

Global Niche Top Company
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ASB

Form Your Vision

Financial Results

Year Ending September 2022

November 29, 2022

Nissei ASB Machine Co., Ltd.

(TSE Prime market, Code Number 6284)

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I. Results for the year ending Sept. 2022

Sales environment turned around from the 2nd half. Yearly amount of orders received resulted in second-highest record exceeding the previous period.

Sales Front

- **Situation of orders received had been slow in the 1st half though, it recovered from the 2nd half. Yearly value of orders received resulted in second-highest, also benefitted from devalued yen.**
 - **Value of orders received for molds and parts each recorded the highest**
 - Overseas exhibitions resumed in full-scale. Environment-conscious concept machines exhibited at K2022* gained a high reputation.
 - Impacts to sales due to the situation between Russia and Ukraine is minor
- (*K2022... The world's largest trade fair for plastics and rubber held in Germany)

Technology Front

- Continuing improvement of ZC technology for 1-step machines. Expanding variation of applicable containers.
 - Expansion of variety of applicable containers molded by PF36 is progressing smoothly. 12L lightweight bottle for water server & general use is attracting overseas customers as well.
 - Promoting development of environment-conscious technologies such as RR bottles and double layer containers, etc.
- (ZC...Zero Cooling System, PF36...Mass-production machine for beverages, RR...Returnable and refillable)

Manufacturing Front

- As for long delivery time due to interruption in supply chain, influence on production line was avoided by stockpiling inventories
- Increased material cost remains significant, though it was passed on to through product price increase
- Continuing capital investment in India plant. Acquisition of site for a new factory was completed in Japan.

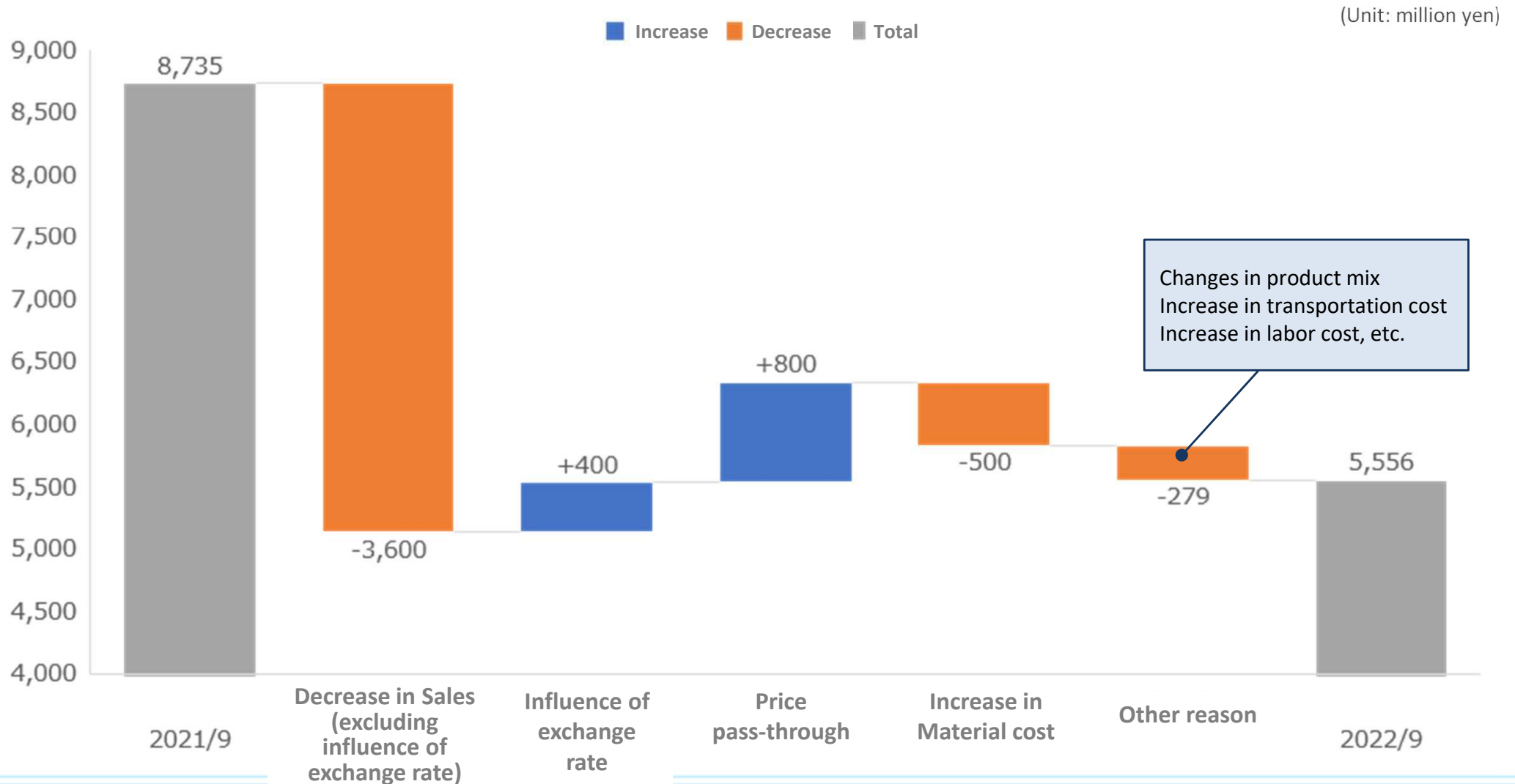
Sales and profit decreased compared to peak figure of previous period, but achieved the disclosed forecast

(Unit: million yen)

	2021/09 Total					2022/09 Total	Year on year Comparison		[Reference]	
		Q1	Q2	Q3	Q4		Amount of Change	Rate of Change	Disclosed Forecast as at Aug. 2022	Achieve- ment Ratio
Net Sales	35,890	6,847	8,243	7,897	7,288	30,277	(5,613)	(15.6%)	30,000	100.9%
Gross Profit	16,577 (46.2%)	3,152 (46.0%)	3,566 (43.3%)	3,391 (42.9%)	3,298 (45.3%)	13,408 (44.3%)	(3,168)	(19.1%)	-	-
Selling, General and Administrative Expenses	7,841 (21.8%)	1,998 (29.2%)	1,878 (22.8%)	1,988 (25.2%)	1,985 (27.2%)	7,852 (25.9%)	10	0.1%	-	-
Operating Profit	8,735 (24.3%)	1,153 (16.8%)	1,688 (20.5%)	1,402 (17.8%)	1,312 (18.0%)	5,556 (18.4%)	(3,179)	(36.4%)	5,400	102.9%
Ordinary Profit	9,576 (26.7%)	1,545 (22.6%)	2,606 (31.6%)	2,763 (35.0%)	2,012 (27.6%)	8,927 (29.5%)	(649)	(6.8%)	7,900	113.0%
Profit Attributable to Owners of Parent	6,680 (18.6%)	1,125 (16.4%)	1,905 (23.1%)	2,023 (25.6%)	1,076 (14.8%)	6,130 (20.2%)	(549)	(8.2%)	5,700	107.6%

Achieved the disclosed forecast

Increased material cost was passed on to product prices. Also benefitted from devalued yen.



**Value of orders received for molds and parts each recorded the highest.
Order backlogs exceeded that of the end of previous period in all product categories.**

(Unit: million yen)

		2021/09 Total					2022/09 Total	Year on year Comparison (Compared to the end of previous period)	
			Q1	Q2	Q3	Q4		Amount of Change	Rate of Change
Orders Received	Stretch Blow Molding Machine	18,628	3,666	3,448	4,955	4,941	17,010	(1,618)	(8.7%)
	Molds	8,843	2,058	2,782	2,425	3,168	10,433	1,589	18.0%
	Ancillary Equipment	2,139	477	342	537	488	1,844	(294)	(13.8%)
	Parts / Other	3,347	883	882	1,044	1,126	3,935	587	17.6%
	Total	32,959	7,087	7,453	8,960	9,723	33,223	264	0.8%
Order Backlogs	Stretch Blow Molding Machine	7,142	7,261	6,048	7,053	8,297	-	1,155	16.2%
	Molds	4,192	4,115	4,584	4,493	5,350	-	1,158	27.6%
	Ancillary Equipment	984	993	835	976	1,202	-	217	22.1%
	Parts / Other	131	169	155	161	197	-	65	49.6%
	Total	12,451	12,540	11,623	12,685	15,048	-	2,596	20.9%

The highest record

Exceeded the end of previous period in all categories

Steady orders in all regions. Order backlogs exceeded that of the end of previous period in all regions.

(Unit: million yen)

		2021/09 Total					2022/09 Total	Year on year Comparison (Compared to the end of previous period)	
			Q1	Q2	Q3	Q4		Amount of Change	Rate of Change
Orders Received	Americas	10,700	1,789	2,261	3,129	3,613	10,792	91	0.9%
	Europe	5,341	1,819	1,151	2,184	1,184	6,338	997	18.7%
	South / West Asia	10,476	2,511	2,379	2,633	2,359	9,882	(593)	(5.7%)
	East Asia	6,441	966	1,662	1,015	2,566	6,209	(231)	(3.6%)
	Total	32,959	7,087	7,453	8,960	9,723	33,223	264	0.8%
Order Backlogs	Americas	4,445	4,166	3,789	3,474	4,610	-	165	3.7%
	Europe	1,399	2,094	1,931	2,810	2,375	-	976	69.8%
	South / West Asia	3,826	3,620	3,689	4,069	4,021	-	194	5.1%
	East Asia	2,780	2,659	2,212	2,330	4,040	-	1,260	45.3%
	Total	12,451	12,540	11,623	12,685	15,048	-	2,596	20.9%

Steady in all regions

Exceeded the end of previous period in all regions

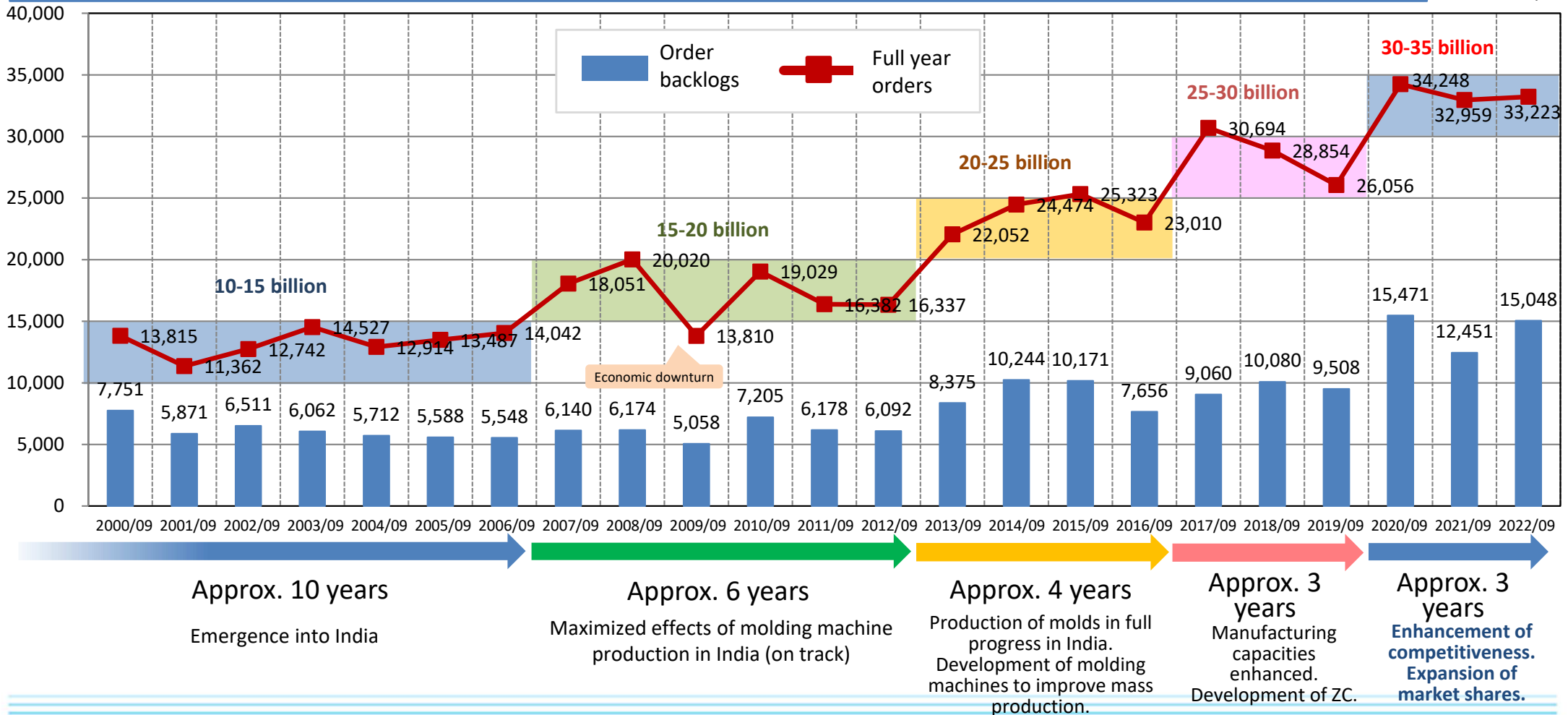
Long-Term Changes in Orders Received and Order Backlogs

Maintaining ¥30 billion-scale structure.

