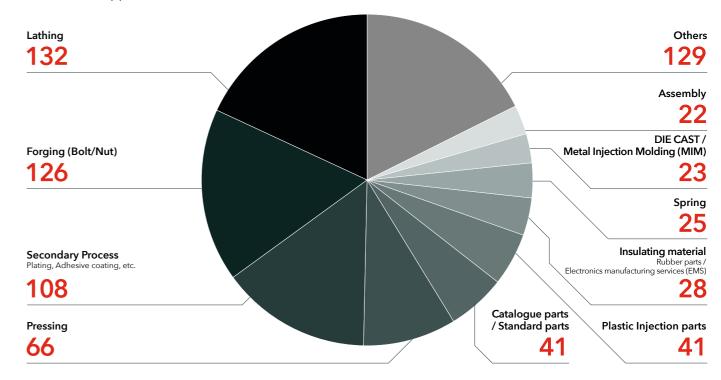
Diverse supplier network

We have built an extensive supplier network in cooperation with 741 other companies that possess a wide variety of technologies and construction techniques. Together with this supplier network, we can help your company create a supply chain that suits your circumstances and needs.

Number of suppliers

Breakdown of Suppliers by Production Process

Number of Suppliers



TECHNOLOGY

Number of VA/VE proposals

As of FY2021

79

As a technology oriented trading company, Eto is skilled in making proposals based on technological trends and the technological expertise that we have cultivated over our long history. We will work to improve your supply chain and enhance its sustainability with proactive proposals ranging from the identification of issues in each phase of the supply chain to Value Analysis/Value Engineering (VA/VE).

Breakdown of supply chain VA/VE proposals



Development

1 6



Supplier selection 34%



10%



10%

Finance

Inventor control



Quality Assurance Support

3 s

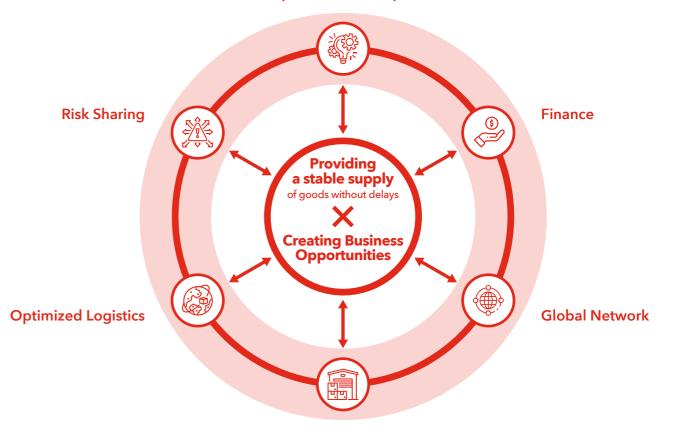
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BUSINESS MODEL

The core of our business's value proposition is the development of stable supply capabilities without delays and the creation of new business opportunities.

In-depth Technical Expertise



Adequate Inventory

OUR CAPABILITY

Eto's capabilities are continuously evolving. We create new value by combining these capabilities with our practical expertise in various areas. Here are a few of our main capabilities.



Our high level of technical expertise allows us to participate from the development and design stage, to propose VA/VE, to guarantee quality and to comply with standards and norms.



7 Finance

We propose a framework that meets your needs, including finance functions, funding and financial support for customers and suppliers.



Global Network

Our domestic and international supplier network, as well as our marketing and sales network, in cooperation with Kyokuto Boeki Kaisha, Ltd., enables us to meet both sudden needs and a stable supply.



Adequate Inventory

We maintain an adequate level of stock in line with our customers' production plans, taking into account market conditions for raw materials, product demand and the economic situation at all times, to ensure a stable supply without delays or interruptions, and to coordinate with our suppliers.



Optimized Logistics

We maximize business opportunities in both directions with a global logistics system that covers domestic, imports and exports, as well as international and trilateral trade, and have a sustainable, environmentally-friendly distribution system that takes into account transport efficiency.



Risk Sharing

We continue to develop various mechanisms and systems as a risk-sharing partner to support the business continuity of both customers and suppliers.



We solve problems by combining various functions

at every stage of the supply chain.

Complementary or Alternative Credit Examination

Finance

Optimized **Procurement System**

We use our network to select the most suitable and global suppliers and propose the use of local procurement.

Environmental Measures

ISO 14001, various environmental regulations, green procurement system, operation of own EMS

Compliance with an **Increasingly Diverse** Range of Standards and Regulations

Compliance with new standards and regulations such as ISO, IATF, VDA, etc., and training of internal auditors

Optimized Logistics

global logistics system that covers domestic, imports and exports, as well as international and trilateral trade.

Assembly Service

Safety and **Cost Optimization**

Global Office Network &

Emergency Supply System

Providing global

procurement opportunities

Sustainable Supply Chain

Retention and Management of

Maintenance and Service Parts

A Stable and

Integrated supply system from introduction to delivery of overseas products.

