

The background of the entire page is a high-quality photograph of a waterfall. The water is cascading down a rocky ledge, creating a large plume of white spray and foam at the top. Below the spray, the water continues to flow, appearing as a deep, vibrant blue. The overall scene is dynamic and natural.

KURIMOTO REPORT 2019

Business and CSR Report





Corporate Philosophy

We respect and value earth, its water, air and life, and we will protect social infrastructure.

We offer "reassurance" in response to the society and our customer's trust.

We listen to our customers, learn from our customers, further develop and innovate technology, and offer original, "suitable systems" to our customers.

We aim for the happiness of our employees and the happiness of mankind through manufacturing products.

For the implementation of the above, we ensure strict compliance, harmonize inheritance and changes, respect individuality and ingenuity, and work hard to contribute to society and the development of business.

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Our website is regularly updated with the latest information.

<http://www.kurimoto.co.jp/worldwide/en/>



Photo on the cover: Sakura no Taki (waterfall), Hokkaido

Photo on P1 and P2: Tsukechi Gorge, Gifu

Contribution to the development of society and industry

To establish infrastructure that underpins all activities in society in a better way, and to deliver products and services that support manufacturing in a wide range of industries, the Kurimoto Group has built up its foundation through the history of over 100 years. Now we are contributing to the development of society and industry through the creation of a wide range of values including the provision and securing of lifeline, the realization of safety and security and the improvement of the quality of final products of customers.

【 2 Pillars of Our Business 】

Social infrastructure



We establish infrastructure to underpin society with our reliable technology.

Industrial Equipment



We provide manufacturing support for a wide range of industries with our original technology.

【 Sources of Values 】

Technical and proposal abilities

We propose the best solutions to customers based on the technologies that we have accumulated through research and development and manufacturing for more than 100 years.

Investment in R&D
1,417 million yen
 (actual figure in fiscal 2018)

Human resources

We endeavor to develop human resources that have a keen awareness of problems and act proactively to solve them in order to meet requirements for quality based on customer needs.

Number of improvements proposed in a year
16,656
 (actual number in fiscal 2018)

Equipment

We constantly work for construction of new production equipment, expansion of existing equipment, strengthening of the functions, renewal and streamlining to ensure the quality of products and productivity.

Capital investment
2,915 million yen
 (actual figure in fiscal 2018)

【 Values Created Through Our Business 】

Social infrastructure

Provision and securing of infrastructure

We establish and maintain life-supporting infrastructure including water supply and sewage systems, energy, communications, roads and railroads from both medium- and long-term perspectives.

Creation of comfortable space

We help create clean and comfortable living spaces by providing products such as iron pipes, valves, pipes and construction and air conditioning materials and through construction methods that take advantage of the properties of these products.

Creation of a beautiful landscape

In developing and providing highly functional products, we also pay attention to esthetics in their usage to contribute to creation of beautiful landscapes.

Common

Realization of safety and security

While promoting total quality services (combination of high value, high quality and high services), we realize safety and security by being well prepared for the unexpected.

Preparation for earthquakes and disasters

Our products and services aid in preparation for earthquakes and disasters, and include earthquake resistance improvement of infrastructure, emergency shutdown valves, earthquake-resistant emergency water tanks and various other products with earthquake-resistant specifications.

Energy saving and environmental conservation

While promoting environmental management and reducing environmental impact of our own business activities, we develop and design products that contribute to energy saving, reduction of CO₂ emissions and prevention of environmental pollution.

Industrial Equipment

Quality improvement of end products

We supply a wide range of equipment that helps improve quality of end products, such as high-precision warm- and hot-forging press machines.

Productivity improvement

We offer high-efficiency and high-reliability manufacturing equipment and related products, total design and engineering based on know-how accumulated over many years and quality services after sales, to improve the productivity of manufacturing lines.

Cost reduction

We promote product development with focus not only on economic efficiency but also on transportability, workability, durability, reliability in operation and ease of maintenance and inspection to bring about overall cost reduction.

Business Areas

(As of April 1, 2019)

Pipe system business

Ductile Iron Pipe Division



Water and gas pipes underground that support society. Ductile iron pipes play a major role in our living environment, and can be found everywhere, in cities, suburbs and villages.

Ductile iron pipes (pipes, fittings, joint parts)
Design, installation, and installation supervision of pipes; maintenance services such as pipe survey and inspection
Wear-resistant straight pipes
(ash transportation pipes, garbage transportation pipes)

Machinery system business

Plant Engineering & Machinery Division



Our industrial equipment supports production lines in various industries, and plays a part in bringing products to the world. We also make broad contributions to society by supplying from individual machinery to total engineering.

Crushers, pulverizers, classifiers, granulators, dryers, calciners, mixers/kneaders/dispersers, devolatilizers, reactors, solvent recovery equipment, plant engineering (binary cycle power plants, biomass power plants, metal mining), warm-/hot-forging press machines, peripheral devices for forging press machines, bending rolls

Industrial materials business

Construction Materials Division



We offer a wide variety of products, along with quick delivery, to meet customer expectations.

Spiral ducts, various flexible ducts, Silent Flex, various noise-reduction products, winding sheaths, polyethylene sheaths, stainless steel drain pipes, winding pipes, voided slabs, various earthquake-proof products, through-hole reinforcing bar (Super Harry Z), main rebar through-hole sheaths, corrugated cardboard ducts (Corru-Air Duct), noise-reduction/soundproofing services (measurement, design, manufacture, installation, verification), translucent noise-absorbing screens (Viewsone), semi-precast products (Kaiser Slab, Kaiser Balcony), precast stair systems
Spiral ducts, stainless steel ducts, Super Spiral, Premium spiral ducts, winding pipes, noise-reduction/soundproofing services (measurement, design, manufacture, installation, verification)

Valve Division



We handle a great number of valves for water purification and sewage treatment plants in the government sector, for power plants, ironworks and plants in the private sector, and overseas.

Butterfly valves, resilient seated gate valves, sleeve valves, emergency shutoff valves for water tanks, various control valves
Butterfly valves for power plants, discharge valves, various flow control valves, valves for ironworks, pre-action valves for sprinkler systems

Materials & Machinery Division



With crushing technology and material technology, we offer products that play an active role in a wide range of industries, such as aggregates, iron and steel, power, cement and railway transportation.

Railroad car brake components
Crushers, pulverizers, conveyors, wear-/heat-resistant castings for industrial equipment, wear-resistant pumps, classifiers

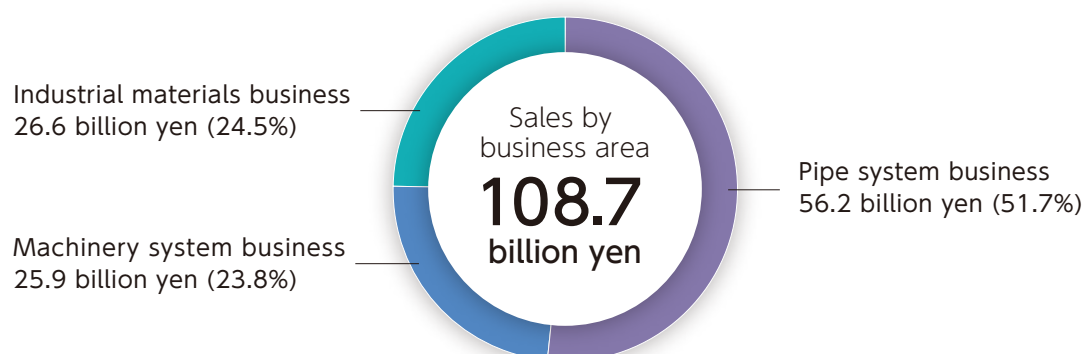
Plastic Products Division



The Polycon FRP series offers a flexible and wide range of applications for efficient use of FRP functions. We aim to have truly reliable manufacturing processes, and we contribute to the installation of social infrastructures on a wide scale.

Fiberglass-reinforced plastic mortar (FRPM) pipes, fiberglass-reinforced plastic (FRP) pipes, FRPM panels, FRP pultrusion products, various synthetic resin molded products
FRP core: FRP parts for machinery, equipment, and vehicles

Overview of Business Operations



Pipe system business

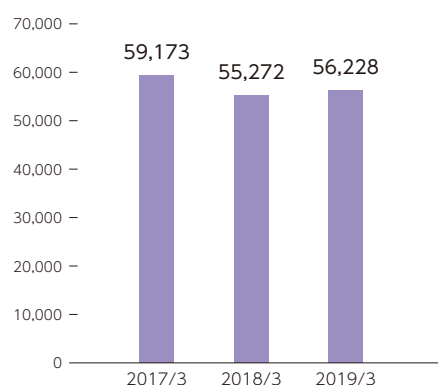
Sales **56.2 billion yen**

Sales from the pipe system business increased from the previous consolidated fiscal year by 955 million yen to 56,228 million yen due to reasons including growth in the shipments of medium- and large-diameter pipes in the Ductile Iron Pipe Division, as well as increased shipments for chemical plants in the Valve Division.