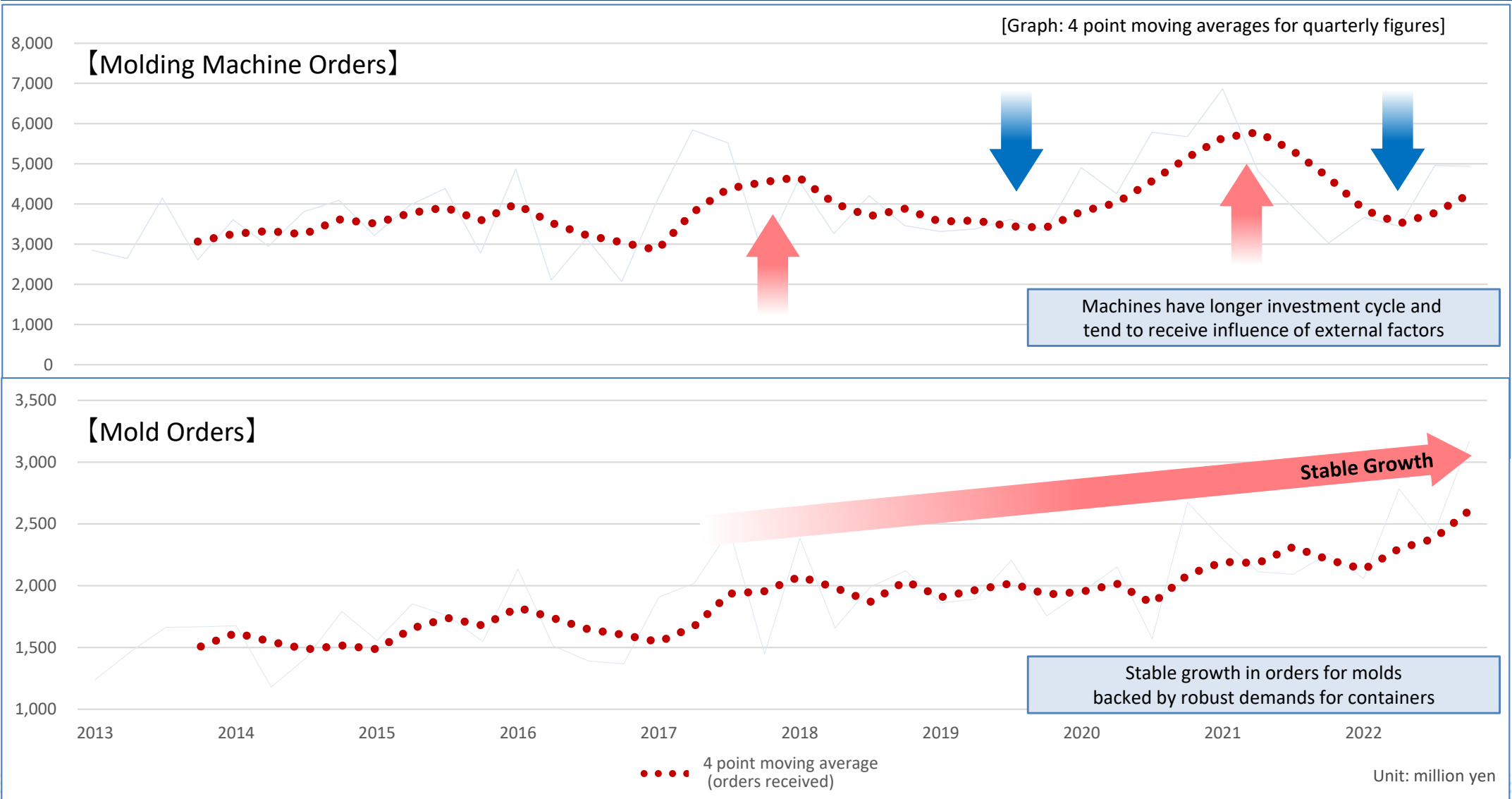
Aiming for transition to next stage by enhancing competitiveness.

**Boost demands by market penetration of ZC and development of a mass-production machine model for beverages.
Intend to further expand orders received by exploiting market of environment-conscious containers.**

Unit: million yen



Orders for molding machines received influence of external factors, whereas orders for molds are progressing steadily



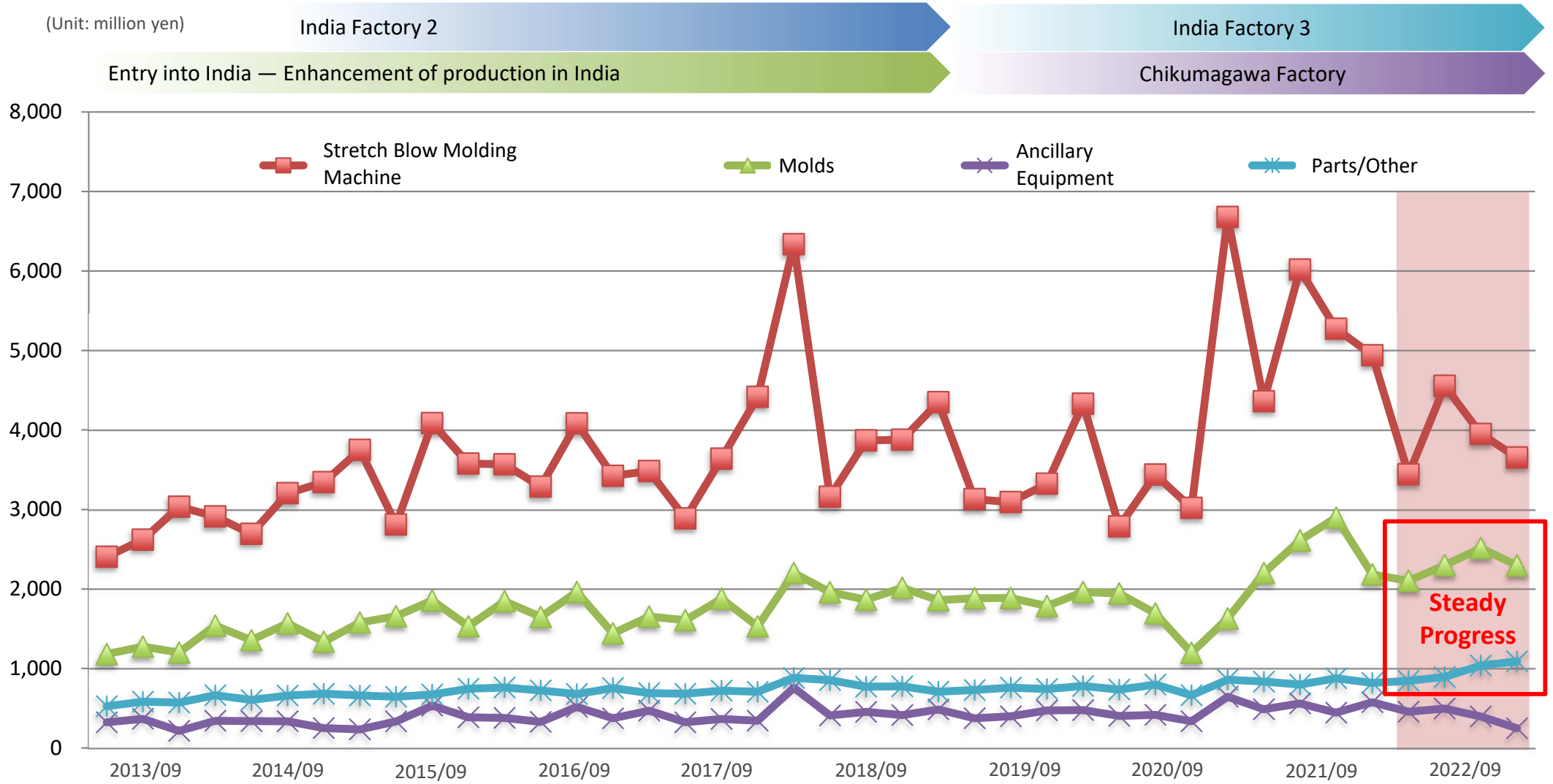
Recorded the highest sales of parts, and the second highest of molds

(Unit: million yen)

	2021/09 Total					2022/09 Total	Year on Year Comparison	
		Q1	Q2	Q3	Q4		Amount of Change	Rate of Change
Stretch Blow Molding Machine	20,595	3,442	4,555	3,950	3,654	15,601	(4,993)	(24.2%)
Molds	9,896	2,102	2,299	2,516	2,295	9,212	(684)	(6.9%)
Ancillary Equipment	2,069	456	496	396	248	1,596	(472)	(22.8%)
Parts / Other	3,329	845	894	1,037	1,090	3,866	537	16.1%
Total	35,890	6,847	8,243	7,898	7,289	30,277	(5,613)	(15.6%)

Sales Trend by Product

Sales of stretch blow molding machines and ancillary equipment decreased compared to peak figure of the previous year. Sales of molds and parts are progressing steadily.



Decreased in all regions though, Americas and South / West Asia remain in higher level

(Unit: million yen)

	2021/09 Total					2022/09 Total	Year on Year Comparison	
		Q1	Q2	Q3	Q4		Amount of Change	Rate of Change
Americas	11,871	2,055	2,550	3,444	2,405	10,454 <small>Higher level</small>	(1,416)	(11.9%)
Europe	7,416	1,119	1,313	1,305	1,619	5,356	(2,059)	(27.8%)
South / West Asia	10,585	2,585	2,270	2,253	2,409	9,517 <small>Higher level</small>	(1,068)	(10.1%)
East Asia	6,016	1,087	2,110	895	856	4,948	(1,067)	(17.8%)
Total	35,890	6,847	8,243	7,898	7,289	30,277	(5,613)	(15.6%)

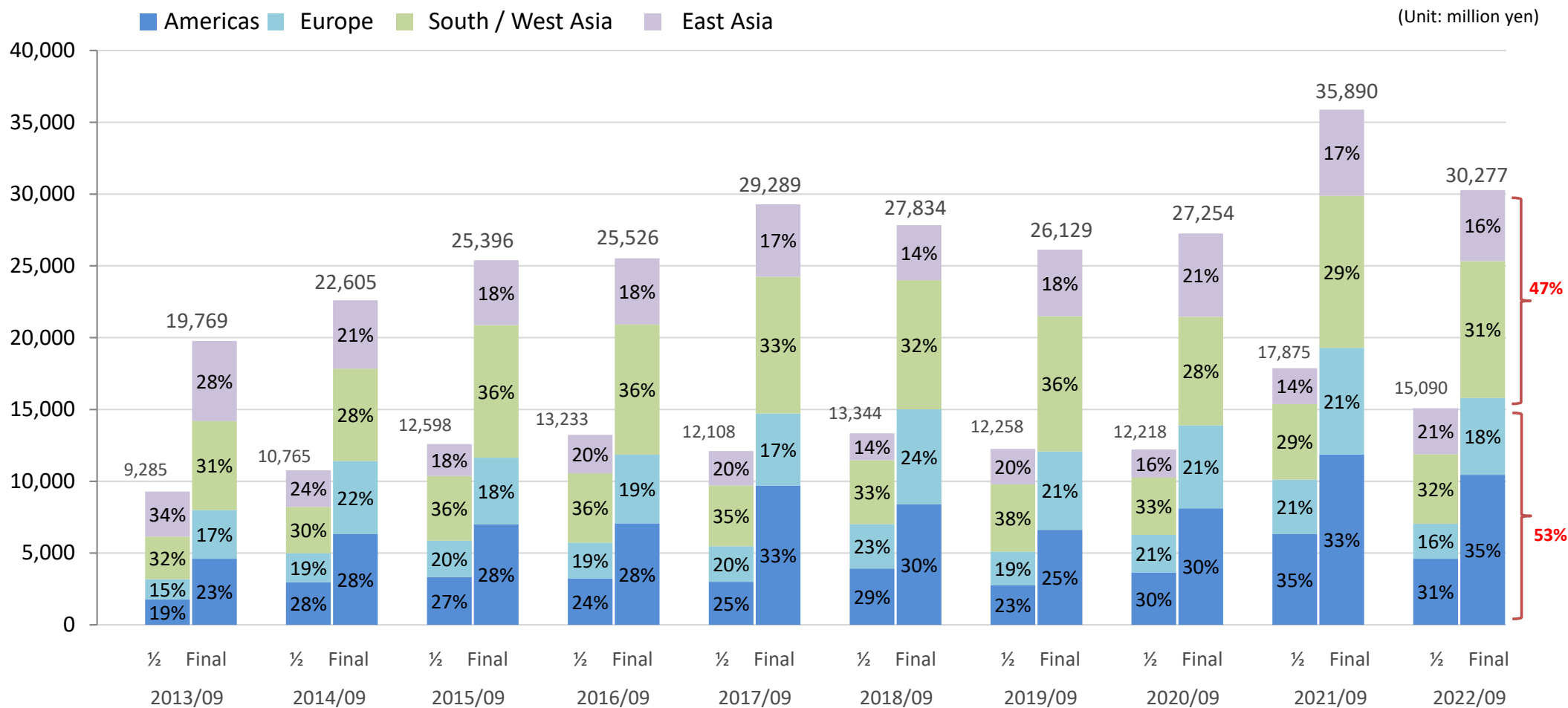
Standing firm on balanced sales composition with Europe, Americas and Asia