Establishing and maintaining a global and speedy backup system for various risks at each stage of procurement, production and distribution

Compliance with Subcontracting Laws

Procurement

Production, Delivery and Operational Control of Processes, Including **Secondary Processing**

Production

Compliance with an

Increasingly Diverse

Regulations

Range of Standards and

Training, guidance and assistance in

regulations such as ISO, IATF, VDA, etc

obtaining certification to various

manufacturing standards and

Development, support

and auditing of quality

Training, guidance, auditing and certification support for various environmental regulations, own EMS and green procurement system

assurance systems

Helping You Meet **Tightening Environmental**

Regulations

Logistics

Development of a sustainable

Development of Domestic and International BCP Systems

Consolidation of Logistics

and environmentally friendly distribution system by consolidating the delivery locations from small and high frequency delivery systems.

Added Value **Enhancement Support**

Inventory / Maintenance and **Service Parts Management**

Sale

Creating Opportunities for Overseas Expansion

We propose, support and develop opportunities for overseas expansion in a market environment where production locations are increasingly globalized and fragmented.

For Suppliers



CASE STUDY

We will introduce our example solution for both customers and suppliers.





















Five **Representative Fields**

Here are five representative fields that we excel in. We have also now begun to expand into new fields such as



Housing Equipment

Through the global supply chain, we provide various parts and equipment for bathes, toilets, kitchens, etc. that create an environment that allows people to live more comfortably.



Automobile

We supply high quality components of all types of shipping and transport machinery, from automobiles, ships, rail, and farming equipment from our domestic and foreign supply bases. We also possess the resources to meet customers' various requests for special product characteristics, durability, and conformance to standards.



Construction Machinery

At the construction sites, demand for better working environments and labor shortages are driving the progress towards construction machinery using IT/ICT. And in addition to meeting new customer demands, we are also aiming at the creation of newly-imagined next-generation construction machinery.



Industrial Machinery

Production site change towards using IoT is quickening its upgrades and deveopment with the introduction of industrial robots and automated equipment. We are proposing proactive on-site verification to find potential problems, increase productivity, and better the work environment.



Electronics

We will enhance and support global activity with overseas business expansion. We will also serve to strengthen our competitive power with the creation of a supply chain that matches needs, by analyzing the design and manufacturing process coordinated with local manufacturers, and through the procuring of components.

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HUMAN RESOURCES

PEOPLE AS THE DRIVING FORCE

As technology and value systems evolve, the role of Eto will also evolve. We always strive to provide services that keep pace with the changing needs of the world we live in. On the other hand, there is one thing that never changes: no matter the era, there is no more important management resource than people. Eto's services are made possible by the advanced expertise of people in the fields of global business, technology, importing, exporting and quality assurance.

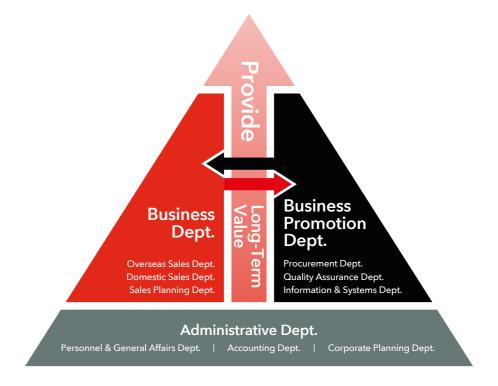
Whether it is overcoming known obstacles, discovering hidden problems or creating new business, Eto is building a culture that can take on a variety of challenges to help clients & suppliers expand their business.





OUR STRENGTH

Our ability to provide long-term value lies in cross-departmental collaboration that places Eto in a unique position.



Eto has built its own unique organizational structure as a trading company. Our Sales Department serves as a contact point for our clients, striving to meet their individual needs. We also place great importance on our Business Development Department, with its deep expertise in technology, quality assurance and systems. Close cooperation between

the Sales Department and the Business Development allows us to provide reliable technology and timely service. Both of these departments are supported by our Management Department, which serves as the foundation of our organization. Uniting these departments in a trinity has enabled us to offer services with long-term value.

Business Dept.



Overseas Sales Dept.

This department can provide contact points for overseas sales locations and suggest high-quality manufacturing bases. The department uses its expertise in the trade business to handle importing, exporting and trades where there is an intermediary country.



Domestic Sales Dept.

This department strives to meet all the needs of domestic clients. It efficiently handles sales work with an attention to detail achieved through strict quality control, and new projects can be launched quickly by leveraging the department's own network.



Sales Planning Dept.

This department provides strategic sales support, from the formulation of medium-term management plans and sales strategies, to the development of new products and marketing based on prompt detection, analysis and prediction of trends in each industry.

Business Promotion Dept.



Procurement Dept.

This department works to enhance procurement capabilities by building a supplier network in Japan and overseas through the collection of information on new technologies. It provides long-term sales support while striving to provide technology that matches the needs of clients.



Quality Assurance Dept.

This department handles quality-related clients support and provides technical advice to the Sales Dept. from a specialist perspective. It works with the Sales Dept. to make proposals with high added-value, such as handling QMS and various environmental regulations.



Information & Systems Dept.

This office is building our company's core systems, as well as applications designed to improve business efficiency. It provides important support to the Sales Dept. and Management Dept. through the development of ICT infrastructure.