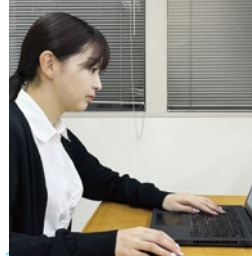
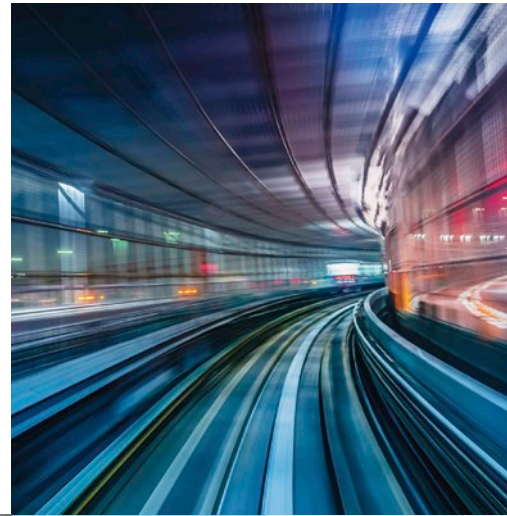




ASHIMORI INDUSTRY CO., LTD.

INTEGRATED REPORT 2024

Powered by **Innovation**,
Pioneering the **Future**



Powered by **Innovation**, Pioneering the **Future**

Company Creed / Corporate Philosophy

1. Place a high value on trust and strive for the utmost reliability.
2. Maintain a vibrant company based on harmony and open-mindedness.
3. Be creative and contribute to society through our business activities.



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Editorial Policy

This report is to provide information on Ashimori Industry's efforts for corporate value creation. In addition to financial information including business results and strategy, this report is edited with the intention of informing shareholders, investors, and other stakeholders of the company's non-financial information such as ESG topics.

Period covered

Fiscal year ended March 2024 (April 1, 2023 to March 31, 2024)
When necessary, past and recent information are also included.

Organizations covered

Ashimori Industry Co., Ltd. and group companies

Published

September 2024

Disclaimer

Although the information in this report has been compiled with the utmost care, we do not guarantee that all of it is accurate and/or up to date. We are therefore not responsible for any losses, damages, or other problems that arise due to causes such as the information being erroneous or out of date.

Value Creation

Value Creation History

Since our foundation in 1878, we have contributed to society's advancement through the provision of products that anticipate the needs of the times by using our technical expertise—the roots of our identity. We will continue to take on new challenges as we contribute to society in the safety and renewal fields.

Understanding the times and entering new business areas

1878 Ashimori Buhei the 10th begins trading in cotton and linen in Osaka, the center of Japan's spinning industry at that time.

1885 Begins manufacturing cotton power transmission ropes.

1887 Begins manufacturing spindle bands for ring spinning machines in order to respond to demand spurred by technological changes in the industry.

1908 Establishes a full-fledged mass-production factory (in Juso, Osaka) in response to the stellar reputation for the company's braiding technology and the toughness of its ropes and spindle bands.

1935 Reorganizes as a joint-stock company named Ashimori Rope Works.

1944 Changes the company name to Ashimori Industry Co., Ltd.

1950 Company listed on the Osaka Securities Exchange.

1952 Succeeds in Japan's first development of the latex rubber-lined fire hose and begins its manufacture.

1953 Begins manufacturing synthetic fiber ropes.

1961 Company listed on the First Section of the Tokyo Stock Exchange.

1962 Begins manufacturing automotive seatbelts.
Begins manufacturing airbags in 1989.

1967 Obtains JIS (Japanese Industrial Standards) labeling approval, a first for an automotive seatbelt manufacturer, a year after the JIS seatbelt standard was created.

1878 -

1950 -

1962 -

Foundation: Rope-making begins

At a time when spinning factories were sprouting up in Osaka, company founder Ashimori Buhei the 10th believed that cotton yarn was a key to industrial advancement and a product sure to be in ever greater demand. He was the first in Japan to succeed in using a machine to make cotton rope used as a means to transmit power from one engine to multiple machines.



