

# Growth Strategies by Segment

## Energy Segment



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Division

The division manufactures and sells primary and secondary batteries such as lithium primary batteries, silver oxide batteries, coin-type lithium secondary batteries, and prismatic-type lithium-ion batteries, and manufactures and sells battery-related products such as chargers and electrode-applied products. We are also engaged in the business of selling electricity through solar power generation.

<b>Vision</b>	Continue to contribute to the development, safety, and security of society by <b>innovating batteries and systems through original, unique technologies</b>
<b>Business strategy</b>	Strengthen and expand small battery businesses in the healthcare, 5G/IoT and automotive areas

### Product List

Classification	Major Products
Primary battery	Heat-resistant coin-type lithium battery
	Coin-type lithium battery
	Cylindrical-type lithium battery
	Silver oxide battery
	Air Patch™ Battery
Secondary battery	Prismatic-type lithium-ion battery
	Coin-type lithium rechargeable battery
Battery-related products, etc.	Charger
	Battery pack
	Electrode application products (oxygen sensors, hydrogen gas generators)
Solar power generation	Power Sales Business



Coin-type lithium battery

Coin-type lithium rechargeable battery

Heat-resistant coin-type lithium battery

Cylindrical-type lithium battery

Prismatic-type lithium-ion battery

Oxygen sensor

## Growth Strategies by Segment

### Energy Segment



Healthcare



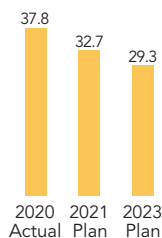
5G/IoT



Mobility

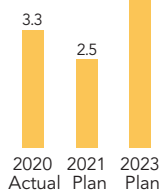
#### Net Sales

(billions of yen)



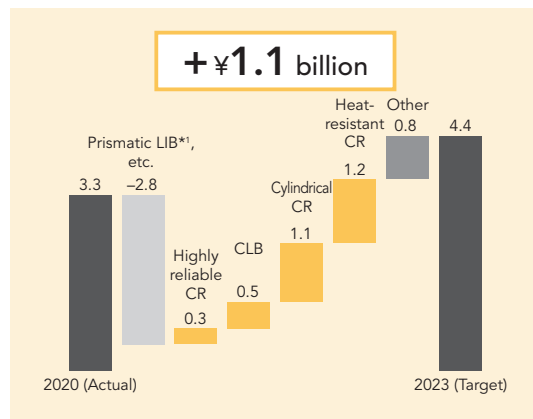
#### Operating Profit

(billions of yen)



#### Operating Profit Change (FY2020 to FY2023)

(billions of yen)



\*1 LIB: Lithium ion battery

### Situation in Fiscal 2020

Sales of prismatic-type lithium-ion batteries increased more than expected due to continued Stay-at-Home demand due to the impact of the Novel Coronavirus infectious disease.

On the other hand, sales of heat-resistant coin-type lithium batteries were significantly affected by the sluggish automotive market, and the net sales of the Energy segment were ¥37.8 billion.

Operating profit was ¥3.3 billion, mainly due to an increase in profits from prismatic lithium-ion batteries.

### Growing Businesses that Drive MEX23

Growth Businesses	Market Position	Strengths	Future Development
<b>Coin-type lithium battery (highly reliable CR)</b> 	"Market Expansion in the Healthcare area" • Blood glucose meters market expands as the number of patients with diabetes increases	• Materials and sealing technologies cultivated in heat-resistant CR ensure safety and high reliability	• Build cooperative relationships with medical device manufacturers • Build a product management system for batteries
<b>Coin-type lithium rechargeable battery (CLB)</b> 	"Increase our share in the wearable market" • Responding to accelerated conversion of hearing aids market to secondary batteries	• Contribute to longer product life by high charge/discharge cycle characteristics with original stacked electrode structure	• Expansion of sales channels in the hearing aid market • Cost reduction by improving production processes and increasing production
<b>Cylindrical-type lithium batteries (cylindrical CR)</b> 	"Increase market share in the expanding smart meter market" • Acceleration of IoT feature of smart meters • Providing high-capacity batteries in response to an increase in demand power accompanying the adoption of IoT feature for automated meter reading systems	• Realize high energy density in batteries by original electrode technology. Contributing to miniaturization of products.	• Leverage the strengths cultivated in overseas markets to expand market share in the smart meter market • Expansion into sensors and IoT areas
<b>Heat-resistant coin-type lithium battery (heat-resistant CR)</b> 	"Global Top Share in TPMS Market*2" • While market expansion will moderate, maintain market position by leveraging long-term track record as a strength. • Maintain a strong relationship with major manufacturers of the tire pressure monitoring system (TPMS)	• Realize miniaturization and ensure high performance in harsh environments by using original material and sealing technologies	• Maintain and strengthen partnerships with TPMS manufacturers • Cost reductions in line with market conditions • Expansion of applications other than TPMS

\*2 Top share of the global market: as of September 2021. According to research by Maxell.