India Factory 2

India Factory 3

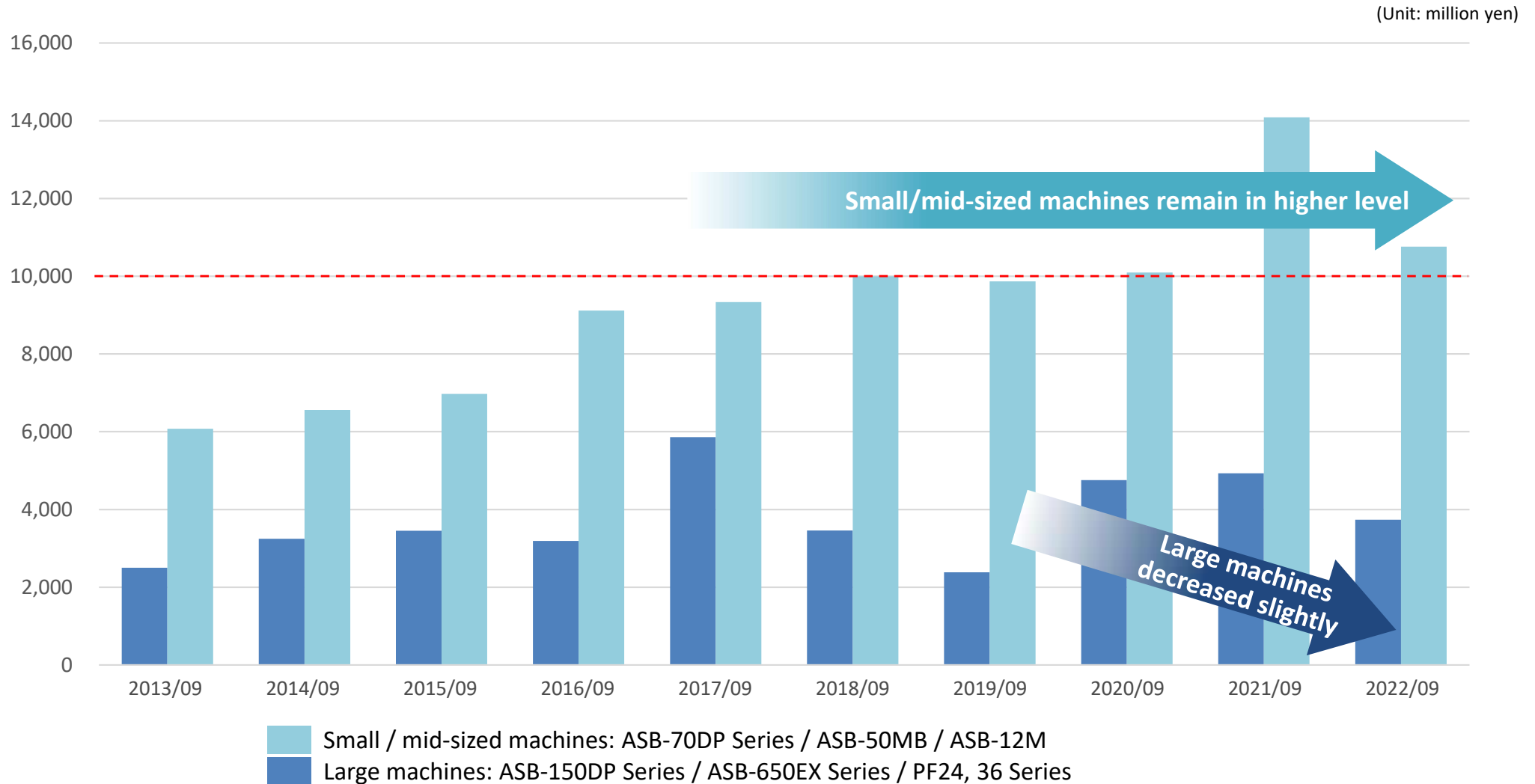
Entry into India — Enhancement of production in India

Chikumagawa Factory



Sales Trend by Molding Machine Category

**Sales of small / mid-sized machines remain in higher level.
Large machines decreased slightly. No change in product mix.**

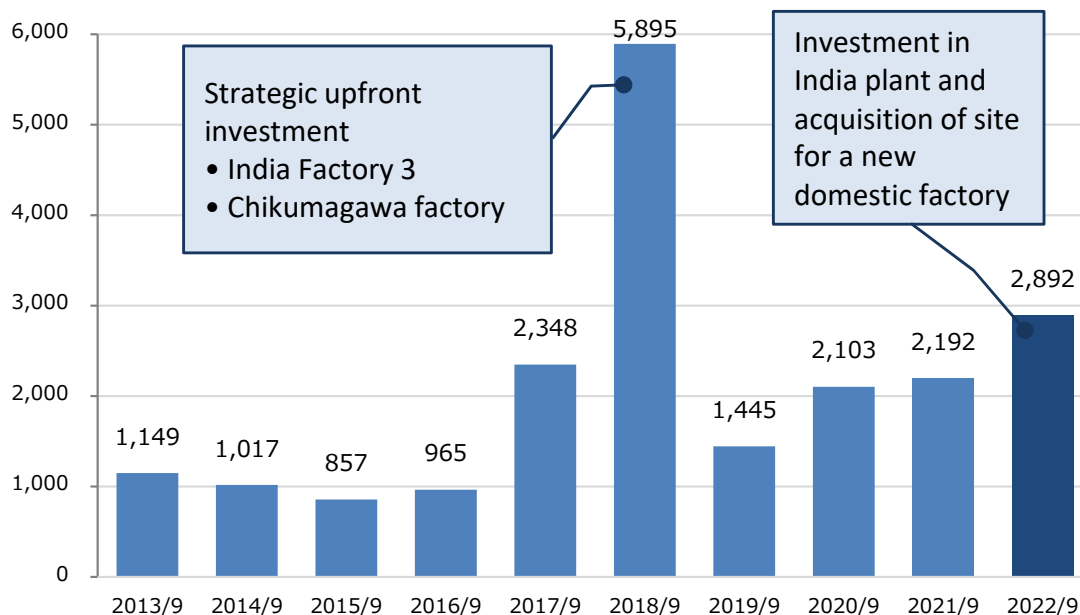


Continuing capital investment in India plant. Projects are carefully selected for R&D.

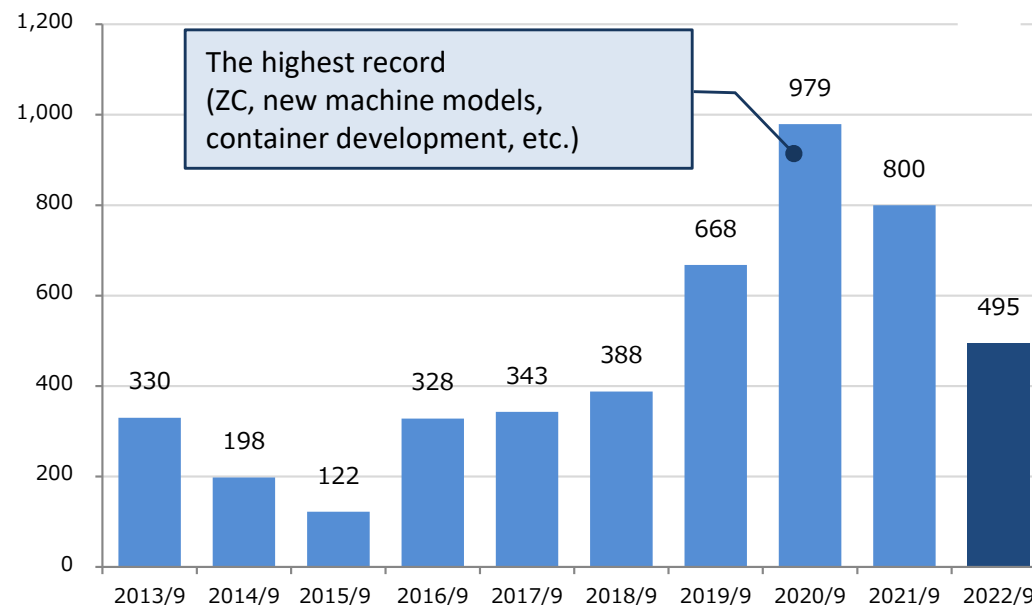
	2021/09 total	2022/09 total
Capital expenditure	2,192	2,892
Depreciation cost	1,556	1,654
R&D cost	800	495

(Unit: million yen)

Capital Expenditure Trend



R&D Cost Trend



Continue to secure abundant current cash on hand prospecting future capital investment

(Unit: million yen)	2021/09	2022/09	Amount of Change
Current Assets	46,318	48,296	1,978
Cash, deposits, and securities	20,389	19,188	(1,200)
Notes and accounts receivable-trade	6,841	6,687	(153)
Merchandise and finished goods	2,363	2,471	107
Work in process	7,690	9,135	1,445
Raw materials and supplies	7,749	9,389	1,639
Non-Current Assets	17,958	20,659	2,701
Property, plant and equipment	15,142	18,436	3,293
Intangible assets	120	111	(9)
Investments and other assets	2,694	2,112	(582)
Total Assets	64,276	68,956	4,680
Total Liabilities	26,374	23,053	(3,321)
Current liabilities	13,679	11,854	(1,825)
Non-current liabilities	12,695	11,198	(1,496)
(Borrowings)	13,036	10,911	(2,125)
Total Net Assets	37,901	45,903	8,001
Total Liabilities and Net Assets	64,276	68,956	4,680

Cash and cash equivalents decreased though, maintaining almost the same capital level as in the previous period

(Unit: million yen)

	2021/09	2022/09
Cash flows from operating activities	5,580	3,454
Cash flows from investing activities	(1,876)	(3,170)
Cash flows from financing activities	(2,877)	(3,706)
Effect of exchange rate change on cash and cash equivalents	363	2,221
Net increase (decrease) in cash and cash equivalents	1,189	(1,200)
Cash and cash equivalents at beginning of period	19,199	20,389
Cash and cash equivalents at end of period	20,389	19,188

Cash flows from operating activities

- Cash flows from operating activities decreased due to increase in working capital because of increase in inventories and decrease in accounts payable as well as dividends payment.

Cash flows from investing activities

- Expenditure for investment activities increased due to capital investment to machine tools in India plant and acquisition of building site in Japan.
- Free cash flows, deducting cash flows from investing activities from cash flows from operating activities, maintained positive.

Cash flows from financing activities

- Expenditure for financing activities increased as a result of scheduled repayment of borrowings and increased dividends per share.