Starts fire hose business

To respond to a rapid decline in demand for cotton power transmissions ropes, Ashimori decided to forego using linen, which was difficult to procure, and instead succeeded—for the first time in Japan—in the manufacture of cotton and nylon fire hoses that were leak proof thanks to latex rubber lining.



Enters field of automotive safety systems

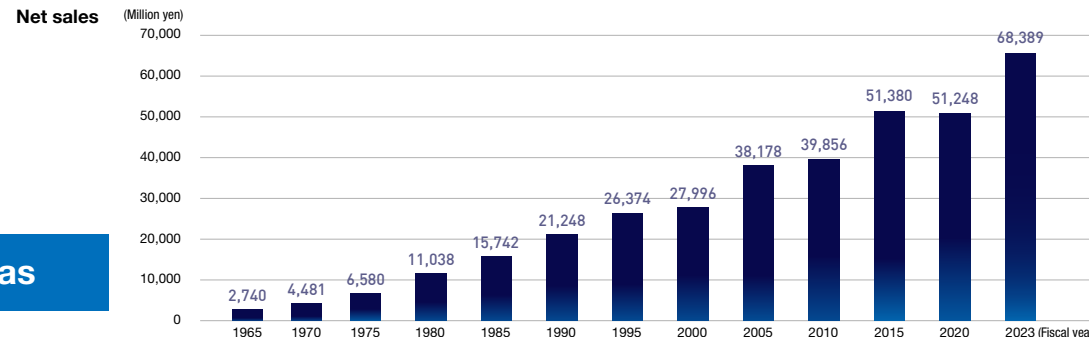
With car seatbelts becoming mandatory in the U.S., increased demand was anticipated in Japan as well. Using its years of know-how in weaving, Ashimori began developing and manufacturing car seatbelts.



Value Creation

Value Creation History

Understanding the times and entering new business areas



1980 Begins PALTEM pipeline rehabilitation business; Ashimori adopted its proprietary technology for textiles and fire hoses to jointly develop PALTEM with Tokyo Gas Co., Ltd.

1991 Begins manufacturing Air Roll cargo-transportation system.

1998 Establishes KPN Ashimori Co., Ltd. (now Ashimori (Thailand) Co., Ltd.). Establishes bases in Shanghai in 2003, India in 2009, South Korea in 2011, Mexico in 2012, and Germany in 2017.

2008 Establishes Ashimori Industry Yamaguchi Co., Ltd. Establishes the Hamamatsu Plant.

2016 Acquires Allsafe Japan Ltd.

2017 Acquires Shibata Industry Co., Ltd. Acquires Takara Sangyo in Shiga, Japan.

2022 Moves to the Prime Market on the Tokyo Stock Exchange.

2023 Moves to the Standard Market on the Tokyo Stock Exchange.

1980 -

1998 -

2022 -

Starts pipeline rehabilitation business

Taking advantage of the trend to maintain and repair existing gas pipelines instead of installing new ones, Ashimori utilized its accumulated technologies to develop PALTEM, a new pipeline rehabilitation technology (hose lining method) that was the first of its kind in Japan.



Expands overseas, establishes drivers of growth

In the automotive safety systems business, Ashimori built its first factory outside Japan, in Thailand, in 1998. The company went on to accelerate its global push by establishing strategic overseas bases for greater procurement capability, improved cost competitiveness, and wider sales routes. In the high performance products business, Ashimori expanded its production system. The company also strengthened business and expanded operations through moves including acquisitions of companies dealing in logistics machinery and pipeline rehabilitation work.



Excellence recognized worldwide
New Ashimori Vision 2028

In the leadup to our 150th anniversary in 2028, we have revised our Mission, Vision, and Values statements to make them more engaging for group employees. We have also created a new slogan: "Powered by Innovation, Pioneering the Future" to enhance unity. The slogan inherits the spirit of our company creed and demonstrates our strong will to utilize our technological strengths and continue to reform our company culture with the aim of becoming an excellent, world-class organization.

