

Growth Strategies by Segment

Functional Materials Segment



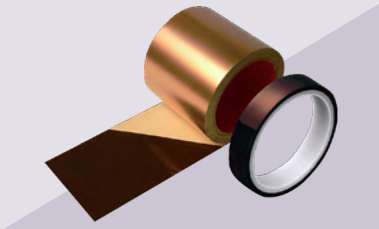
Yukinobu Yamazaki
General Manager, Functional Materials Division

The division manufactures and sells adhesive tapes, including tapes for construction and construction materials, functional materials such as ink, film and coated separators, and industrial rubber products.


Vision	Aim to be an excellent supplier of converting products
Business strategy	Increase earnings in niche and high-value-added fields

Product List


Classification	Major Products
Adhesive tape	Tape for construction and construction materials
	Tape for semiconductor manufacturing processes
	Tape for industrial processes
Functional materials	Ink
	Film
	Coated separator
Industrial rubber products	Rubber sheet
	Wear protection materials
	Precision specialty products, etc.



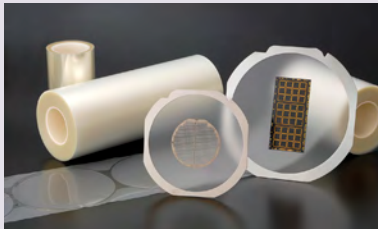
Electronics tape (conductive)




Butyl (two-sided) tape




Adhesive tape



Dicing tape



Rubber sheet



Coated separator

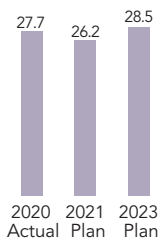
Growth Strategies by Segment



Functional Materials Segment

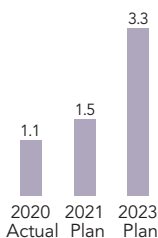
Net Sales

(billions of yen)



Operating Profit

(billions of yen)



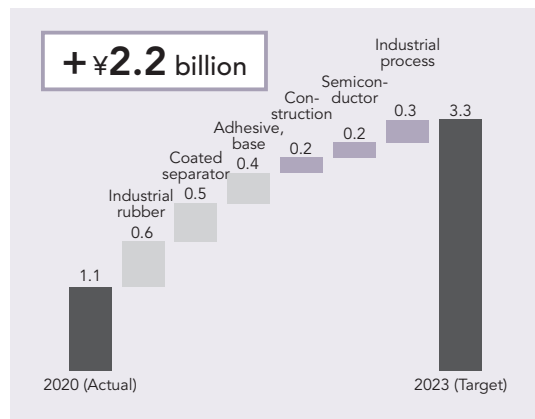
Situation in Fiscal 2020

Sales of coated separators showed signs of recovery from the third quarter onward due to the recovery trend in the automotive market, but declines in sales along with adhesive tapes and other products resulted in net sales in the Functional Materials segment of ¥27.7 billion.

Operating profit was ¥1.1 billion due to a decrease in profit from coated separators and other products.

Operating Profit Change (FY2020 to FY2023)

(billions of yen)



Growing Businesses that Drive MEX23

Growth Businesses	Market Position	Strengths	Future Development
 Tape for construction and construction materials 	“Develop markets in North America and Southeast Asia” <ul style="list-style-type: none"> In North America, respond to the expansion of high air-tight housing, and in Southeast Asia, conduct educational activities and expansion of waterproofing methods for houses and buildings Utilize strengths in the domestic market for overseas expansion. Aiming to expand market share in North America and Southeast Asia. 	<ul style="list-style-type: none"> Utilize technology of mixing and dispersion of adhesive materials, and technology of fine coating for base materials 	<ul style="list-style-type: none"> Raise brand awareness by continuing to introduce new air-tight materials in North America Promoting the spread of sheet waterproofing methods in Southeast Asia
 Tape for semiconductor manufacturing processes 	“Secure market position by introducing original products into the expanding semiconductor market” <ul style="list-style-type: none"> Expansion of the semiconductor market due to higher capacity and wider adoption of mobile devices and expansion of data centers Further expansion of market position in dicing tape for DDF*1 and expansion of product lineup and sales of back grind tape 	<ul style="list-style-type: none"> Utilize technology of mixing and dispersion of adhesive materials, technology of fine coating for base materials, and UV-release adhesive technology 	<ul style="list-style-type: none"> Continuous development of competitive products in dicing tapes for DDF Expand sales to China and Taiwan
 Tape for industrial processes 	“Expand sales of tapes for eyeglass lens molding and develop tapes for micro lens manufacturing processes” <ul style="list-style-type: none"> Demand for eyeglasses increased mainly in developing countries, and demand for micro lenses increased due to the widespread use of smartphones. Increase share of tapes for eyeglass lens molding process Development and new entry of process tapes compatible with WLO*2, a micro lens manufacturing technology 	<ul style="list-style-type: none"> In addition to utilization of technology of mixing and dispersion of adhesive materials, and technology of fine coating for base materials, utilize UV-release adhesive technology cultivated in semiconductor manufacturing process tapes for WLO manufacturing technology 	<ul style="list-style-type: none"> Early commercialization through joint development with WLO lens manufacturers Introduce high-value-added products and improve productivity

*1 DDF: Dicing die bonding integrated film * 2 WLO: Wafer Level Optics