II. Financial forecast for the year ending Sept. 2023

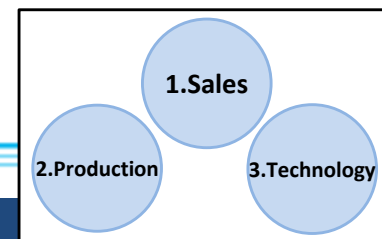
Aiming for increase in sales and profit backed by abundant order backlogs and strong inquiries

(Unit: million yen)

	2022/09 Results	2023/09 Forecast	Rate of Change
Net sales	30,277	34,000	12.3%
Operating profit	5,556 (18.4%)	6,500 (19.1%)	17.0%
Ordinary profit	8,927 (29.5%)	7,000 (20.6%)	(21.6%)
Profit attributable to owners of parent	6,130 (20.2%)	5,000 (14.7%)	(18.4%)
Dividends per share	¥100	¥100	-
Capital expenditure	2,892	1,500	(48.1%)
Depreciation cost	1,654	2,000	20.9%
R&D cost	495	400	(19.2%)



III. Focus measures for the year ending Sept. 2023



Major focus measures

1. Sales: Capturing demand / Expansion of market share

- Harvest inquiries received at K2022, the world's largest exhibition
- Market penetration of ZC and QMC (Improvement of container productivity of customers)
ZC: Zero Cooling, QMC: Quick Mold Change

2. Production: Establishment of firm production system

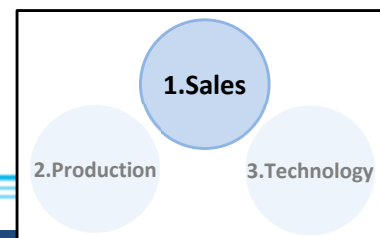
- Establishment of global production system by completing capital investment in India plant
- Promotion of cost reduction and shortening delivery time by expanding production transfer to India plant

3. Technology: Development of new machine models / exploitation of new market

- Early contribution of environment-conscious new machine models to sales
- Promotion of cycle-up of PF36, enhancement of HDPE container, etc.
HDPE: High Density Polyethylene



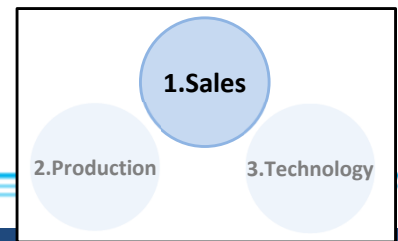




Concept is “Sustainable Packaging Solutions”

- K show is the world’s largest trade fair for plastics and rubber held in Germany (Düsseldorf) once every three years
- **Exhibited four concept machines and gained a high reputation, while other companies went no further than exhibiting their existing machines**

Period	From 19 th to 26 th Oct. 2022
Booth dimension	713m ² (Similar to the previous K2019)
Exhibited machines	(1) PF36/9-12000 (12L container for water server) (2) HSB-4N (1L returnable bottle for sparkling water – 25 return cycles) (3) ASB-12M-2INJ (PET/PP double layer 300ml airless pump bottle) (4) PM-100/111N (36 cavity preform with ZC specification)
Number of visitors to K2022 show	Approx. 180,000 visitors (the previous K2019: approx. 230,000)
Number of visitors to our booth	From 80 countries (the previous K2019: 90)
	From 400 companies (the previous K2019: 550)
	Approx. 1,600 visitors (the previous K2019: 2,000)



Sustainable & High cycle

Reduce



**Water Server bottle
production
on PF36/9-12000**

Reuse



**Returnable/ Refillable
PET bottles production
on HSB-4N**

Recycle

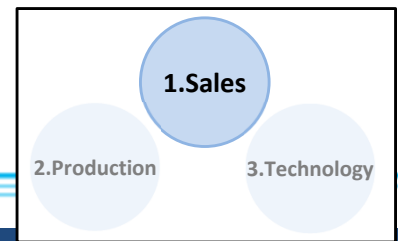


**Unique Containers
produced on
ASB-12M-2INJ**

High cycle



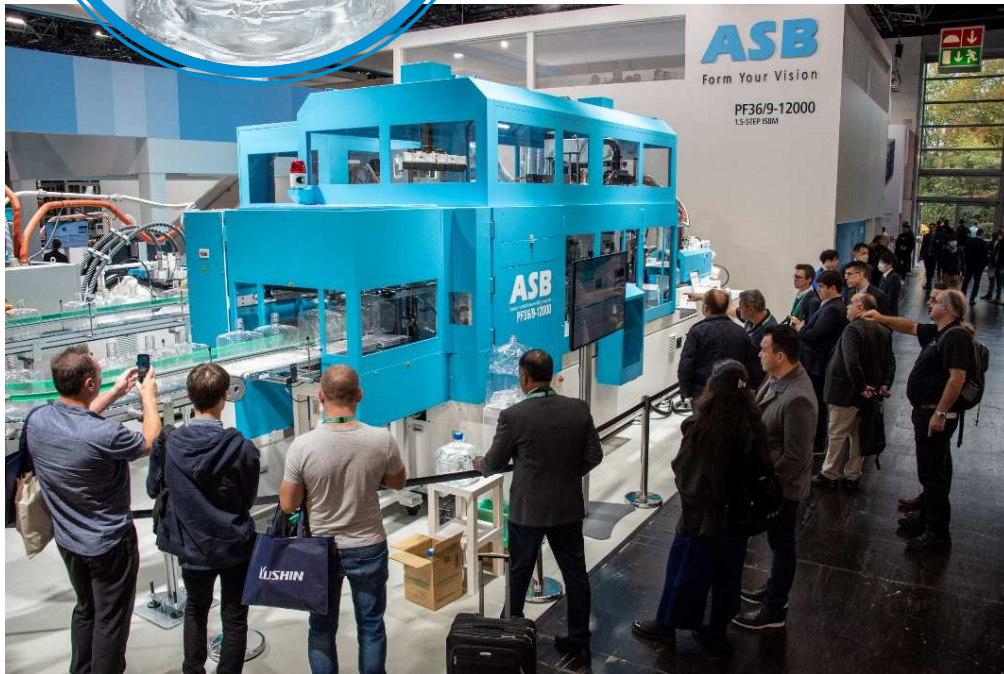
 **Zero Cooling**
**Preform production
with Zero Cooling on
PM-100/111N**



Space-saving and high-productivity strategic machine for beverages



Lightweight large
bottle production
on PF36/9-12000



Space Saving

22.3M2 = **1/2** Competitor
“Preform machine” and “preform storage”
Are not required.

High Quality Containers

No Haze / Uniform Wall-Thickness
By hot preform molding

Higher productivity Molding

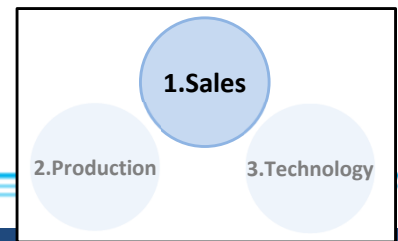
PF36/9-12000 : **1,540bph**>10% higher than competitors

Superior Environmental Performance 12L light-weight bottles for water server

12L Water Server = 120g vs 500mL x 24 bottles x 10g = 240g

50% Reduction of material use

Receiving a large number of orders in Japan. Received potential inquiries from customers in Europe and the Americas at K2022.



Reusable bottle: the lightest weight in its class, lifetime of greater than 25 reuse cycles



**Returnable/ Refillable
PET bottles production
on HSB-4N**



High Quality & High Heat Resistance

Volume shrinkage after 25 times trip is below 1%

rPET can be incorporated

rPET Including up to 30%

Significant Reduction weight

Weight reductions of 10% compared with existing
RR bottles in market

Superior Environmental Performance

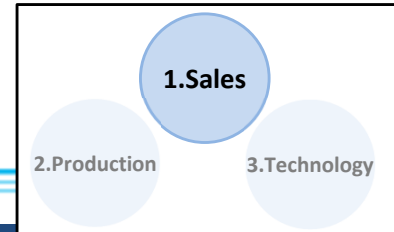
Trip more than 25 times

Material Saving more than 90%

Single use : 1.0L x 20g x 25 = 500g

Returnable & Refillable : 1.0L x 53g x 1 = 53g

Enhancing proposal to beverage makers aiming to realize reuse of PET bottles



Variety of unique containers by double layer molding process



Unique Containers
produced on
ASB-12M-2INJ



Glass Like Thick Base Container

Evolved thick base by double layer process
Presenting a feel of luxury



Decoration

Decoration by itself eliminates need for printing
Contributes to cost reduction



Functional

Various functional effects can be added such as
delamination for air-less pump containers,
gas barrier ability, etc.

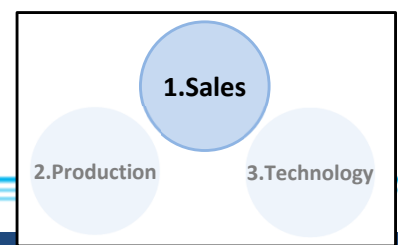


Sustainable, Environment-conscious Containers

Promotes environment-friendly containers
by combination of rPET and virgin PET



Keen interest in rPET. Receiving a large number of inquiries form customers in Europe as well as Asia.



Suitable for production of high quality preforms in small to medium scale



Preform production
with Zero Cooling on
PM-100/111N



High quality and speed by ZC

ZC enables to mold high quality preforms in high cycle

Vertical Injection Clamping

Our original vertical injection clamping mechanism reduces deformation of preform after ejection from mold

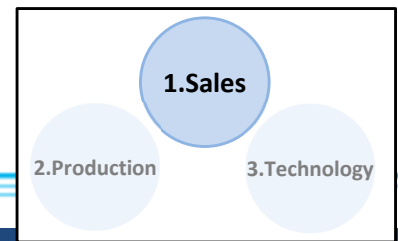
Low Investment Cost

Its price is in the range that is possible to compete with competitors' low-price machines

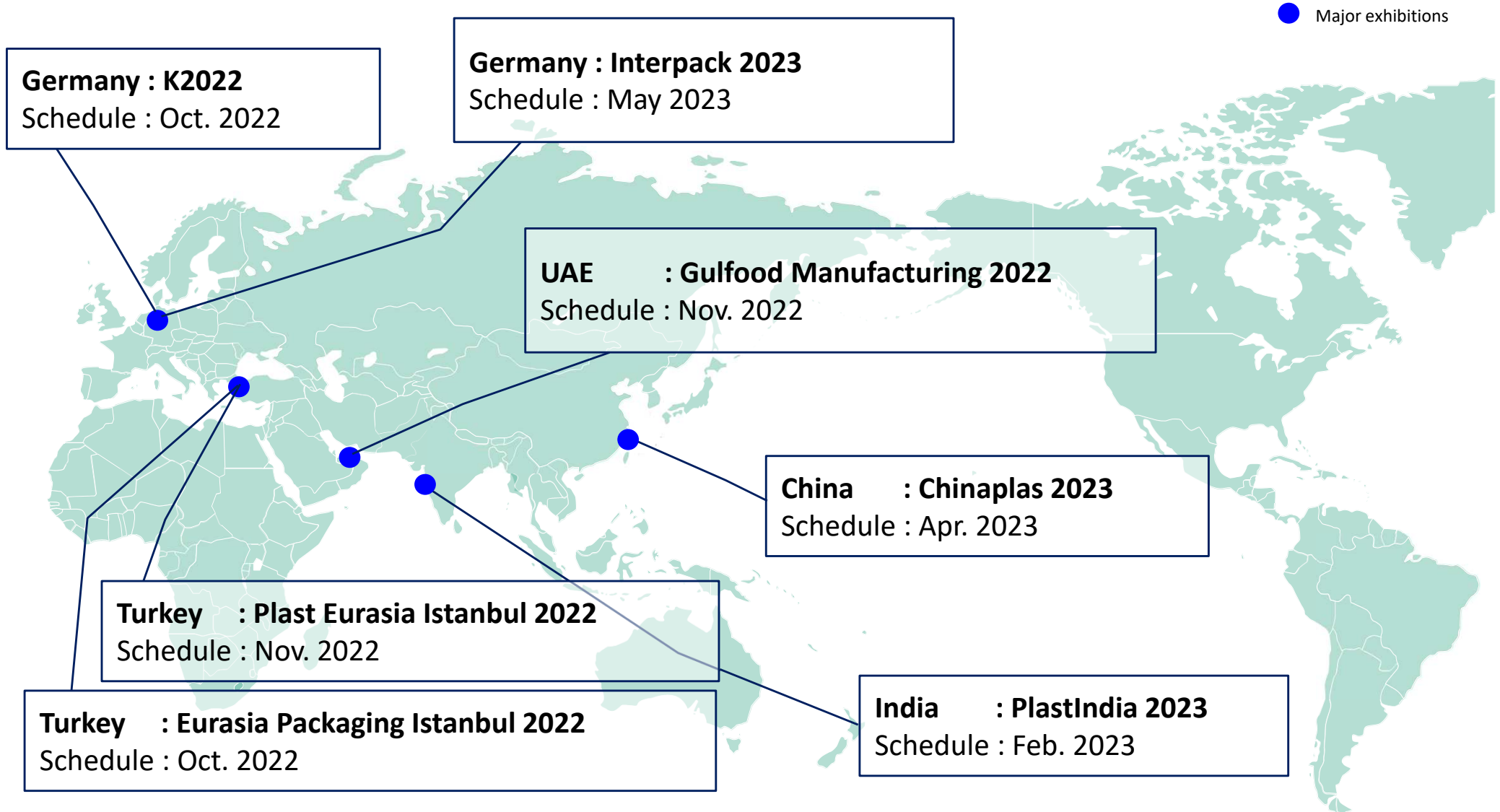
Suitable for production in small-to-mid lot, ideal for local production and consumption

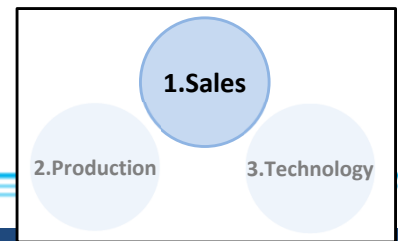
PM-100 is most suitable machine for production of high quality preforms. Ideal for locally produced and consumed products where reconstruction of supply chain is progressing due to skyrocketing energy price, trend of CO₂ reduction, increasing geopolitical risks, etc.

