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Editorial Policy

This report is issued with the aim of helping all stakeholders, including shareholders and investors, gain a deeper understanding of our initiatives toward mid-long term value creation. In compiling this report, we have referred to various sources including the International Integrated Reporting Framework by the IFRS Foundation and the Guidance for Collaborative Value Creation by the Japanese Ministry of Economy, Trade and Industry.



Period

April 1, 2022 to March 31, 2023
(Some information from outside of this period is also included.)

Companies

Sinto Group
(Sintokogio, Ltd. and domestic/international group companies)

Publication date

June 2023

Important Note on Future Projections

This report contains forecasts and plans for the future based on the information that could be obtained by Sintokogio, Ltd. at the time of publishing. This content includes latent risks and uncertainties which may result in differences between the projected results/plans and actual future results/plans. Therefore, the accuracy of content related to future projections and plans is not guaranteed.

Website

<https://www.sinto.com>





SINTO in Japanese is made up of two characters: “new” and “east”.

The first character 新 is pronounced “SIN” and expresses the idea of being new, advanced, and innovative. The character 東, pronounced “TO”, refers to the sun rising from the east.

Together, they express the combination of power and passion in our corporate culture of “Ever Moving Forward with Vision”.

Our management philosophy: HEART

HEART Human **E**nrichment & **A**chievement through **R**eliable **T**echnology

Since our foundation and throughout our history, the Sinto Group has grown as a result of our desire to make the world a better place through heartfelt manufacturing and our pursuit of world-class technology. As a result, we have been able to earn the trust of our customers over generations.

Our management philosophy is HEART, which is an acronym

for “Human Enrichment and Achievement through Reliable Technology”. Going forward, we intend to deepen our bonds with everyone around us as we continue to make a positive impact on our customers and the world through our ever-advancing technologies.

Mission Statement

We are committed to producing new value for manufacturing, enabling the co-creation of achievement with our customers around the world.

Long-term vision

Co-creation of achievement with our customers around the world

VISION 01 Global group of companies that shares our pride and confidence in manufacturing

VISION 02 Group of individuals that shares our purpose and value in life and work

Business range

“Giving form and life to process materials”

In the materials industry, natural resources are turned into process materials. The material processing industry then takes those materials and gives them form, allowing workers to shape them as they wish. From there, the surfaces are processed to provide a clean finish, giving these forms value. The production of all industrial products starts with this material processing. This is our business.

As a company that manufactures foundry equipment, Sinto has developed extensive technologies and expertise in the field of metal casting since our establishment in 1934.

Over the decades, Sinto’s business operations have expanded to include various sectors of the material processing industry through advanced, integrated, and applied technologies that stem from our foundry-related technologies and accumulated know-how. We will continue to apply these technologies to reach even further. But no matter where we expand our work, we remain committed to our essence: giving form and life to process materials.



First Japanese molding machine C-11 (1927)
(recognized as a Mechanical Engineering Heritage by the Japan Society of Mechanical Engineers)

Corporate Principles

- 01 We always act with a both steady and enterprising attitude
- 02 We always deepen mutual trust and act decisively
- 03 We always serve society with wholehearted sincerity

Sinto Brand



New Harmony » New Solutions™

Visually inspired by the red rising sun, the Sinto logo symbolizes the dynamic energy of a burning flame. It also represents us locked in a firm handshake with our customers as we work together to create something new.

When we work together with our customers and partners, we are able to develop new ideas to resolve issues, providing peace of mind. This is the thought behind our brand slogan

“New Harmony » New Solutions™”, which expresses our global commitment to the brand concepts of “Differentiated Technology” and “Reliable Customer Support”. We strive to deepen our bonds with everyone we encounter through new proposals and solutions that take our customers into the future.

Our Journey

Our company was established in 1934, originally founded as Kubota Seisakusho by Chotaro Kubota in 1923. Chotaro Kubota was an innovator in mechanizing foundry work, being inspired by Sakichi Toyoda (founder of the Toyota Group) in his previous position at Toyoda Automatic Loom Works. In 1927, he succeeded in creating the C-11 type molding machine, the first Japanese molding machine, taking the first step for Sinto as a foundry manufacturer. Since that time, we have expanded our business into surface treatment, environment, special equipment, and other related businesses.



Sinto's Establishment 1934~1945
Chotaro Kubota, inspired by Sakichi Toyoda during his previous role at Toyoda Automatic Loom Works, developed the first Japanese molding machine. He then worked on development of molding machine technologies, and in 1934, he founded Kubota Seisakusho (Sintokogio's predecessor). Dedicated to improving Japan's casting technology and production, he helped to modernize Japan.