Operating income dropped from the previous consolidated fiscal year by 404 million yen to 891 million yen due to the impact of intensified competition for the Ductile Iron Pipe Division, as well as stubbornly high prices of raw materials, etc. and the decline in the production in some plants affected by a typhoon, although profits increased due to a revenue increase.

■ Sales

(Million yen)



Machinery system business

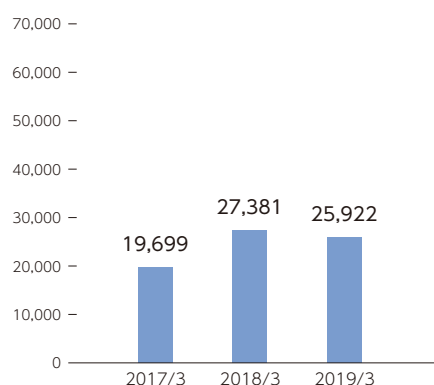
Sales **25.9 billion yen**

Sales from the machinery system business dropped from the previous consolidated fiscal year by 1,459 million yen to 25,922 million yen due to reasons including a decrease in the shipments of powdering equipment for large projects in comparison with the previous fiscal year in the Plant Engineering and Machinery Division despite an increase in shipments in the Materials and Machinery Division.

Operating income declined from the previous consolidated fiscal year by 191 million yen to 1,598 million yen, due to reasons including the impact of decreased revenue in the Plant Engineering and Machinery Division.

■ Sales

(Million yen)



Industrial materials business

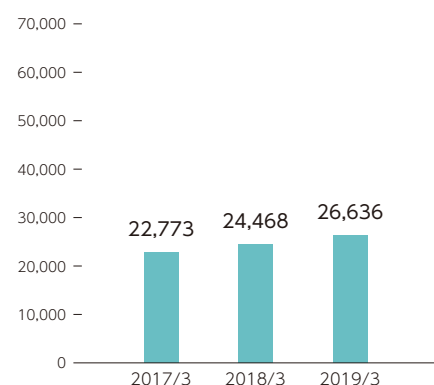
Sales **26.6 billion yen**

Sales from the industrial materials business increased from the previous consolidated fiscal year by 2,167 million yen to 26,636 million yen due to growth in shipments, mainly of construction products and civil engineering products, in the Construction Materials Division, as well as the contribution of an increase in the number of consolidated subsidiaries in this consolidated fiscal year.

Operating income rose from the previous consolidated fiscal year by 311 million yen to 738 million yen due to revenue growth in the Construction Materials Division and the contribution of an increase in the number of new consolidated subsidiaries despite the upward trend in the prices of raw materials, etc.

■ Sales

(Million yen)



To Stakeholders

While firmly maintaining the existing businesses, we will go over the borders of some business areas to achieve sustainable growth.

Kurimoto, Ltd. President

Moriyoshi Kushida



I would like to express my heartfelt gratitude for your continued support of the business operations of our Group.

Since our founding in February 1909 to manufacture cast iron pipes with casting technology for water supply systems, Kurimoto has worked to develop the social infrastructure and expand and improve industrial and infrastructural facilities for more than 100 years to establish a society where people can live safely and comfortably. I sincerely appreciate the support and patronage of the stakeholders for our Group.

The recent business environment surrounding Kurimoto has become even more chaotic. As to the international situation, various issues such as

the prolonged trade war between the United States and China and concern about Brexit without an agreement are increasing uncertainty over the future. Meanwhile, in Japan, the preparation for the Tokyo Olympic Games is in progress as an urgent task and it has been decided that Osaka will host the expo in 2025. While they are causing an uplifting feeling, an economic slowdown after the hike in the consumption tax scheduled in October remains to be a concern.

Under these circumstances, in fiscal 2018, which was the first fiscal year for the current three-year mid-term business plan, we recorded an increase in revenue and a decrease in earnings in

comparison with the previous fiscal year although both sales and operating income exceeded the targets set at the beginning of the term. As exemplified by very severe results in some segments, the circumstances remain uncertain.

The current three-year mid-term business plan aims to change "what must be changed" resolutely in order to not change "what must not be changed," which is namely the customers' trust that our predecessors have established over more than 100 years since our founding in 1909.

One of the keywords identified as "what must be changed" is "the borders of businesses." While the operations of each segment/business of our group are divided into business areas, we reflect that we may have been content with the business areas to some extent and postponed efforts to change them. In addition to the maintenance of the existing business areas, we believe that we also need to go beyond the borders of some areas and such efforts are essential to keep "what must not be changed," namely customers' trust.

To go beyond the borders of businesses, we consider that all employees in our group must work together again and share the value of having no fear of changing or being changed.

As this fiscal year is our 110th year in business, we started to use a new logo as the symbol of the Group in April 2019. In addition, we are promoting various measures to establish the Kurimoto brand while looking five or ten years ahead, such as the development of new transportation ads and promotion campaigns.

Our far-sighted efforts for sustainable growth are also making steady progress such as the operation of the Kurimoto Composite Center, which is a new base for the development of our CFRP business, from this fiscal year.

We will not be afraid of changing but continue to change with the aim of creating a better future for people and society.

Management Principle

We will meet the trust and expectations of all stakeholders, always provide suitable systems and create a "future with dreams."

❖ Dividend

We recognize the return of our profits to our shareholders as one of the most important policies and set stable and continuous payment of dividends as a basic policy. As a result of comprehensive evaluation of our business results, business environment and other factors for the year ended March 2019, we paid a year-end dividend of 30 yen per share for the year ended March 2019.

February 2019 marked the 110th anniversary of Kurimoto. I am grateful for our stakeholders because we would not have been able to maintain our business activities for such a long period without their support and guidance.

I sincerely ask for your continued and enhanced support.

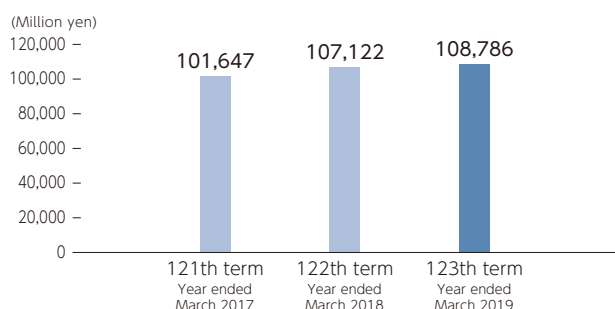
Financial Highlights

In our Group's business performance for this consolidated fiscal year, although the machinery system business recorded a drop in shipments, increased shipments in the industrial materials business and the pipe system business resulted in a sales increase from the previous consolidated fiscal year by 1,664 million yen to 108,786 million yen.

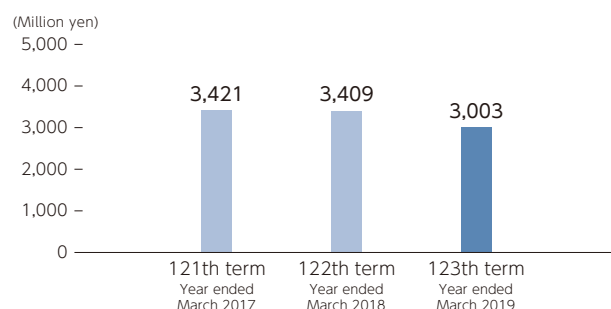
On the profit side, with the impact of a revenue decrease in the machinery system business and other factors, operating income stood at 3,003 million yen (a decrease of 406 million yen from the previous consolidated fiscal year) and current earnings were 3,200 million yen (an increase of 123 million yen from the previous consolidated fiscal year). Net income attributable to equity holders of the parent was 2,075 million yen (a decrease of 324 million yen from the previous consolidated fiscal year) due to the extraordinary loss incurred with the cost for recovery from damage from a typhoon, etc. as well as the loss relating to the shutdown of plants in subsidiaries.

Current Net income per share declined from 191.67 yen to 165.65 yen. Net assets per share declined from 4,658.26 yen to 4,633.55 yen.