**Needs for high quality preforms which are locally produced and consumed are increasing.
Receiving a large number of inquiries from customers in emerging countries.**



Actively exhibiting at the major exhibitions worldwide

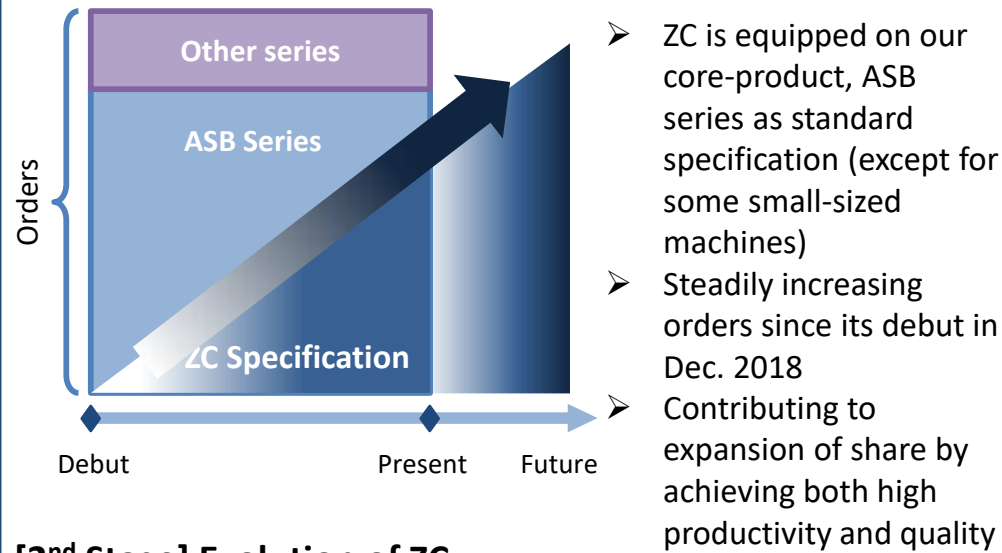




Enhancement of container productivity for customers

Zero Cooling, transition to 2nd stage

[1st Stage] Market penetration of ZC...Progressing smoothly



[2nd Stage] Evolution of ZC



- Cost reduction
- Improvement of quality
- Expansion to containers with higher difficulty

Contributing to shorter molding time by high cycle

Enhancing sales promotion of Quick Mold Change

QMC : Quick Mold Change

[Aim of development]

To improve overall productivity by reducing preparation time in addition to shortened cycle time by ZC. Provides a solution for production of variety of containers in small lot, which is most typical in production of cosmetic containers.

[Advantages for customers]

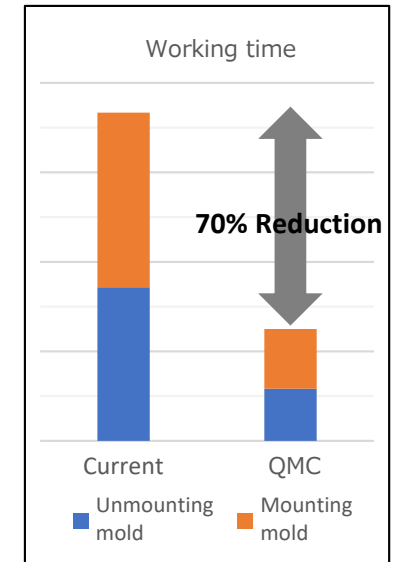
Drastically reduced mold changeover time (70% reduction)

Drastic improvement in container productivity

Use of designated jigs reduces number of operating staff necessary for changeover

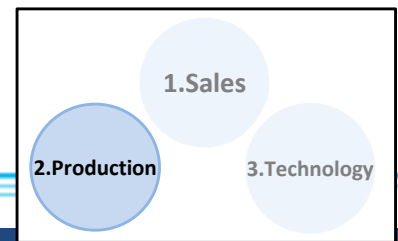
[Applicable machine model]

Applying to small- to mid-sized ASB series machine models in order



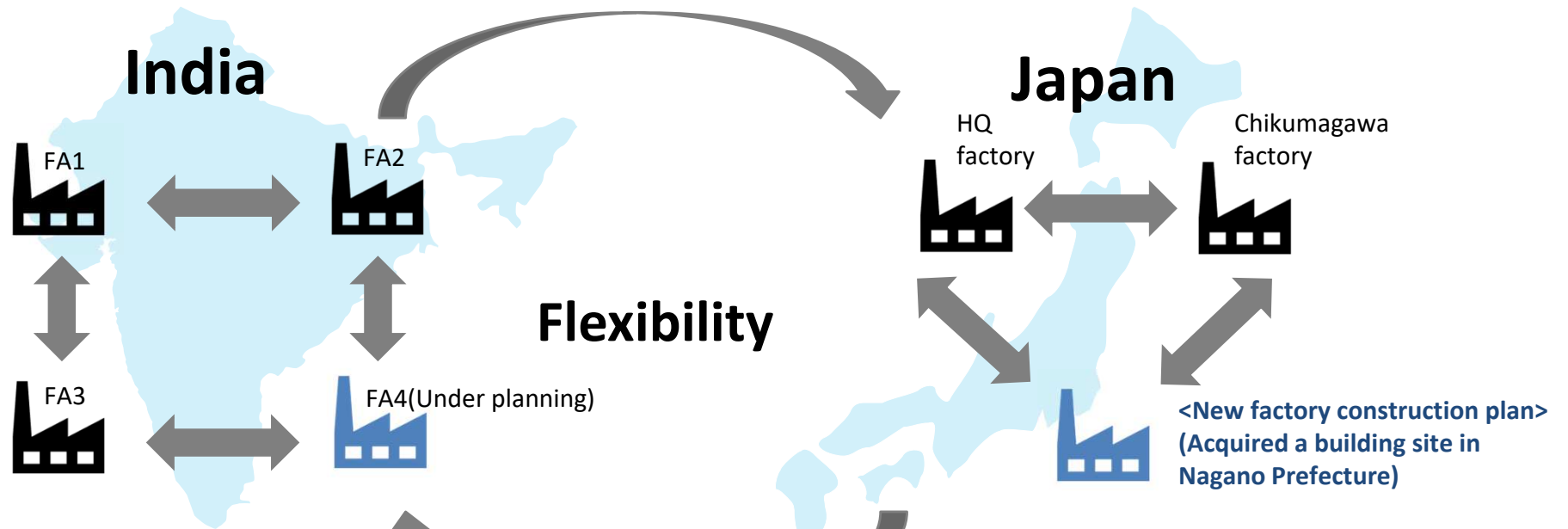
Contributing to reduction of preparation time for mold change over

Drastically improve container productivity for customers by combining ZC and QMC



Optimization of global production system

India : Promotion of cost reduction and shortening delivery time by expanding production transfer from Japan
Japan : Construction of flexible production system capable of both R&D and manufacturing

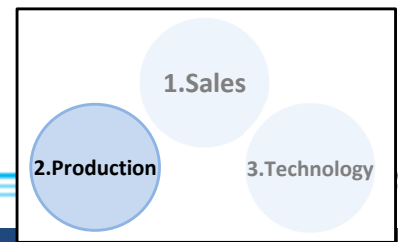


India Plant

- ✓ Small- / mid-sized machines
- ✓ Molds
- Enhancement of manufacturing capacity
- Cost reduction
- Shortening delivery time

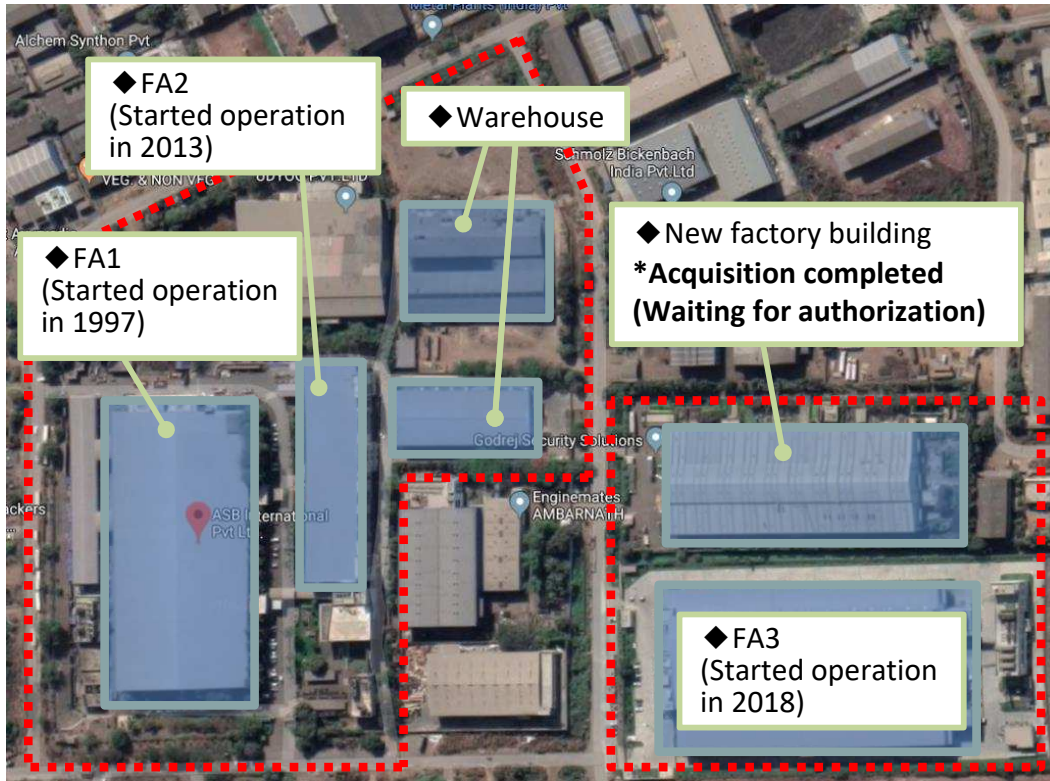
Domestic factories

- ✓ Large / special / R&D machines
- Deployed facility to retouch molds in HQ factory
- Flexible production system between HQ / Chikumagawa factory / affiliate companies
- Respond to production increase and dispersion of risk



Fullest utilization of India plant (Cost reduction / Shortening delivery time)

➤ Promoting capital investment and production transfer for cost reduction and shortening delivery time



ASB INTERNATIONAL PVT. LTD.
Location : Ambernath in Maharashtra (Suburb of Mumbai)
Established : Feb. 1997
Employees : 1,592 (as of 30 Sep. 2022)

Investment in machine tools

Capital investment (machine tools) ¥3.3 billion in total
Purpose is to enhance production and shorten delivery time of machine and mold parts
About 60% of installation is completed
Targeting to complete in the 1st half of this fiscal year

Expansion of production transfer

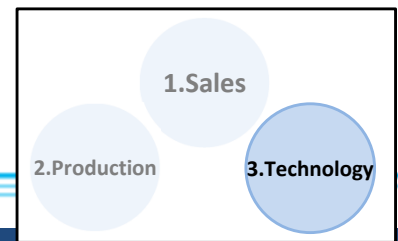
Transfer parts production of large machines and new model machines from Japan adding to current production of small-to mid-sized machines
Targeting cost reduction and enhancement of product competitiveness

Measures to supply chain

Material costs and delivery delays are expected to peak within this fiscal year
No significant overall effects on cost / delivery are forecast
Owing to abundant stocks, production delays not expected

Plan for FA4

Acquisition of new factory building is completed
Considering utilization for business after authorization by government



Promotion of cycle up of PF36

- Mass-production of narrow-neck containers, featuring space-saving (about half the footprint of 2-step machines) and high-quality containers.
- Commemorable model which marked our full-scale foothold into beverages market
- **Promote further cycle-up and target to expand our share in beverages market**



Target to expand our share in beverages market by its originality in space-saving and high-quality containers as well as further cycle-up



(Market scale of 2-Step machines: based on our internal investigation)

Wide variety of containers

Wide variety of containers from small-sized containers of 120ml to bottles for water server over 12L, and applications for mineral water, sparkling water, edible oil ,etc.