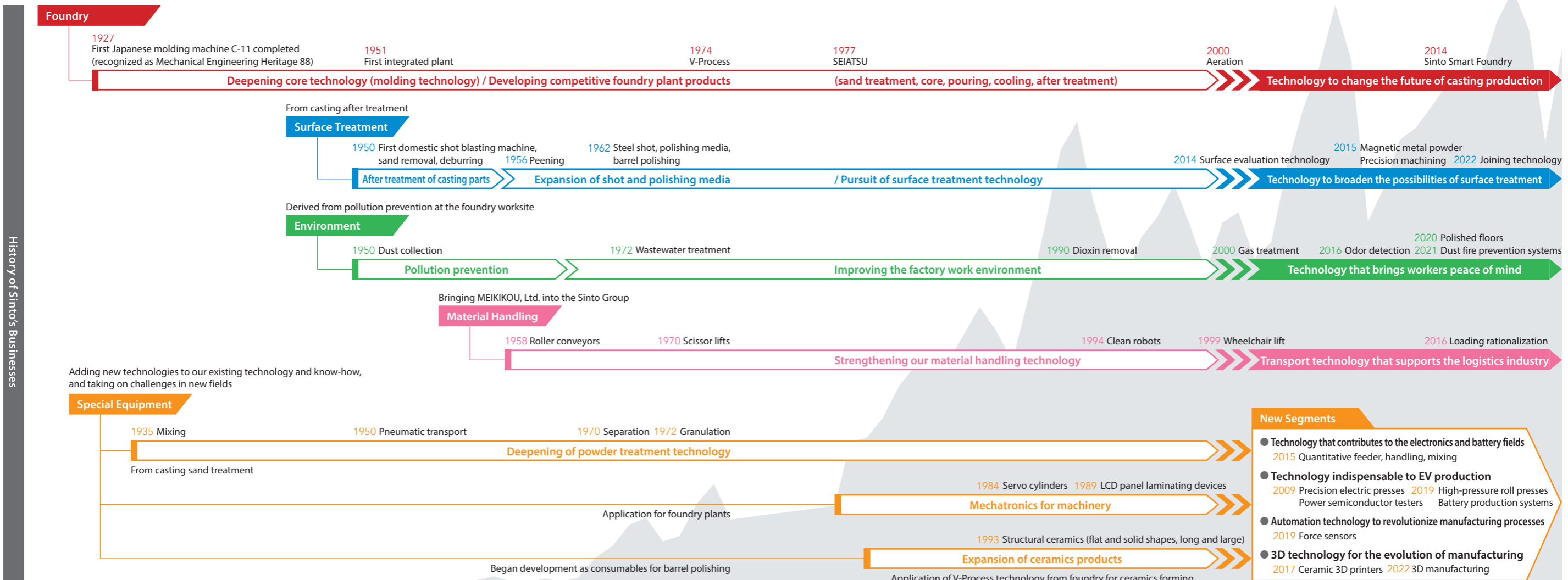
Deepening of Foundry Technology 1946~1973
Overcoming the turbulent post-war era, we worked to develop not just stand-alone molding machines but full molding plants that could cover the entire casting process. During this period, business diversified to include surface treatment, environment, and handling, and our technical capabilities increased even more through a partnership with Wheelabrator in USA. To mark our 25th anniversary and a transition toward further growth, the company changed its name to Sintokogio in 1960.

Solidification and Overseas Expansion 1974~1990
Under the motto of "total engineering" and "leaping to become a global company", we made efforts to solidify our business base. Through the development of revolutionary technologies such as V-Process and SEIATSU, we gained recognition in the foundry industry. We also built the foundation for our current business globally, starting in Taiwan and expanding into Europe, North and South America, and Southeast Asia.

Strengthening Business Structure for Growth 1991~2005
To continue to evolve amid changing times, we strengthened our business, establishing a three-pole global structure in the Americas, Europe, and Asia, and proactively promoting technology transfer overseas. Each business became financially independent, and we strengthened our machine maintenance and after-sales service business as a new source of revenue. Our 3-in-1 business model became a basis for our profit structure.

Strengthening One Global Sinto 2006~2017
We established our "ability-oriented development philosophy" as a system to train and invigorate our human resources. To strengthen our consolidated structure as the Sinto Group, we reorganized our companies in Japan and overseas, solidifying our governance structure for important matters such as compliance and risk management. Among the rapidly changing times, we also shifted to respond to social needs with R&D in new fields such as electric vehicles, robots, and pharmaceuticals.

Toward Sustainability 2018~
Working toward our 100th anniversary in 2034, we are contributing to a sustainable society through efforts for SDGs and carbon neutrality, striving to become a company recognized and needed by society. In response to social needs, we are adapting the technologies that we have developed throughout our history and applying them in R&D to provide new value to society, increasing our corporate value in turn.



Note: The graph in the background represents net sales over time.



Social Conditions
1927~1934 Molding machines are dependent on imports. Japan has poor casting capabilities, and it is difficult to enable molding machines to fulfill their original function.
1940~1955 Japan enters into a period of high economic growth (1955~1973), and with the rapid increase in demand for automobiles, there is rapid expansion in iron casting production. Needs for increased production encourage capital investment, and demand for casting machines rises.
1967~ While the high economic growth period allows Japanese citizens to enjoy an affluent lifestyle, pollution problems intensify. The Basic Law for Environmental Pollution Control is issued.
1973~ The oil crisis begins. Japanese industry, with 99% of its oil supply dependent on imports, takes a large blow.
1990~ Due to sudden economic restraint, Japan's abnormally feverish bubble economy bursts. Japan enters into deflation.
2008~ The bankruptcy of the Lehman Brothers causes the global economy to rapidly decline not only in the USA and Europe, but also in emerging nations. Amid proactive efforts for globalization, Japan's manufacturing industry is also affected, seeing a slowdown in capital investment industries.
2011~ The Great East Japan earthquake causes catastrophic damage to infrastructure such as buildings, railways, roads, airports, electricity, gas, and communications systems, affecting individuals and businesses not only in the affected areas but throughout the supply chain across Japan.
2018~ Amid continued growth from globalization, we enter into a changing era due to the COVID-19 pandemic. Under Industry 4.0, there is rapid evolution in AI, IoT, and the shift to electric vehicles, and new business models and lifestyles emerge. There is increasing demand for use of information technology at work, and for more diverse workstyles.