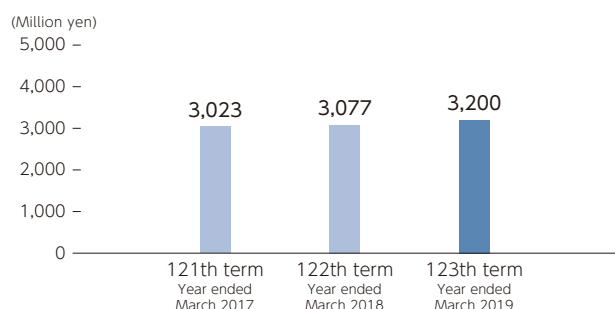
■ Sales



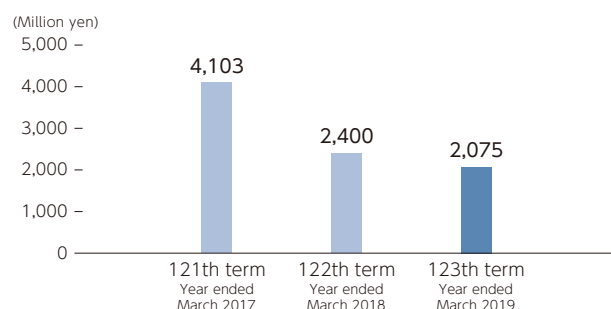
■ Operating income



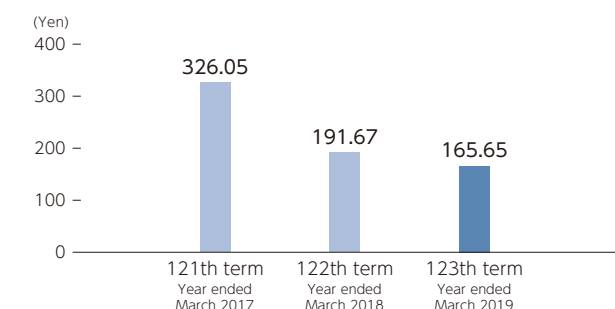
■ Current earnings



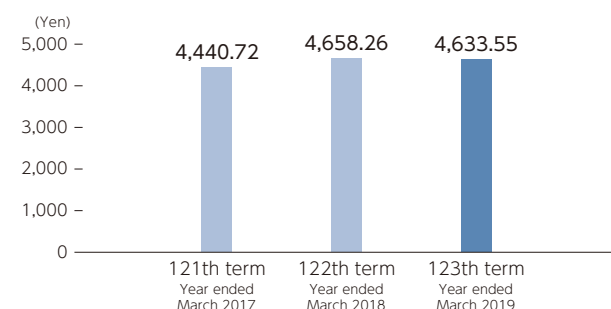
■ Net income



■ Net income per share



■ Net assets per share



Consolidated Financial Statements

■ Assets, liabilities and net assets

Gross assets at the end of this consolidated fiscal year increased by 1,346 million yen, to 136,469 million yen. Current assets increased by 2,397 million yen, to 87,774 million yen, while fixed assets decreased by 1,050 million yen, to 48,695 million yen.

Liabilities increased by 1,579 million yen, to 77,602 million yen. While current liabilities increased by 2,571 million yen, to 64,328 million yen, fixed liabilities decreased by 992 million yen, to 13,274 million yen.

Net assets declined by 232 million yen, to 58,867 million yen.

■ Cash flows

Cash and cash equivalents decreased from the end of the previous consolidated fiscal year by 1,626 million yen, to 21,507 million yen. Net cash provided by operating activities was 4,141 million yen and net cash used in investing activities was 1,918 million yen, while net cash used in financing activities was 4,211 million yen.

* For details, please see the earnings digest and securities report.

■ Consolidated Balance Sheets

(Million yen)

Item	This fiscal year	Previous fiscal year
	As of March 31, 2019	As of March 31, 2018
(Assets)		
Current assets	87,774	85,376
Fixed assets	48,695	49,746
Tangible fixed assets	31,121	30,792
Intangible fixed assets	745	749
Investments and other assets	16,828	18,204
Total assets	136,469	135,122
(Liabilities)		
Current liabilities	64,328	61,756
Fixed liabilities	13,274	14,266
Total liabilities	77,602	76,022
(Net assets)		
Shareholders' equity	57,493	56,136
Capital stock	31,186	31,186
Capital surplus	6,880	6,880
Retained earnings	21,178	19,830
Treasury stock	△ 1,750	△ 1,761
Total accumulated other comprehensive income	576	2,214
Valuation difference on available-for-sale securities	2,013	3,348
Foreign currency translation adjustment	5	18
Remeasurements of defined benefit plans	△ 1,442	△ 1,151
Non-controlling interests	797	748
Total net assets	58,867	59,100
Total liabilities and net assets	136,469	135,122

■ Consolidated Statements of Income

(Million yen)

Item	This fiscal year	Previous fiscal year
	From April 1, 2018 to March 31, 2019	From April 1, 2017 to March 31, 2018
Net sales	108,786	107,122
Cost of sales	84,147	82,472
Gross profit	24,639	24,650
Selling, general and administrative expenses	21,636	21,240
Operating income	3,003	3,409
Non-operating income	662	632
Non-operating expenses	465	965
Current earnings	3,200	3,077
Extraordinary income	588	471
Extraordinary loss	1,201	145
Income before income taxes and minority interests	2,587	3,403
Income taxes - current	610	532
Income taxes - deferred	155	430
Total income taxes	454	963
Net income	2,133	2,440
Net income attributable to non-controlling interests	58	40
Net income attributable to equity holders of the parent	2,075	2,400

■ Consolidated Statements of Cash Flows

(Million yen)

Item	This fiscal year	Previous fiscal year
	From April 1, 2018 to March 31, 2019	From April 1, 2017 to March 31, 2018
Net cash provided by (used in) operating activities	4,141	9,522
Net cash provided by (used in) investing activities	△ 1,918	△ 745
Net cash provided by (used in) financing activities	△ 4,211	△ 4,349
Effect of exchange rate changes on cash and cash equivalents	11	△ 22
Net increase (decrease) in cash and cash equivalents	△ 1,976	4,404
Cash and cash equivalents at beginning of year	23,134	18,226
Increased cash and cash equivalents following new consolidation	350	461
Net increase (decrease) in cash and cash equivalents resulting from the merger of consolidated subsidiaries	—	40
Cash and cash equivalents at end of year	21,507	23,134

Corporate Philosophy

The Kurimoto Group performs business activities in accordance with the principles specified in its Corporate Philosophy, such as conservation of the global environment and protection of social infrastructure.

Corporate Philosophy

1. We respect and value Earth, its water, air and life, and we will protect social infrastructure.

The Kurimoto Group is committed to environmentally responsible manufacturing. We seek to perform production activities in an environmentally friendly manner and make efforts to save energy and resources and to promote recycling. Mainly through creation of infrastructure that underpins people's life, we continue to make contributions in the business areas that support human society. (Infrastructure comprises vital lifelines including water supply and sewage systems, gas, electricity, communications, roads and railways.)

2. We offer "reassurance" in response to society and to our customer's trust.

The Kurimoto Group has been offering reassurance to society for 100 years, since its foundation. Without our customer's trust, we would not continue to exist. Based on the trust built over many years through concentration on solid business operations without involvement in risk-prone business activities, we offer "total quality services" (combination of high value, high quality and high level services) to further enhance the trust. We aim to maximize the trust we receive through the combination of quality, prices, delivery, maintenance and services so that we can provide reassurance at an even higher level.

3. We listen to our customers, learn from our customers, further develop and innovate technology, and offer original "optimal systems" to our customers.

In cooperation with customers, the Kurimoto Group demonstrates entrepreneurship based on the worksites. Kurimoto's original technology is enhanced and expanded with new technology to pursue manufacturing with commitment to customer satisfaction. We do not simply produce and sell goods but also offer the values appreciated by customers. The original technology we propose is also original to customers, and they can create original value by adopting our original technology.

4. We aim for the happiness of our employees and of mankind, through manufacturing products.

Corporate activities begin with pursuit of the happiness of people. We focus on manufacturing that truly supports human society, and realize improvement of working conditions and welfare of employees while contributing to society. Setting pursuit of people's happiness as a basic goal for business management, we work for business growth and social development.

5. For the implementation of the above, we ensure strict compliance, harmonize inheritance and changes, respect individuality and ingenuity, and work hard to contribute to society and to the development of business.

Inheriting history and tradition, we make efforts to ensure strict compliance in business operations, respond to changes of the times, implement continual improvement and innovation and pursue both development of the business and contribution to society (CSR activities) in a well-balanced manner.

Three-Year Mid-Term Business Plan

The three-year mid-term business plan developed by the Kurimoto Group aims to expand the scale of the businesses and increase profits through new initiatives that go beyond the borders of the existing businesses based on the new management principle.

Three-Year Mid-Term Business Plan (2018 to 2020)

Based on the review of the previous three-year mid-term business plan, we have formulated a management principle and a three-year mid-term business plan for the period from fiscal 2018 to 2020 to establish a business foundation that is consistent with social trends.

❖ Management Principle

The Kurimoto Group has set a new management principle that should be shared by all of its employees.

Based on our universal corporate philosophy, this principle systematizes the corporate philosophy, management principles, corporate creed and corporate standards of conduct to offer a new direction of the Kurimoto Group for the future.

Management Principle

We will meet the trust and expectations of all stakeholders, always provide suitable systems and create a "future with dreams."