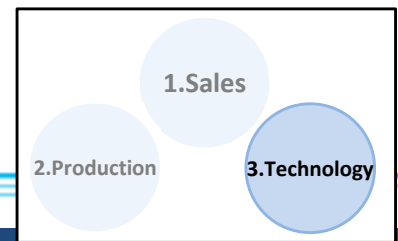
Results of orders received

In Japan, continuing to receive orders from IRIS OHYAMA Inc. and other beverage makers as well as bottled water makers for home delivery use.

In overseas, receiving a large number of orders and inquiries from customers in Africa and other developing countries.

Attracting customers for its originality in space-saving, high-productivity and high-quality containers.

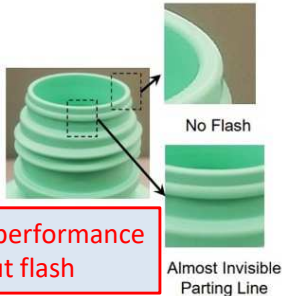
Long-term success is promising for this strategic machine.



New development / Cultivation of new market

HDPE container

HDPE (High Density Polyethylene) is a plastic material which has strong chemical resistance and superior moisture barrier property so is frequently used for agrochemicals, detergents, pharmaceuticals, etc. Our conventional ASB series machines provides advantages as the molded container for chemicals require excellent sealing performance. **Received a large number of orders from overseas customers.**



High sealing performance without flash



Not easily broken due to no parting line

Containers for vaccine (Vials)

Using COP / COC as material provides excellent optical quality for Pharmaceuticals. Capable of molding by conventional ASB series machines featuring high-cycle molding of high-quality containers. **Already received orders from domestic customers.**



ASB Series



PET Can

A very thin flange is injection molded and crimped with an aluminum can lid. Popularity of PET can, which has been our technology since long ago, revived due to cost increase and insufficiency in supply of aluminium. Assuming that the shift from aluminium can to PET can will accelerate in a worldwide trend of “energy-saving and carbon neutral” in manufacturing and transportation.

Attracting customers in European countries.

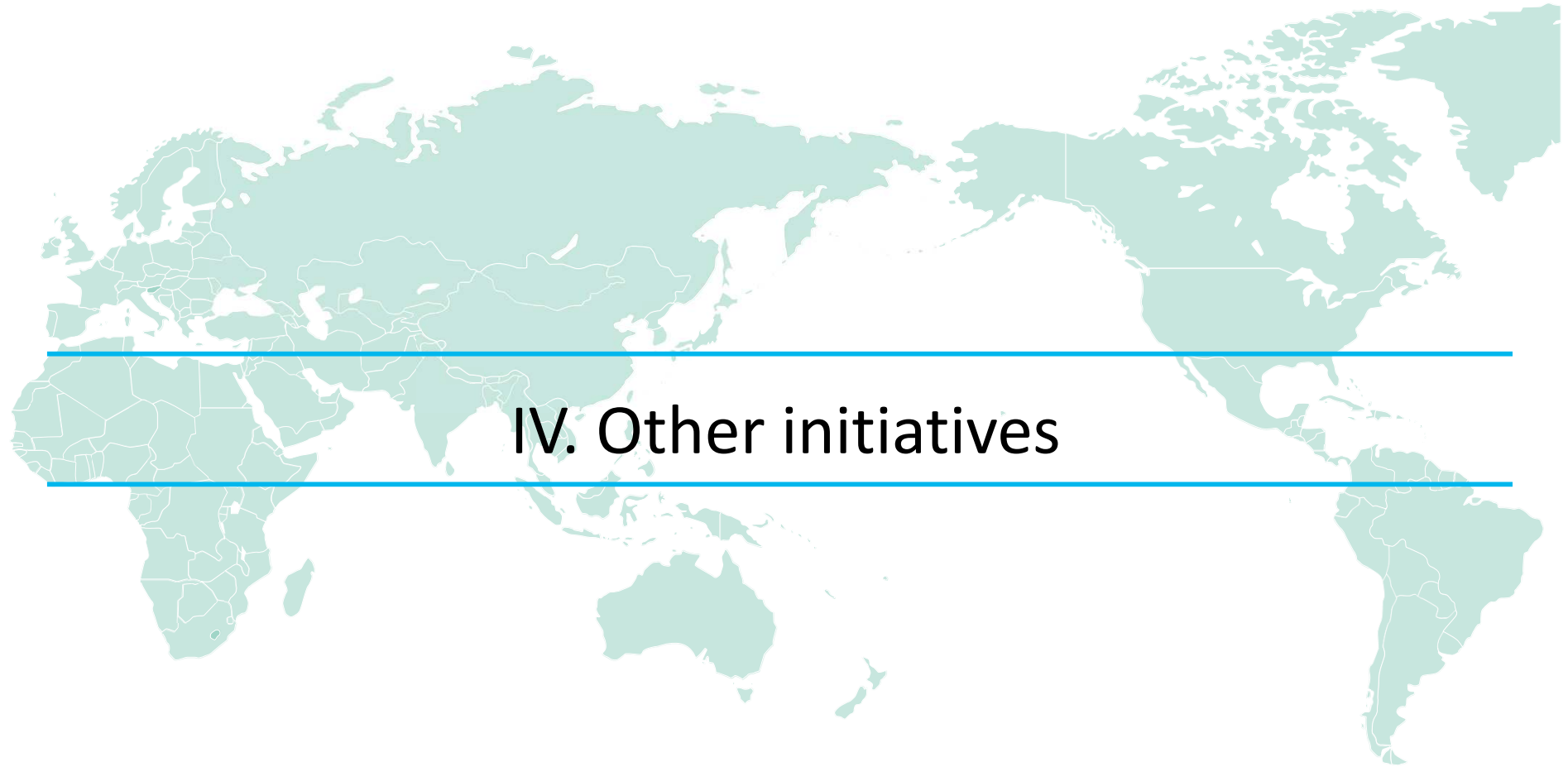
CO₂
neutral



Technologies for saving energy

1-step machines (ASB series) have far superior energy efficiency comparing to 2-step machines, because preform molding and blow molding processes are done in one machine and utilizes retaining heat of preform without being wasted. Adding to that, 1-step machine is suitable for production of variety of containers in small- to mid-sized lots, thus **optimal solution to market needs for locally produced and consumed products in order to reduce carbon due to transportation.** ASB will further strive to develop its advantageous technologies for “personnel-saving, energy-saving and space-saving”, and **accelerate development of sustainable products.**





IV. Other initiatives

Promotion of Environmental, Social, and Governance (ESG) management practicing corporate principles

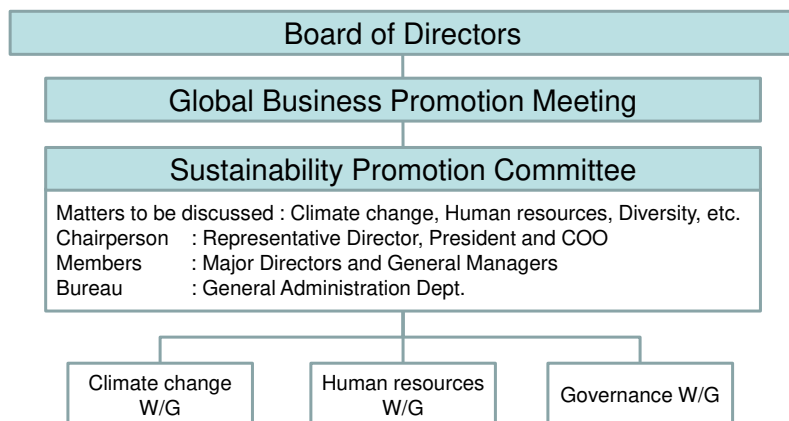
Corporate Principles

- ◆ Generate affluence for people and society
- ◆ Maintain company growth by providing high level technology and service



Establishment of sustainability promotion committee

We established sustainability promotion committee appointing a representative director, president and COO as chairperson. By discussing matters related to climate change, human resources and diversity on the same committee, and reporting them to the board of directors as necessary, we plan to unify sustainability issues and corporate management strategies.

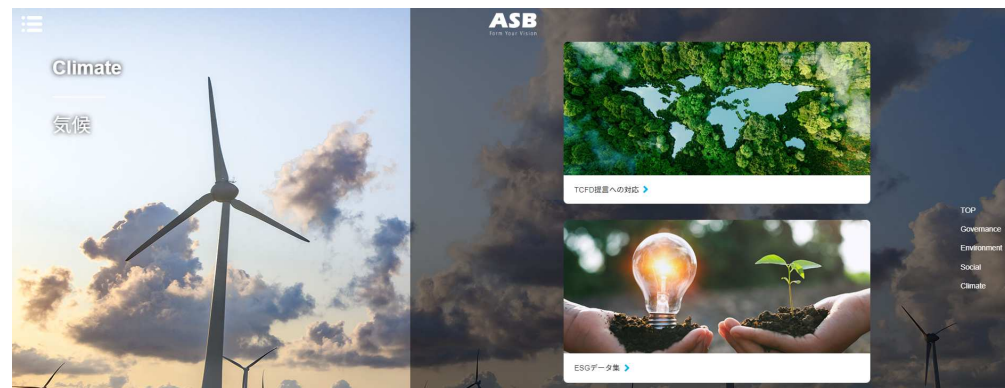


Support for the TCFD recommendations and information disclosure




We have started disclosure of TCFD information by adding our initiatives to climate change to our web site. To begin with, we have set up a target to “reduce 50% of CO₂ emissions from factories in Japan by 2030 (comparing to 2019)”. Going forward, we will set up targets to “reduce CO₂ emissions from India plant (Scope 1 + 2)” and “reduce CO₂ emissions from our products (Scope 3)”, and promote activities targeting to reduce CO₂ emissions in the entire group.



<https://nisseiasb.co.jp/csr/en/>



Other ESG related topics

 <p>Environment</p>	<p>Introduction of Carbon-Free Electricity We introduced carbon-free electricity sourcing from renewable energy at our two factories in Japan, Head Office factory and Chikumagawa factory. By this introduction, CO₂ emissions from both factories through electricity consumption became substantially zero.</p> <p>Investment in green bond issued by Nagano Prefecture We invested in green bond which was issued by Nagano Prefecture as a contribution to measures to climate change.</p>
 <p>Social</p>	<p>Enhancement of human resources training and support for advancement We are enhancing various training programs to raise next-generation leaders and female managers.</p> <p>Contributions to society for well-being, education and environment We donated commodities to facilities for disabled people and educational committee in Japan. In India, we established training facility, “Japanese Style Manufacturing Institute” certified by the Ministry of Economy, Trade and Industry in Japan at India plant to give neighboring students technological education.</p>
 <p>Governance</p>	<p>Establishment of nomination and remuneration committee We will establish “nomination and remuneration committee” as a voluntary advisory body for board of directors on 16th Dec. 2022. We will enhance corporate governance by securing transparency and objectivity in the valuation and decision process of nomination of directors and decision of remuneration, and by enhancing the system to be appropriately concerned and advised by independent outside directors.</p>

Thank you very much

Inquiries related to IR

General Affairs, NISSEI ASB MACHINE CO., LTD.