Value Creation

Value Creation Process

Company Slogan

Powered by Innovation, Pioneering the Future

Social issues

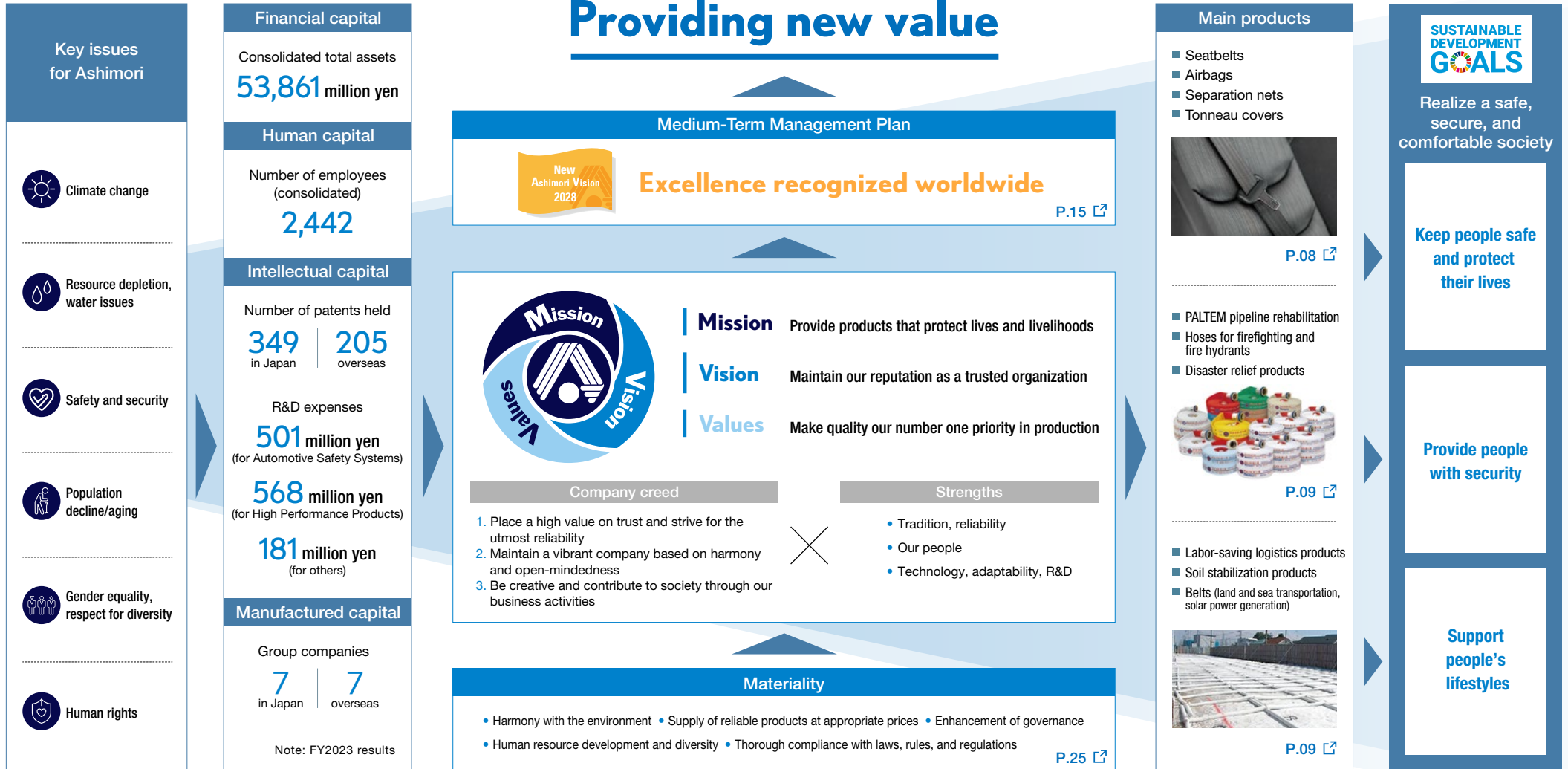
Input

Business activities

Output

Outcome

Providing new value



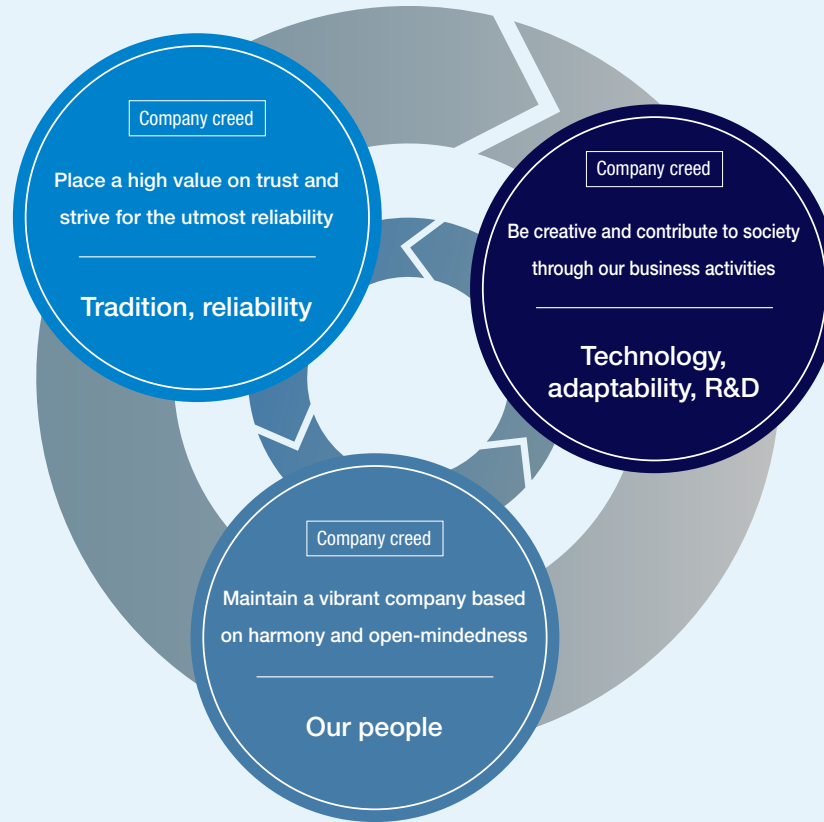
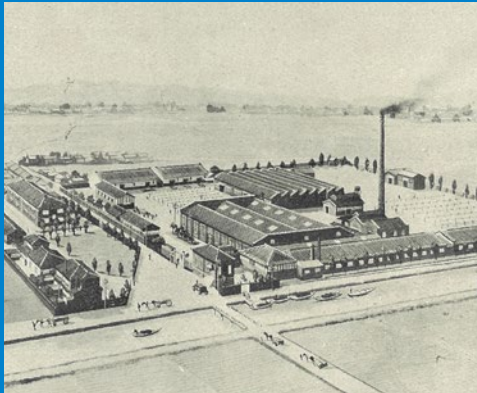
Value Creation

The Source of Value Creation

Ashimori has accumulated many strengths over its 146-year history. These strengths—tradition and reliability; technology, adaptability, and R&D; and our people—are at the core of our company creed. They have enabled us to diversify business to come out with a range of products that contribute to the realization of a safe, secure, and comfortable society.

Tradition, Reliability

Ashimori will celebrate its 150th anniversary in 2028. On the foundation of the strong technical expertise we have built up, we have sincerely responded to the detailed needs of the market and built relationships of trust with countless customers. By providing products that protect lives and livelihoods, we will continue to be a corporate group trusted by all.



Technology, Adaptability, R&D

Originally a rope manufacturer, we have continued to diversify our business operations by applying the core technologies that we cultivated in textiles. Now, having surpassed the boundaries of the textile industry, our central operations are in the fields of safety and renewal activities, such as safety-related automotive parts and the reconstruction of essential utilities. We will continue contributing to society through unceasing R&D and technological innovation.