What is a "suitable system"? (examples)

Pipe system business segment

- Proposal of a conduit line system using products such as aseismic ductile iron pipes and valves to contribute to the strengthening of national land
- Proposal of an effective conduit line renewal plan using our new technologies and know-how that are compatible with the design-build system (integrated ordering of design and construction) and can give advantages to the customer

Machinery system business segment

- Proposal of the design and plant engineering of industrial equipment suitable for the performance and other demand required by the customer
- Proposal of maintenance and management that can be implemented without stopping operation of industrial equipment of the customer

Industrial construction materials business segment

- Proposal of best products, services and solutions that can meet customer demand and social demand in the respective industrial areas

❖ Direction of the business

Based on the management principle, we will provide solutions to various social problems and needs to realize a "future with dreams" using our technical innovations. Then, while strengthening the business foundation for our existing businesses, we aim to expand the scale of new businesses and improve the profitability to achieve sustainable growth for the next 100 years.

Main subject of the three-year mid-term business plan

Identify the borders of existing businesses, maintain them in some areas and go over them in other areas.

❖ Relevance of new initiatives in the Kurimoto Group to social challenges

Aging social infrastructure

• Water supply and systems	← Proposal of the efficient renewal and earthquake-proofing of water facilities
• Agricultural water	← Restoration of the functions by cleaning and regenerating conduit lines
• Road and railway	← Extension of the life through maintenance, management and repair

Activities to realize a low-carbon society

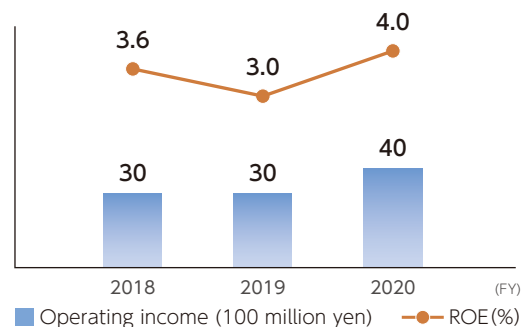
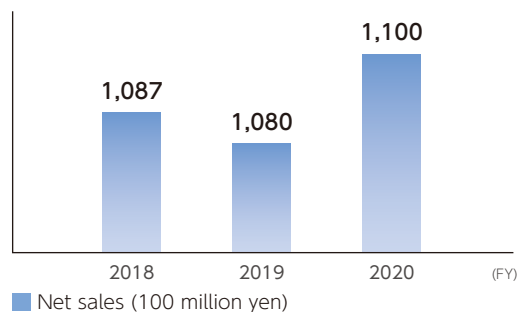
• Shift of cars to electric vehicles	← Proposal of innovative production systems for the secondary battery production process
• Contribution to the reduction of the weight of cars and other moving devices	← Proposal of CFRP* ¹ and other new materials

Changes in the social structure due to depopulation

• Decrease in water demand and privatization of water supply services	← Participation in the business to operate water supply services
• Demand for labor saving on construction sites	← Contribution through the supply of precast concrete* ² products, etc.
• Progress of robotization in society	← Contribution with new materials and in the area of haptics* ³

❖ Performance targets

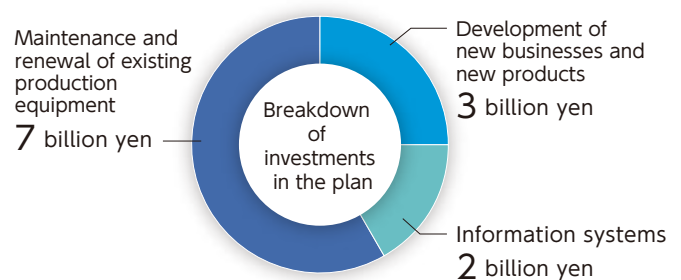
This plan sets the targets of achieving net sales of 110 billion yen, operating income of 4 billion yen (operating margin of 3.6%) and return on equity (ROE) of 4.0% in fiscal 2020.



❖ Investment plan

We plan to invest approximately 12 billion yen over the three years by using the cash flow from operations in the period of this three-year mid-term business plan.

The specific priority areas for investment include new businesses and technologies as well as IoT and other systems, and we plan to invest roughly 3 billion yen and 2 billion yen in them, respectively.



* The figures in this graph are the total amounts to be invested over the period from fiscal 2018 to fiscal 2020.

❖ Dividend

We have set the target of achieving the dividend ratio of more than 30% to ensure that the return to stockholders meets expectations in the financial market while also considering the balance between it and investments for growth.

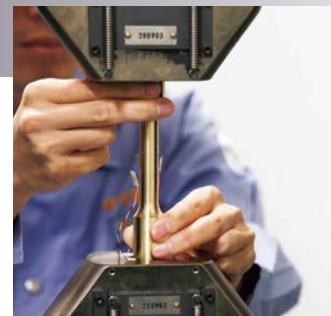
*1 CFRP: carbon fiber reinforced plastic

*2 Precast concrete: concrete product manufactured in a factory, etc. in advance before the assembly and installation on site, or a construction method using the product

*3 Haptics: Field where human tactile sense and kinesthetic sense are treated as information and transmitted

Research and Development

With a research and development system to build the future, we will meet the needs of the times by technology and create new values.



◆ Main R&D activities

The Kurimoto Group is earnestly committed to research and development activities in the underlying business domains of "Social Infrastructure" and "Industrial Equipment" under the corporate philosophy that we should contribute to the happiness of mankind through the provision of useful products and services.

We have further enhanced the coordination between the corporate R&D section (Kurimoto Center for Innovative Technology) and individual divisions in recent years with an aim to generate outcomes of R&D activities quickly for the creation of new businesses. While promoting technological development that is directly linked to the market, we are working to develop unique highly functional materials and their production processes.

Field	Subject	Outline
Social infrastructure	Development of products for making water pipelines earthquake-proof	We will work to increase sales for projects to renew medium- and large-diameter pipes, which are an urgent issue, using our original "hybrid system construction method." In addition, we will strive to shorten the construction period and further reduce the overall cost with the US-R system, which is medium- and large-diameter anti-seismic pipes developed recently, in order to contribute to the renewal and earthquake-proofing of aging conduit lines comprehensively from water sources to end users.
	Development of regeneration pipes and their construction methods for infrastructure	We are committed to the development of regeneration pipes with excellent workability and high earthquake resistance and strength, as well as their construction methods, for the renewal and the extension of the life of power cable protection pipes, sewage pipes, agricultural water pipes, etc.
	New entry into the fields of traffic infrastructure and bridge repairing	We are promoting entries into new markets while centering on new composite products and production equipment sales business in automotive fields, as well as new FRP product lines featuring nonflammable and insulation properties in railway fields. In the field of bridge repairing, we will promote the development of highly lightweight and corrosion-resistant products based on pultrusion technology.
Industrial equipment	Development of plants for secondary batteries	With an aim to supply devices, systems and plants to the secondary battery electrode manufacturing market, we have installed equipment to knead slurry for batteries using the technologies we have cultivated in our powder device business over many years, as well as equipment to dry, calcine and crush battery materials, in the test center installed in Kurimoto's Sumiyoshi Factory. Research and development through demonstration experiments for customers, as well as voluntary experiments, is currently implemented in the test center. We will further improve those products with creative ideas and efforts and promote sales activities in Japan and overseas.
	Development of application technology of the servo press	We are promoting the development of a forging technology combined with hydraulic systems that also involves composite molding. In addition to the M2M (remote monitoring system) we developed several years ago, we are also developing visualization to grasp the conditions of the press and enhance maintainability.
Advanced development	Development of a high-cycle molding system of carbon fiber reinforced plastic and moldings	<p>To solve challenges for the widespread use of carbon fiber reinforced plastic (CFRP) such as the reduction of the manufacturing cost and the shortening of the production cycle, we have introduced the Carbon-LFTD system*¹, high-cycle RTM system*² and demonstration molding equipment for CFRP pultrusion technology and are now promoting the development of total solutions covering the overall procedures from the design, trial production and mass production of specific CFRP parts to equipment. We will start the operation of the new composite center, which is currently under construction, early with an aim to develop businesses in the fields of molding equipment and moldings.</p> <p>*1 Carbon-LFTD system: CFRTF molding system to directly knead carbon fiber roving and thermoplastic resin, which are raw materials, and press and mold them</p> <p>*2 High-cycle RTM system: molding system to impregnate laminated carbon fiber sheets with thermosetting resin by injecting it into the sheets and heating and hardening the resin</p>
	Development of magneto-rheological fluid (MRF)	<p>We have developed new magneto-rheological fluid (MRF), which is functional fluid with iron fine particles dispersed in oil that becomes semi-solid when a magnetic force is applied. This new MRF has nano-sized iron fine particles and we are working to use it in rotating devices such as clutches and brakes, in which MRF has rarely been used. In the future, we plan to promote the diversification of liquids, cost reduction and the establishment of stable production technology for the practical use of MRF in the fields with high market potential including the field related to haptic devices* and also expand the scope of application for the sales of SoftMRF.</p> <p>* Haptic devices: The academic discipline where tactile sense and kinesthetic sense obtained by people with hands, etc. are treated as information is called haptics. Here, haptic devices are the devices that can mainly give kinesthetic sense artificially using nano-MRF.</p>

❖ Main Research Facilities

Kurimoto Center for Innovative Technology

Playing a core role in manufacturing, the Kurimoto Center for Innovative Technology is an R&D division that combines the creative abilities of the whole company.