Telephone : +81 (0)267-23-1560

e-mail : ir-info@nisseiasb.com

website : <https://www.nisseiasb.co.jp/en/>

Note regarding future outlook

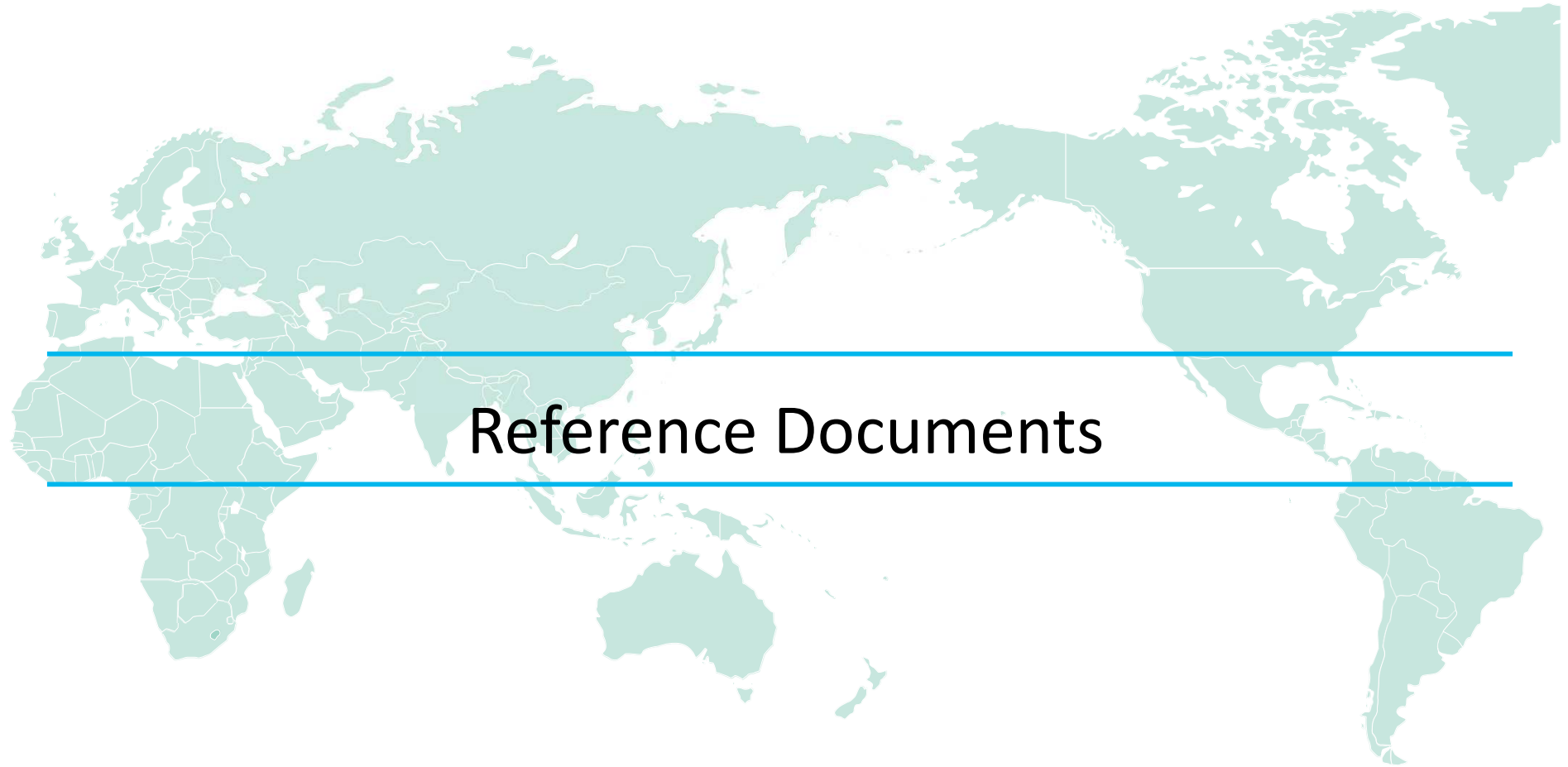
This document serves as an informational guide for investors and is not a solicitation tool for trade.

Future predictions listed in this document are based on targets and forecasts and are neither affirmed nor guaranteed.

Please be aware that our future performance may differ from our current projections for the future.

Statements regarding the industry are based on various reliable data, but we do not guarantee its accuracy or integrity.

Regardless of the manner in which investors choose to utilize this document, it is presented with the understanding that it is to be used based on the customers' own judgement and risk, and ASB does not assume responsibility in any instance.



Reference Documents

Company Name	NISSEI ASB MACHINE CO., LTD.	
Established	8 November 1978	
Representative	Representative Director, Chairman and CEO: Daiichi Aoki	Representative Director, President and COO: Junichi Miyasaka
Headquarters	4586-3 Koo, Komoro-shi, Nagano	
Operations	The development, manufacturing and retail of “stretch blow molding machines” used to make PET and other plastic containers, molds, ancillary equipment and parts	
Employees	Consolidated : 2,025 Individual : 213 (as of 30 September 2022)	

Consolidated
Subsidiaries
(14 entities)

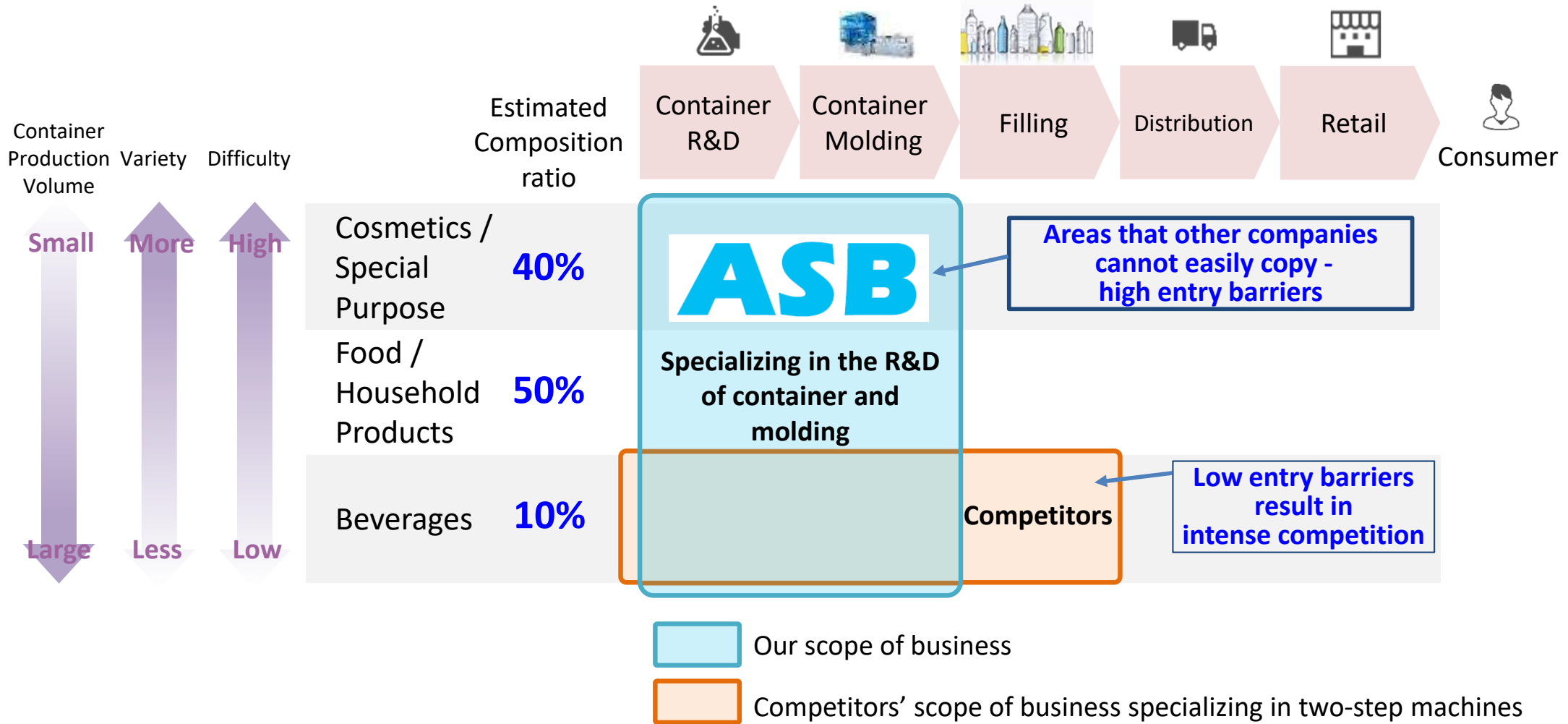
NISSEI ASB COMPANY (USA)
 NISSEI ASB CENTRO AMERICA, S.A. DE C.V. (Mexico)
 NISSEI ASB SUDAMERICA LTDA. (Brazil)
 NISSEI ASB GmbH (Germany)
 NISSEI ASB MEDITERRANEA, S.L.U. (Spain)
 ASB INTERNATIONAL PVT. LTD. (India)
 NISSEI ASB PTE. LTD. (Singapore)
 NISSEI ASB (THAILAND) CO., LTD. (Thailand)
 NISSEI ASB SOUTH AFRICA (Pty) LTD. (South Africa)
 PT. ASB INDONESIA (Indonesia)
 NISSEI ASB FZE (UAE)
 NISSEI ASB AFRICA LTD. (Nigeria)
 Nitto Kogyo Corporation (Nagano)
 Machine Mate (Nagano)



- Facing Mount Asama, it is a scenic environment rich in nature through all seasons.
- Two factories and an administrative building are positioned on property 2.4 times the size of Tokyo Dome.
(Altitude 940 m <same altitude as Karuizawa Station>, about 30 minutes by car to Kyu-Karuizawa Ginza)

Leading company in container development

ASB's area of expertise is in "Small Quantity / Multi-products / High Difficulty"



Attention increases for 1-step molding machines

Our areas of expertise expands through technical improvement in line with environmental changes and diversification of needs

Capable of offering high value-added containers with superior quality and cost performance

Container Production Volume
Variety
Difficulty

Expansion of demand for 1-step machines from container end-users and container manufacturers

Market Image

Cosmetics /
Special Purpose

Food /
Household Products

Beverages

Small More High

Large Less Low

1-Step Machine

2-Step Machine

Area of expertise

Area of expertise

We have 60–70% market share in the 1-Step machine market

Main manufacturers of 1-Step Machine

- ASB
- Aoki Technical Laboratory, Inc.



Main manufacturers of 2-Step Machine

- Sidel (France)
- Kronos (Germany)
- SIPA (Italy)
- CHUMPOWER (Taiwan) etc.



Segregated areas of expertise

Examples of Containers Molded by our Machines

Wide varieties of containers for living necessities

Category

Examples



Cosmetics

Beauty lotion, milky lotion, moisturizing lotion, perfume, mascara, hair-care and skin-care products, etc.



Foodstuffs

Soy-sauce, sauce, ketchup, mustard, dressing, seasonings, spices, edible oil, instant coffee granules, dried foods, pickles, supplement tablets, etc.



Household products

Shampoo, hair conditioner, liquid hand soap, antiseptics, mouthwash, dishwashing detergents, laundry detergents, air freshener, engine oil, etc.



Beverages

Mineral water, bottles for water dispenser, juice, tea, carbonated soft drinks, milk beverages, liquors, etc.

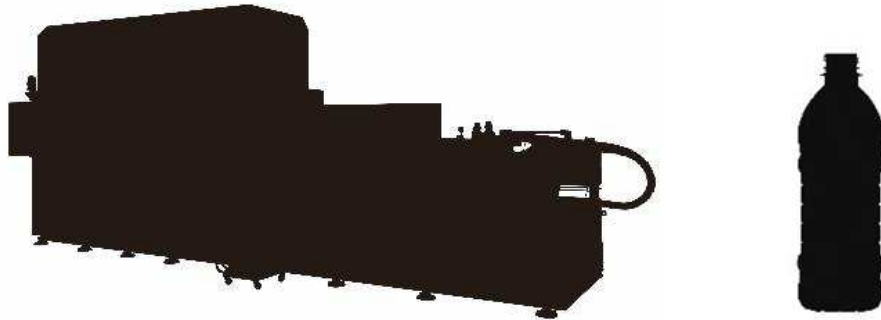


Special containers

Pharmaceuticals (infusion), baby feeding bottles, toner containers, etc.