Harnessing core technologies to tap into the safety and renewal market

- Weaving/assembling**
Tubular fabrics, wide-woven textiles, rope, belts, cords, etc.
- Winding/fixing**
Seatbelts, automotive interior parts, cargo-lashing systems, etc.
- Plastic processing (covering)**
Fire hoses, PALTEM liners, SZ structural materials, etc.
- Inflating**
Airbags, Air Roll System, bags for civil engineering applications, etc.

Combining → Integrating into systems

By deploying and combining our four core technologies of weaving/assembling, winding/fixing, plastic processing (covering), and inflating, we have developed products ranging from fiber/resin/metal composite components to complete systems. We are engaged in ongoing R&D with the aim of expanding our business in the safety and renewal market.

Our People

The Ashimori Group HR Vision Statement has been formulated to foster our ideal of an Ashimori employee: someone strongly committed to our company principles, who takes the appreciation they receive for their efforts inside and outside the company to make their job more rewarding. The Ashimori Code of Conduct has also been formulated as our commitment to society.

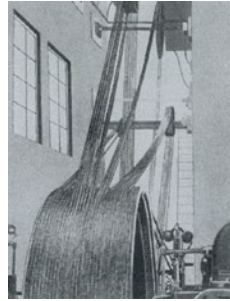


Value Creation

The Source of Value Creation

Start of manufacturing of cotton power transmission ropes (1885)

After starting up his cotton and linen thread business, company founder Ashimori Buhei the 10th became the first in Japan to successfully manufacture cotton power transmission ropes domestically, a product that had previously been imported.



Obtained JIS certification as a seatbelt manufacturer (1967)

We were the first seatbelt manufacturer in Japan to receive JIS (Japanese Industrial Standards) certification. We also received approval for our products under overseas standards, which opened the way for exporting to Europe and the United States.



Start of manufacturing of latex rubber-lined Jet Hose fire hoses (1952)

By leveraging our core technologies of weaving and resin processing cultivated in the textile industry, we developed the latex rubber-lined Jet Hose fire hose. This hose replaced the linen hoses that were mainstream at the time and became the prototype for today's fire hoses.



Four firsts in Japan

born of technology,
adaptability, and R&D

Completion of the PALTEM pipe lining system (1980)

This 100% domestically developed trenchless rehabilitation technique makes it possible to repair and replace pipelines without digging up roads. Since the existing pipelines are reused without being removed, less waste is produced and construction time can be shortened.








Value Creation

Our Businesses

Consolidated net sales
50,039
 million yen
 Fiscal year ended March 2024

Automotive Safety Systems








Business	Features	Solutions					
<p>Seatbelt-related</p> <ul style="list-style-type: none"> • Seatbelts 	<p>Our products ensure safety for car occupants in the event of a traffic accident and provide a comfortable car interior, thus contributing to improving the functions of automobiles, a part of social infrastructure. The transition to electric vehicles is moving the trend towards lighter automobile parts, and we are partnering with automobile manufacturers to develop products with low environmental impact.</p>	<p>Achieving both safety and comfort</p>  <p>Ever since receiving JIS (Japanese Industrial Standards) certification in 1967, a first for a seatbelt manufacturer, we have been actively working to achieve both safety and comfort in developing next-generation seatbelts incorporating the technologies we have built up.</p>					
<p>Airbag-related</p> <ul style="list-style-type: none"> • Airbags 		<p>State-of-the-art technologies protect lives</p> <p>We have always manufactured a range of airbags that have incorporated the most advanced technologies of their time in the fields of fibers, chemistry, electrotechnics, electronics, control, mechanics, and sensors.</p>  <p>Driver airbags Passenger airbags Side airbags Curtain airbags</p>					
<p>Interior products</p> <ul style="list-style-type: none"> • Sunshades (electric and nonelectric) • Separation nets 		<p>A comfortable car interior</p>  <p>Sunshades (electric and nonelectric) regulate the amount of sunlight entering through car windows and thus help create a comfortable interior.</p>		<p>Preventing cargo from collapsing</p>  <p>BMW X2 (©BMW AG)</p> <p>The separation net separates the passenger seats and the cargo space. It prevents the cargo from collapsing or entering into the passenger seats during sudden braking.</p>		<p>Anti-theft</p>  <p>Tonneau covers (luggage covers) are to block baggage and other items in the vehicle's cargo space from outside view. They are a great anti-theft measure.</p>	