The Kurimoto Center for Innovative Technology promotes various projects including the development of new materials and research on the environment and energy. Internal and external technical information is integrated into the cutting-edge research system to generate new technologies and new products. The center coordinates the research strategy of the whole group and also functions as a place for the cultivation of human resources including researchers and highly-skilled engineers.



Kurimoto Composite Center

As an R&D base for CFRP, which is a new technological field for Kurimoto, the center pursues the potential of advanced materials in collaboration with customers and related manufacturers.

The Kurimoto Composite Center was established as a base for the development of carbon fiber reinforced plastic (CFRP)-related technologies in March 2016. CFRP is an advanced material featuring lightweight, high rigidity and high strength and is attracting attention in fields such as automobiles, aircraft, robots and machine tools. Positioning it as a place for joint creation with customers and related manufacturers, we will use the center to provide various solutions ranging from the development of parts to the proposal of a mass-production system.



Additional Research Facilities and Equipment



Acoustic experiment building



Hydraulic test site



Composite cycle testing equipment



Electronic microanalyzer



Scanning electron microscope

* For other R&D information, see the "Technology Development" pages of our website. Also published is "Kurimoto Technical Report," a collection of papers that introduce the results of our R&D activities as well as new products and new technologies.

Compliance / Risk Management

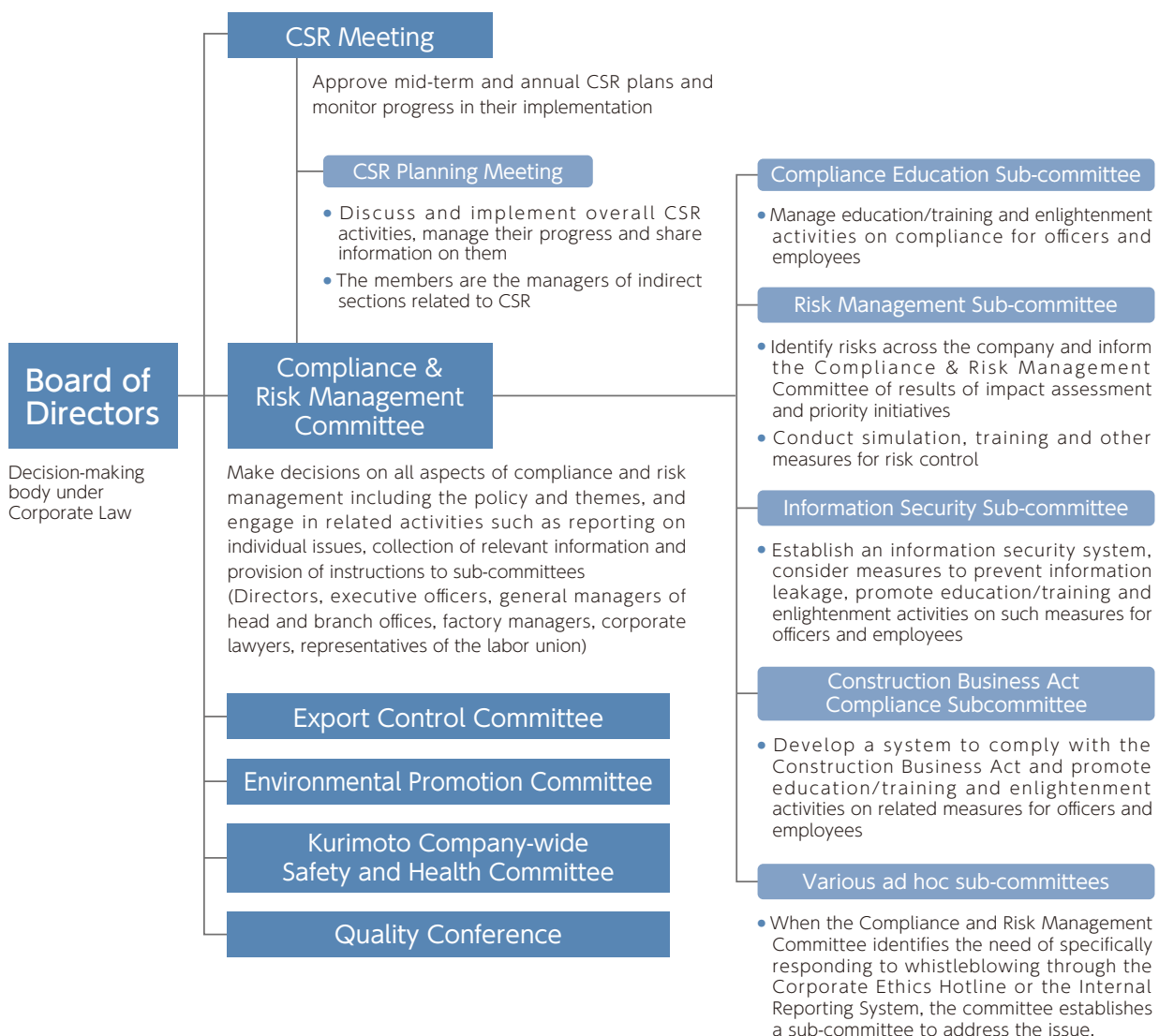
We have set up the Compliance and Risk Management Committee, which is chaired by the President, and promote its activities across the company.

❖ Compliance and Risk Management System

To maintain a system for compliance and risk management that underlies our CSR management, and to promote the activities, we have established the Compliance and Risk Management Committee. Chaired by the President, this committee makes decisions on all aspects of compliance and risk management including the policy and themes, and engages in related activities such as reporting on individual issues, collection of relevant information and provision of

instructions to sub-committees. The committee consists of directors, executive officers, general managers of head and branch offices and factory managers, as well as labor union representatives and corporate lawyers, and holds a meeting every month. Four full-time sub-committees have been formed in the committee, and are in charge of planning and management of specific activities related to issues such as compliance education and risk management.

■ Organization Chart of the Compliance and Risk Management System



❖ Compliance with Laws and Corporate Ethics

Kurimoto establishes the Corporate Standards of Conduct, and promotes business activities in a way to always comply with relevant laws and corporate ethics and win the trust society in a fair fashion.

【Corporate Standards of Conduct (excerpt)】

1. Behavior that gains the trust of society

With awareness that a company is a public entity of society and that trust is the foundation of a company, we seek to comply with relevant laws in any business activities, always act in a fair manner in accordance with corporate ethics and exist as a healthy company that is trusted by society.

2. Thorough dissemination of relevant laws and corporate ethics

We aim to constantly collect and understand information on relevant laws in Japan and other countries necessary for our business activities, and to make our employees thoroughly aware of compliance and ethics.

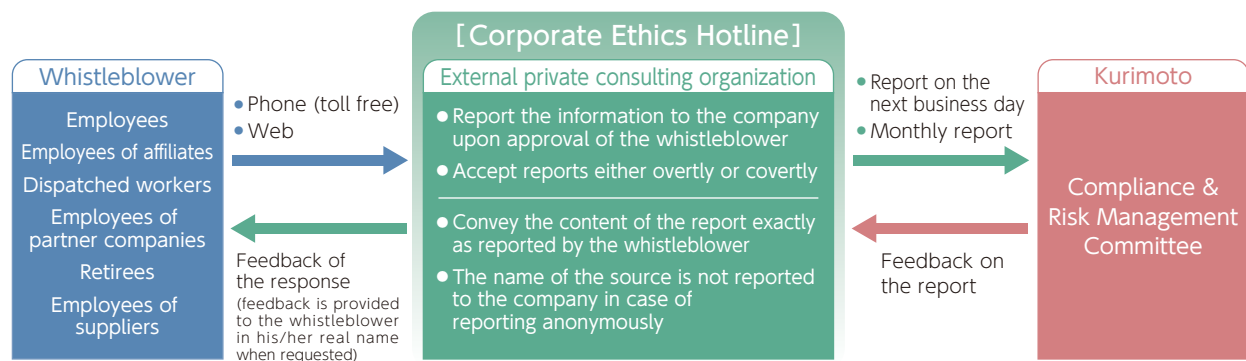
We encourage our employees to report any concerns about violation of laws or corporate ethics in business operations, to their superiors or to relevant sections for consultation, and we will act in a lawful manner based on common sense.

In the event of any violations of laws, we will promptly identify the causes and take corrective measures to prevent recurrence.