ASB's area of expertise is 1-step machine

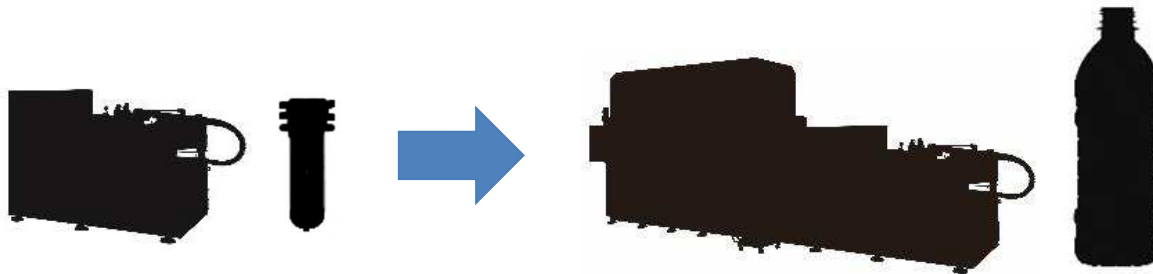
1-Step machine



Features of 1-Step machine

- PET container can be produced in one machine
- Small investment cost, small footprint
- Superiority in production of variety of containers in small- to mid-sized lots
- Suitable to produce high value-added containers in various designs, sizes and shapes
- **ASB's area of expertise**

2-Step machine



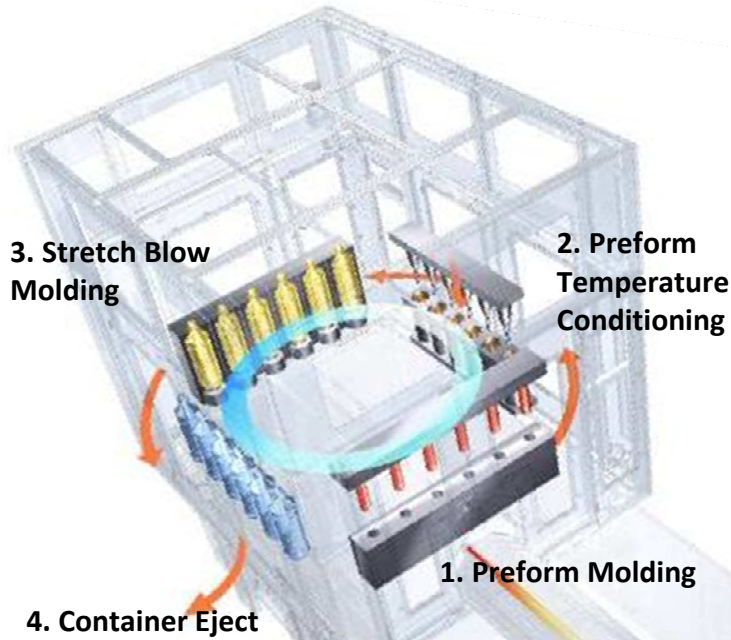
Preform molding machine

Blow molding machine

Features of 2-Step machine

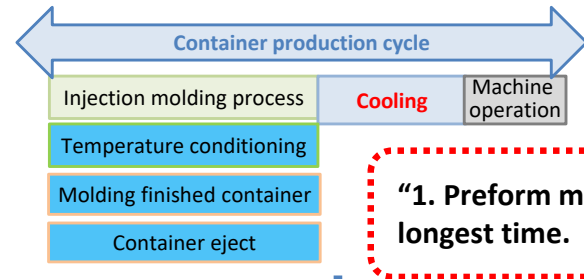
- Requires two or more machines including preform molding machine, preform handling and blow molding machine
- Large investment cost, large footprint
- Superiority in mass-production of simple-shaped bottles
- Suitable to produce a singular shape of bottles such as for beverages

Zero Cooling System, a technology that improves productivity and container quality



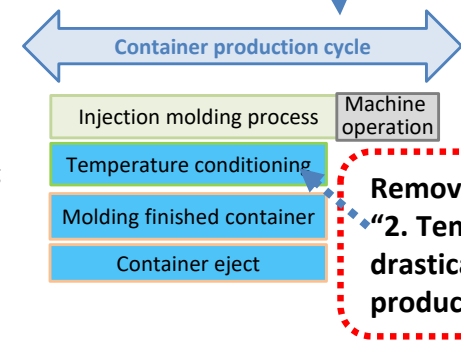
Conventional production process

1. Preform molding
2. Temperature conditioning
3. Stretch blow molding
4. Container eject



Production process by ZC

1. Preform molding
2. Temperature conditioning
3. Stretch blow molding
4. Container eject



* The above is an image of the production process. It is different from the actual.

Improved productivity and container quality by Zero Cooling System

1. Increase in productivity (by 50%) by shorter molding cycle time
2. Increase in physical strength (by 15%)
3. Scope for light-weighting (reduction by 5-10%)
4. Improved appearance and visual quality
Improvement in visual defects such as "fisheye"(teardrop-shaped prism), "body ring"(uneven stretch), "orange peel"(rough orange-peel-like surface), etc.

Features of our machines

Applying our own 4-station method
Each process operates simultaneously to produce finished containers

* Zero Cooling System (Patent registered)

Produced many industry-first technologies since its establishment

Constructed a firm business foundation in technology, sales and production

Production

Established a foundation for growth and profitability

1997 India Plant began operations

2013 India Factory 2 began operations

2018 India Factory 3 began operations
2018 Chikumagawa factory began operations

2021 Acquired a building site for a new factory

Sales

Established a global sales network

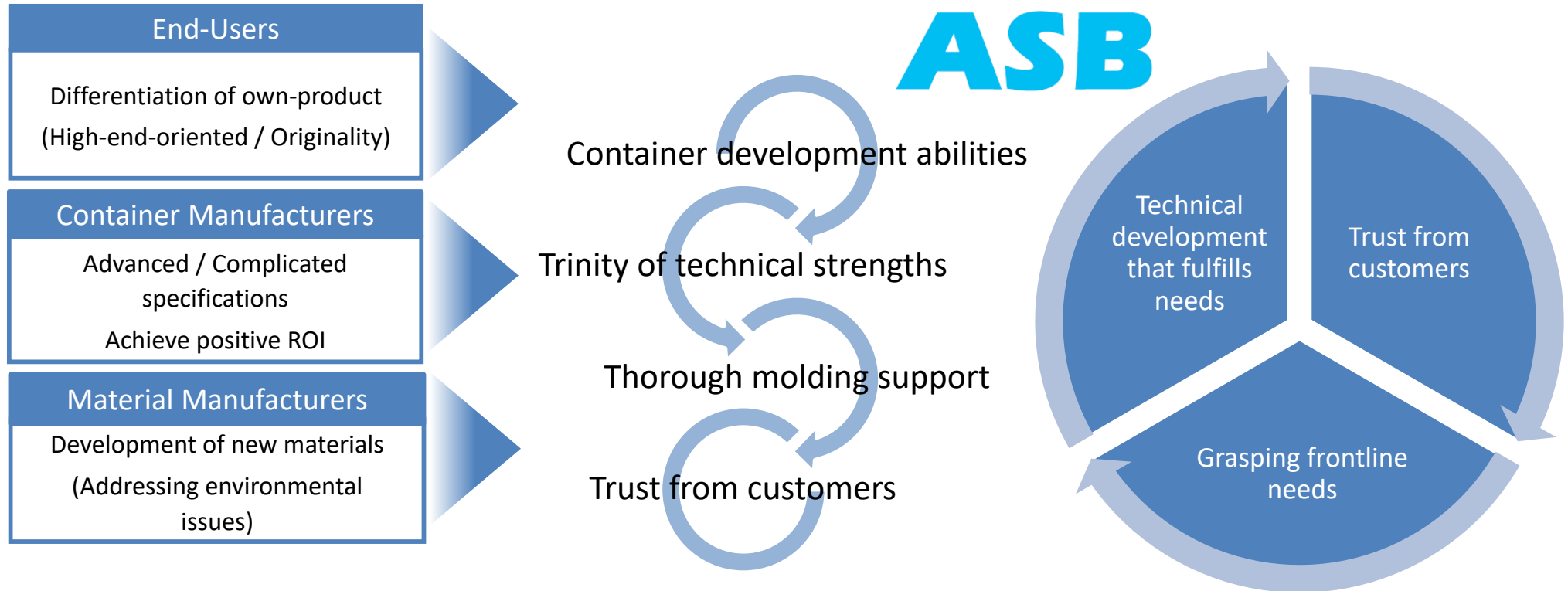
- 1980 USA
- 1983 United Kingdom
- 1987 Germany
- 1997 Pakistan
- 1999 South Africa
- 2005 UAE
- 2006 Indonesia
- 1993 Singapore
- 1995 Mexico / Thailand / Brazil
- 1998 Australia / Philippines
- 2002 India
- 2004 Spain
- 2012 Nigeria
- 2014 Kenya

Technology

Producing various "industry firsts"

- 1978 Establishment
- 1983 **Industry First** Polypropylene infusion container by injection stretch blow molding machine
- 1984 **Industry First** Multi-layer molded container by ISBM machine
- 1986 **Industry First** Molded PET bottle with handle
- 1991 **Industry First** Container with molded insert handle
- 2007 **Industry First** Commercialized the fully electric ISBM machine
- 2014 **Industry First** 3mm neck PET
- 2017 **Industry First** 1-Step molding machine capable of producing 20,000 small containers per hour
- 2018 **Industry First** 1.5-Step molding machine capable of producing 18,000 500ml containers per hour

“Ironclad cycle” of trust from customers, created through 40 years of business



- Bearing the thought in mind that “What customers ultimately require is PET containers, not molding machines”, technicians visit customers in Japan and abroad with “Trinity (Machine / Mold / Molding technique) of technical strengths” and perform “Thorough molding support” till the customer is satisfied with quality of containers, which results in gaining “Trust from customers”.
- Also, our technicians gain experiences in return and accumulate highly complicated technical know-how, such as suitable temperature control for molding. “Trust from customers” enhances our reputation further, which enables us to grasp frontline needs earlier than competitors. We develop the technology to satisfy such needs and supply products which can gain further “Trust from customers”.
- This “Ironclad cycle” is the strength of ASB, and the reason why customers support us. <Article in an industry magazine in 2013>

Leading the industry with efforts to environment-conscious technologies since its establishment

- **Our molding machines are applicable to many kinds of plastic materials**
- Promoting technological development for the “3R + Renewable” concept and supplying a wide range of container options
- Participating in the ecology enlightenment activities led by industry associations and governmental organizations, and actively promoting publication of the environment-conscious technologies

[Initiatives]

[Specific examples]

Reduce

Reduced material consumption

Zero Cooling System enables further reduction of container weight (reduction of material) by 5-10%

Reuse

Proposal of molding reusable containers

Participated in the first test of reusable PET bottles in Japan.
Deployed **bottles for water server** to the worldwide market.

Recycle

Molding various recycled materials including PET

30 years of recycled PET molding experience.
Promoting container molding using recycled materials by double layer molding process.

Renewable

Challenges to new materials such as biodegradable plastics

Promoting molding of new materials collaborating with material makers.
First successful **BioPBS** bottle molding in the world.

Trends addressing plastic issues by countries

Japan

Resource Circulation Strategy for Plastics (abstract)

- Suppress use of single-use plastics **by 25%** in accumulation **by 2030**
- Reuse or recycle **60%** of plastics packaging **by 2030**
- Effectively utilize **100%** of used plastics by reuse or recycle **by 2035**
- Introduce **approx. 2 million tons** of biomass plastics **by 2030**

EU

Single-Use Plastics Directive

- Single-use plastics such as trays, cutlery, straws, etc. were banned from 2021 (**excluding bottles for beverages**)
- Collect **90%** of used bottles for beverages **by 2029**
- Utilization ratio of recycled material to PET bottles is to be **25% by 2025**, and **30% by 2030**

India

Ban on Single-Use Plastics

- Stepwisely abolish plastic products that cannot be recycled, or its energy cannot be recovered
- Setting targets for producers to collect, recycle and reuse plastic waste

Consolidated Performance of Previous Years

(Unit: million yen, yen, %)

	2014/09		2015/09		2016/09		2017/09		2018/09		2019/09		2020/09		2021/09		2022/09	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Net Sales	22,605	100.0	25,396	100.0	25,526	100.0	29,289	100.0	27,834	100.0	26,129	100.0	27,254	100.0	35,890	100.0	30,277	100.0
Operating Profit	3,971	17.6	3,821	15.0	4,525	17.7	6,104	20.8	5,120	18.4	4,304	16.5	4,850	17.8	8,735	24.3	5,556	18.4
Ordinary Profit	4,867	21.5	4,257	16.8	4,123	16.2	6,954	23.7	5,281	19.0	4,193	16.0	4,669	17.1	9,576	26.7	8,927	29.5
Profit Attributable to Owners of Parent	3,076	13.6	2,487	9.8	2,532	9.9	4,571	15.6	4,349	15.6	3,154	12.1	4,239	15.6	6,680	18.6	6,130	20.2
Dividends per Share (yen)	40	-	40	-	40	-	60	-	60	-	60	-	60	-	100	-	100	-
Dividend Payout Ratio (%)	19.5	-	24.2	-	23.7	-	19.7	-	20.7	-	28.5	-	21.2	-	22.4	-	24.5	-



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