Value Creation

Our Businesses

Consolidated net sales
18,320
 million yen
 Fiscal year ended
 March 2024

High Performance Products

Business	Features	Solutions		
<p>PALTEM division</p> <ul style="list-style-type: none"> • Manufacture and sales of materials and equipment for PALTEM pipeline rehabilitation; pipeline rehabilitation work • Construction materials 	<p>PALTEM (Pipeline Automatic Lining System) is a type of trenchless technique for rehabilitating buried pipelines—such as those carrying potable water, sewage, agricultural water, gas, telecommunications signals, or electricity—without having to dig up the pipe. This environmentally friendly method minimizes damages to pipeline surroundings while supporting lifeline infrastructure.</p>	<p>Maintenance and management of essential utilities</p> 	<p>We contribute to maintaining essential utility services using safe and secure pipeline rehabilitation technology.</p>	<p style="text-align: center;">Focus</p> <p>Pipes (essential utilities) buried underground are subject to aging and deterioration caused by the changing environment. In Japan, recent years have seen pipes damaged and weakened due to frequent earthquakes and ground sinkage. In response to the increasing needs for pipeline rehabilitation, we are supporting society through the development and installation of new technologies.</p>
<p>Disaster prevention division</p> <ul style="list-style-type: none"> • Fire hoses • Emergency drain hoses • Disaster prevention materials and equipment 	<p>We help make social infrastructure safe and secure by providing a range of hose types; for example, low-pressure-loss hoses that reduce pressure loss at the time of water discharge, and large-diameter hoses. We also have disaster mitigation products that minimize damage and injury in disasters.</p>	<p>Lengthening water supply and water discharge distance of fire hoses</p>  <p>Low-pressure-loss hoses reduce pressure loss by up to 50% during water supply, thus improving fire-fighting performance (greater water volume, shorter time in hose, longer water supply</p>	<p>Handling large-scale fires</p>  <p>Large-volume water-supply hoses can send large amounts of water over long distances. Since both sides of the hose are covered with urethane resin, it has the needed high weather resistance and durability for battling large blazes.</p>	<p>Rescue support during disasters</p>  <p>Our water supply and drainage system boasts superb mobility and portability. It can contribute to quick rescue activities by providing temporary drainage in urban areas and supplying clean water in disasters.</p>
<p>Industrial materials division</p> <ul style="list-style-type: none"> • Fishing and marine ropes • Reinforcing fabrics for timing belts • Labor-saving logistics systems 	<p>We manufacture and sell a variety of products from fiber materials to labor-saving logistics systems. Besides materials that help make possible clean, environmentally friendly energy, we have truck logistics products that can be easily used by anyone and contribute to a workplace conducive to all.</p>	<p>Labor savings in logistics</p>  <p>Our Air Roll System uses an air hose to raise and lower roller conveyors equipped on truck beds. It can easily be used by elderly people and women to lessen their workload.</p>	<p>Preventing sinking on soft ground</p>  <p>Palace Sheet (tubular fabric technology) is a surface stabilization method that uses sheets to stabilize the surface layer of soft ground. When used as footing for heavy machinery temporarily placed on agricultural land, it is easy to remove and the ground can be easily restored to its original state.</p>	<p>At work in many fields</p>  <p>From wide-woven textiles used for rubber materials and heat-resistant screens, to lashing belts used to secure cargo or vehicles, we provide fiber materials for a wide range of fields.</p>