❖ Corporate Ethics Hotline

To promote compliance with laws and corporate ethics, we set up a Corporate Ethics Hotline in a neutral private organization outside the company in March 2004. If there is any injustice, misconduct or crime, or suspicion of such, in the company, the information can be reported through the hotline, even anonymously. The phone line is open from 12

noon to 9 p.m. on weekdays and from 9 a.m. to 5 p.m. on Saturdays, Sundays and public holidays. Reporting via fax or website is also available 24 hours, 365 days. The whistleblower will not be subject to any disadvantage for having used the hotline.



❖ Internal Reporting System

We have a system that allows a whistleblower to directly inform the Compliance & Risk Management Committee of any illegal, dishonest or anti-social act, or suspicion of such, via the intranet or in writing. The personal information of

the whistleblower is protected to ensure that he/she is not treated unfairly by the company. We have a mechanism to collect necessary information from the related sections in a prompt manner based on the relevant regulations.

❖ Compliance Day

We have designated February 4 and May 23 as Compliance Days; these are the days on which the Fair Trade Commission filed a criminal complaint against Kurimoto for violation of the antimonopoly law. To prevent recurrence of

such misconduct, we have set up a Compliance Emphasis Week, which includes either of the two dates, to provide training to raise awareness of legal compliance across the company.

Corporate Governance

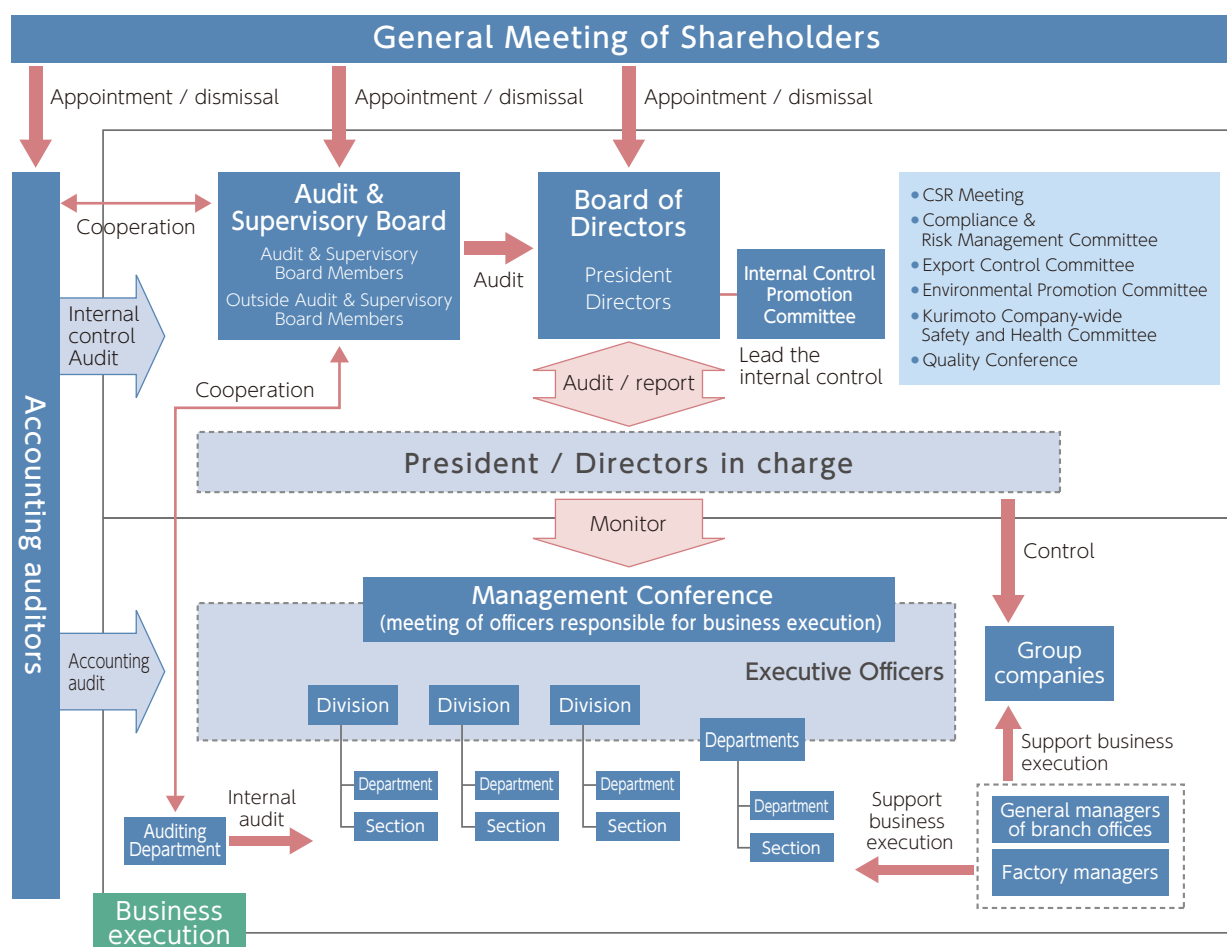
We are enhancing the system to promote corporate governance mainly through the following procedures: the establishment of Management Conference, which complements the Board of Directors; transfer of part of the authority for business execution to executive officers; and the activities of the Audit & Supervisory Board.

Corporate Governance System

We adopt a corporate governance system based on the execution of duties by a Board of Directors composed of eight directors including two outside director as the supreme decision-making and supervisory body. In addition, the Management Conference has been established with the President and other executives as the members to complement the functions of the Board of Directors such as sharing of management information of Kurimoto and other Group companies and progress management, and to facilitate speedy decision making and flexible and efficient business execution. We have also introduced an executive officer system to transfer part of the authority for business execution, which is a function of directors, to executive officers to relatively enhance the management and supervisory function of directors.

We have in place the Audit & Supervisory Board as a corporate auditing organization. The board is currently composed of three audit & supervisory board members including two outside audit & supervisory board members. The audit & supervisory board members attend regular meetings of the Board of Directors, which are held on a monthly basis, extraordinary meetings of the Board of Directors and other important meetings to check the operation of the internal control and business execution, and state views to the Board of Directors when necessary to audit business execution of directors. In addition, the Auditing Department has been founded as an internal auditing section independent from the business execution sections to audit the business processes of the divisions and assess and verify their appropriateness.

Organizational Chart of the Corporate Governance System



❖ Internal Control System

We seek to maintain and update the internal control system by formulating Corporate Standards of Conduct and Basic Policy for Establishment of the Internal Control System as the basic guidelines, and by implementing healthy and transparent management and enhancing internal audits and auditor's audits in accordance with the Regulations of the Board of Directors, Rules for Organization, Basic Rules on Risk Management, Rules on Compliance and Risk Management, Rules on Information Security Management and other regulations. In addition, the Internal Control Promotion Committee has been established as a permanent organization to respond to the internal control reporting system based on the Financial Instruments and Exchange Act, which focuses on ensuring the appropriateness of

financial reporting. This committee is also responsible for leading the internal control in the Kurimoto Group as a whole, and promotes improvement of the internal management system to prevent violation of laws and accounting errors and irregularities in a continuous manner.

As a specific initiative for the establishment of the internal control system, we are committed to enhancing the corporate governance system through the setup of the Compliance & Risk Management Committee chaired by the President and through other initiatives in order to cultivate a compliance-oriented corporate culture in which we not only comply with relevant laws but also act in accordance with social norms.

Corporate Standards of Conduct

The Corporate Standards of conduct provide the basic approach that should be followed in various situations when the Kurimoto Group practices its corporate philosophy. They consist of standards of conduct on business activities, which specify basic policy on research and development, procurement, production, marketing, information activities, compliance with laws and corporate ethics and financial reporting, as well as standards of conduct on the company's relationships with society and individuals, which give guidance on the conservation of the global environment, social contribution activities, overseas business activities and international contribution, response to anti-social forces, improvement of welfare, and respect for individuality and private acts. The Corporate Standards of Conduct are applied to all officers and employees (including full-time workers, contract workers and dispatched workers), and also serve as a basis for the internal control system that regulates the activities of the whole Kurimoto Group.

Basic Policy on Financial Reporting

Considering compliance-oriented business management, we have developed and are operating the necessary internal control system for sustaining and enhancing social credibility in order to ensure reliability and appropriateness in our financial reporting.

1. Proper accounting procedures based on the internal control system, and preparation of reliable financial reports

We are aware that a person's error means the company's error in financial reporting, which is linked with all business activities. With such recognition, we ensure visualization, monitoring and maintenance of records on a wide range of business processes including the upstream business activities (procurement, production, marketing, etc.) while performing proper accounting procedures and preparing reliable financial reports.

2. Efforts to develop and improve the internal control system

To increase the efficiency and effectiveness of business operations, we avoid prejudice and inaccurate assumptions, promote visualization and standardization of business processes, and develop and improve the internal control system to establish more efficient business procedures.

3. Financial reporting activities in compliance with laws and corporate ethics

By establishing an internal control system specified in relevant laws and regulations, we recognize the importance of business processes in accordance with written procedures, manuals, etc., and perform financial reporting activities under a strict control to ensure that they follow laws, standards and codes of conduct.

Information Security Basic Policy

1. Establishment of an information security management system

We set up a task force for information security management in the Compliance & Risk Management Committee to properly manage information assets in an integrated manner.

2. Protection of information assets

We take appropriate information security measures to carefully safeguard information assets against unauthorized access, leakage, alteration, loss, theft, accidents/disasters and obstruction.

3. Assessment of information security

We periodically assess the effectiveness of our information security measures and enhance the measures when necessary.

4. Business continuity management

We adopt emergency measures to respond to any accidents and disasters that interrupt our business continuity and take measures to continue our business operations without delay.

5. Internal audit

We conduct internal audits on a regular basis to verify compliance with the Information Security Basic Policy and relevant laws, rules and agreements.

6. Duties of officers and employees

Our officers and employees comply with the Information Security Basic Policy and relevant laws, rules and agreements. Any person who violates any of these will be subjected to punishment based on relevant laws and working rules.

7. Education and enlightenment

We provide necessary education and enlightenment to our officers and employees so that they deepen their understanding of the Information Security Basic Policy and relevant laws, rules and agreements and comply with them.

Personal Information Protection Policy

1. Acquisition of personal information and the purpose of use

When obtaining personal information, we identify the purpose of use and inform the purpose to the person who provides the information or announce it publicly. This personal information will not be used for any other purpose.

2. Supply of personal information to third parties

The personal information we have obtained will not be supplied to any third parties without prior consent unless otherwise announced in advance.

3. Security management of personal information

We will manage appropriately the personal information we have obtained, to avoid any loss or damage, in accordance with the personal information management rules and other relevant internal rules and standards. We take stringent security measures to prevent leakage to third parties or alteration from outside.

4. Correction or other treatment of personal information

If we receive a request from the information provider for correction or other treatment of personal information, we will process it in accordance with the Personal Information Protection Act.

Board of Directors

(as of June 28, 2019)

Directors

President	Moriyoshi Kushida	
Director & Senior Managing Executive Officer	Motohito Sawai	In charge of finance, internal control, auditing and affiliates
Director & Senior Managing Executive Officer	Hirobumi Okada	In charge of technology, overseas, equipment and Composite Project Division
Director & Managing Executive Officer	Mikio Yaji	In charge of the pipe system business, legal affairs, human resources and general affairs.
Director & Senior Executive Officer	Yoshiaki Shingu	In charge of the machinery system business, quality control, safety and health and production
Director & Senior Executive Officer	Kazutaka Kikumoto	In charge of the industrial construction materials business, Technology Development Division and logistics
Outside Director	Nobuhiro Otsuki	
Outside Director	Keiko Kondo	

Audit & Supervisory Board Members

Full-Time Audit & Supervisory Board Member	Minoru Murata	
Audit & Supervisory Board Member	Kazuhiko Hakozaiki	(Part-time)
Audit & Supervisory Board Member	Maki Arita	(Part-time)

Executive Officers

Senior Executive Officer	Kazuharu Kondo	In charge of Valve business
Senior Executive Officer	Shinya Kojima	In charge of Auditing, Consolidated affiliates and Overseas special projects. General Manager, Osaka Head Office
Senior Executive Officer	Hisato Sato	General Manager, Construction Materials Division
Senior Executive Officer	Akitoshi Oda	In charge of finance and corporate planning. General Manager, Corporate Planning Division
Executive Officer	Naofumi Saito	General Manager, Plant Engineering & Machinery Division
Executive Officer	Shin Ikuta	General Manager, Tokyo Office
Executive Officer	Takehisa Fukui	General Manager, Composite Project Division
Executive Officer	Takayuki Miyazaki	General Manager, Valve Division
Executive Officer	Yasuharu Yoshinaga	General Manager, Ductile Iron Pipe Division, General Manager, Kagaya Factory and Sakai Factory
Executive Officer	Takao Ueda	General Manager, Plastic Products Division
Executive Officer	Yasuji Noguchi	General Manager, Financial Department
Executive Officer	Yoshihiro Uraji	General Manager, Materials & Machinery Division

Quality Control

As a company that can contribute to society through manufacturing, we make continuous efforts to improve our quality management level in our business activities to provide various lines of products and services for creating infrastructure.

◆ Initiatives in Manufacturing

The Kurimoto Group makes all employees thoroughly aware of its policy of dedication to manufacturing, which is represented by the corporate message "Kurimoto - Manufacturing the future" as well as by the principle of giving top priority to safety and security, in order to achieve customer satisfaction.

Declaration of Quality Assurance Activities

In accordance with a principle in the Kurimoto Group's Corporate Philosophy, "We offer 'reassurance' in response to society and to our customer's trust," we aim for quality assurance from the perspective of customers and perform activities based on the quality assurance system established to meet the needs of the times as well as social demand.

Kurimoto Group Quality Policy

1. We provide products from the perspective of customers.
2. We provide customers with accurate and comprehensible information.
3. We listen sincerely to the precious opinions of customers.
4. We give top priority to safety.
5. We comply with laws.
6. Each and every employee of the Kurimoto Group makes best efforts to ensure quality.

Quality Management System

- We work to improve mechanisms for quality control based on the quality management system to ensure that customers recognize safety and security of the Kurimoto brand.
- We work to obtain ISO 9001 certification on a Group-wide scale for reliable operation and maintenance of the quality management system.

■ ISO 9001 Certification Registrations in the Kurimoto Group

(as of April 1, 2019)

Registered organization	Date of registration	Registration No.	Main product lines
Kurimoto, Ltd. Ductile Iron Pipe Division (Production and Technology Departments)	January 20, 1995	JQA-0766	Ductile iron pipes
Kurimoto, Ltd. Sumiyoshi Factory • Plant Engineering & Machinery Division • Valve Division • Materials & Machinery Division	May 17, 1996	JQA-1281	Powdering, kneading, drying and crushing systems, forging and bending roll systems, valves for industrial and public uses, various heat-resistant/wear-resistant metal castings
Kurimoto, Ltd. Plant Engineering & Machinery Division (plant-related)	March 13, 2015	JQA-QMA15184	Design, procurement, construction, commissioning, maintenance, and supply of parts for resource plants, power plants, energy plants and other similar plants
Kurimoto, Ltd. Construction Materials Division	September 30, 1996	Q4193	Light-weight spiral steel pipes, noise control equipment, reinforcing steel products
Kurimoto, Ltd. Plastic Products Division	May 28, 1999	JQA-QM3393	Fiber-reinforced plastic mortar pipes, various fiber-reinforced plastic moldings
Japan Castering Co., Ltd. kawara Factory	March 23, 2018	JQA-QMA15776	Heat-resistant and wear-resistant casting for industrial devices
Motoyama Eng. Works, Ltd.	May 15, 1994	UKAS No.3449752	Control valves, safety valves, industrial equipment
KS-Tech Co., Ltd.	July 30, 2010	UKAS No.06546	Roll forging machines, cutting machines, forging machines, bending rolls
Yashima Chemical Engineering Co., Ltd.	December 19, 2016	ISQA1119	Tanks, heat exchangers
Kurimoto Polymers Co., Ltd.	December 24, 2003	JCQA-1355	Molded plastic products (pipe materials and construction materials)
Zentec Co., Ltd.	November 10, 2000	JQA-QM5518	Road management and repair and construction work of road environment equipment (e.g. sound insulation walls)

Quality Improvement Activities with Participation of All Employees

Quality assurance system

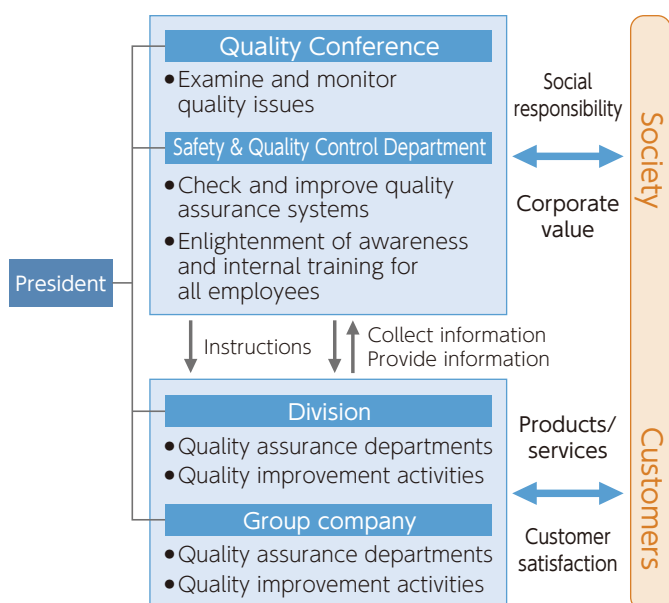
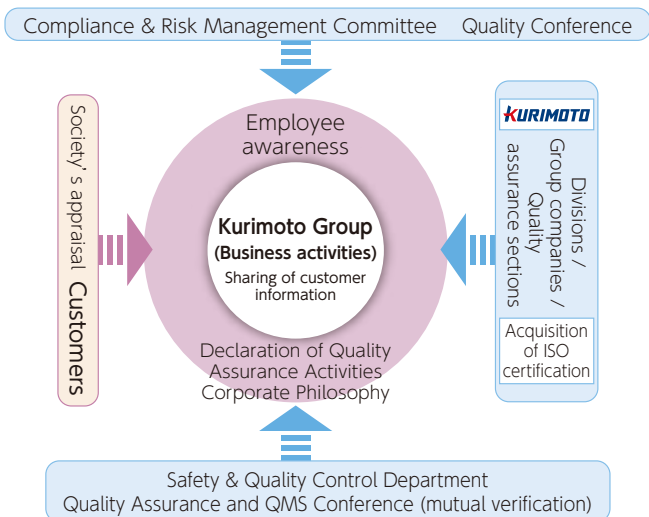
To respond to quality requirements based on existing and potential customer needs, the Kurimoto Group endeavors to enhance customer satisfaction by sincerely listening to valuable inputs from customers.

- At the Quality Conference, individual divisions are monitored from the managerial perspective, with respect to quality assurance that responds to trust from society and customers, and instructions for correction are rendered as necessary.
- The Safety & Quality Control Department checks and improves quality assurance systems in individual divisions, while collecting quality-related information and providing internal training based on the collected information.

We will further enhance our technical skills, which have been cultivated since our establishment, and improve our quality assurance system and activities to continuously contribute to society with our proprietary technologies, products and services.

Business Review System That Meets the Needs of the Times and Society

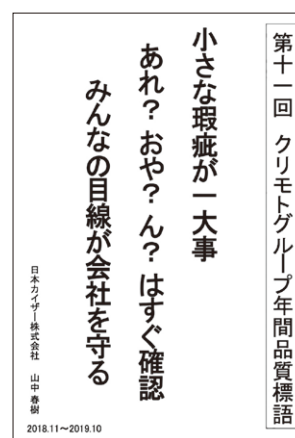
As a company that meets the needs of the times and society



Quality Improvement Emphasis Month

The Kurimoto Group has designated November as Quality Improvement Emphasis Month to promote various quality improvement activities with participation of all employees.

- Top management sends a "quality-related message" to all employees.
- Quality slogans for the Kurimoto Group are invited and posters are displayed to raise the awareness of participation.
- Daily operations are reviewed to intensively verify that customers receive accurate information on the products and services we provide for them.
- All employees participate in efforts to enhance and promote proposals for improvement.



Slogan (displayed from November 2018 to October 2019)



Poster (displayed in November 2018)

Activities to Make Proposals for Improvement

Many proposals for improvement are submitted every year, leading to an enhanced sense of participation among employees, to improvement of the workplace and to higher productivity.

	Number of employees	Annual number of proposals
Total	1,427	16,656



Poster (displayed in November 2018)



* Quality Conference mainly comprised of directors and executive officers.

With Suppliers

The Kurimoto Group places high value on relationships of trust with suppliers, and focuses on customer satisfaction and environmental conservation in its procurement activities.

Basic Approach

The Kurimoto Group's business activities rely on cooperation and support of many companies and people including the suppliers that provide raw materials and parts necessary for production. With deep recognition of this fact, our Group places a high value on relationships of trust with suppliers and develops procurement activities in a way to work and flourish together.

We are fully conscious of quality and cost reduction, and also consider environmental issues such as prevention of pollution, resource saving and energy saving, in our procurement activities.

Corporate Standards of Conduct [Procurement]

1. Policy of "customer satisfaction comes first," and procurement in consideration of environmental conservation

In our procurement activities, we are always conscious of the principle in the Corporate Philosophy that we offer "total quality services" (combination of high value, high quality and high level services) to enhance trust, as well as the idea that environmental conservation is a social mission for companies.

2. Fair, equitable and transparent procurement activities

We promote fair, equitable and transparent procurement activities in a rational manner in terms of quality, price, delivery period, safety and environmental conservation.

3. Mutual prosperity based on trust and improvement efforts

In our procurement activities, we aim to realize mutual prosperity by placing high value on relationships of trust with suppliers and seeking long-term growth and maintenance and strengthening of competitiveness through high quality, thorough cost reduction and other efforts.

4. Compliance with laws

We promote procurement activities in compliance with all relevant laws, including the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Antimonopoly Act) and the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors (Subcontractor Payment Act), as well as with their intent.

Basic Procurement Policy

Philosophy	To purchase materials that satisfy our demand in terms of quality, cost and delivery time, we make efforts to build good relationships with suppliers and to pursue mutual prosperity through mutual trust and cooperation.
Fairness and equity	We make decisions on adoption of materials based on fair and equitable assessment of quality, delivery time, prices and services.
Open door	We open the door wide for suppliers in Japan and overseas and work to seek new suppliers on a continuous basis.
Green procurement	We make efforts to procure environmentally-friendly parts and products.

Compliance with the Subcontractor Payment Act

To ensure dissemination of, and compliance with, Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors (Subcontractor Payment Act), the Kurimoto Group has prepared a compliance manual on transactions with subcontractors. A briefing session to study the Subcontractor Payment Act is held at each worksite during the Compliance Emphasis Week, and seminars by external lecturers are also organized, to enhance understanding of the manual.

Response to Anti-social Forces

Anti-social forces pose a threat to the order and safety of civil society and obstruct economic activities, and the activities of

these forces are becoming increasingly intellectual and sophisticated.

The Kurimoto Group declares in the Corporate Standards of Conduct that it is aware of social responsibility in responding to anti-social forces and will take the initiative to strictly forbid submission to, or collusion with, such forces and maintain a resolute attitude to eliminate them.

We will cooperate closely with relevant administrative bodies to develop an organization to respond to anti-social forces. In addition, we will consider this issue not as a passive risk, but as a serious issue concerning compliance, and establish procedures to solve it on an organizational scale. We will also develop systems for responding to anti-social forces and ensure related contractual provisions so that persons in charge can respond to such forces with confidence.

With Shareholders/Investors

We are committed to timely and appropriate information disclosure in order to gain stable long-term trust and support from shareholders and investors.

❖ Transparent Business Management

Kurimoto believes that timely and appropriate disclosure of information to shareholders and investors leads to their long-term and stable trust and support. We transmit information on business activities and make efforts to maintain good relationships with society in order to promote the growth of the company and to contribute to society.

❖ Communication with Shareholders and Investors

We visit institutional investors and security analysts in an effort to transmit information on our business activities.

IR materials such as earnings briefings, securities reports and annual reports are available on our website so that the information is provided in a timely and appropriate manner. Annual reports and interim reports are also delivered to shareholders.

We consider that general meetings of shareholders offer significant opportunities to our management personnel to have communication with shareholders. In the annual meetings, the President himself explains our management policy and corporate activities to shareholders in an easy-to-understand way.

❖ Data on Shareholders

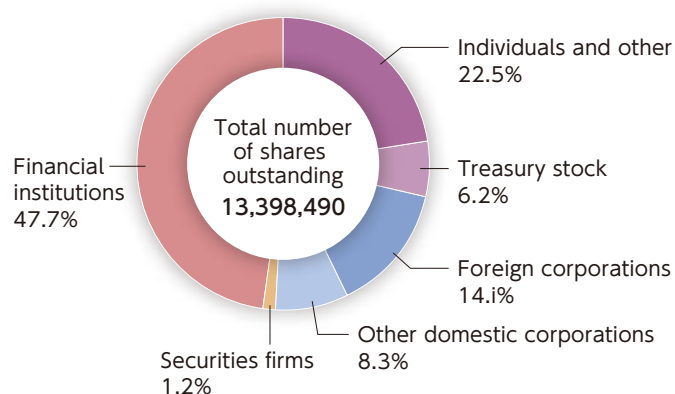
The total number of shares outstanding as of the end of March 2019 is 13,398,490. The breakdown of the shareholders is presented below.

※According to a resolution at the annual meeting of shareholders held on June 29, 2016, consolidation of common shares issued by Kurimoto as of October 1, 2016 was conducted to consolidate 10 shares into one share. As a result, the total number of shares outstanding was reduced by 120,586,418 shares to 13,398,490 shares.

■ Composition of Shareholders and Their Shareholding Ratio

Category	Ratio (%)
Individuals and other	22.5
Treasury stock	6.2
Foreign corporations	14.1
Other domestic corporations	8.3
Securities firms	1.2
Financial institutions	47.7

(as of the end of March 2019)



With Local Community/Society

The Kurimoto Group conducts community-based contribution activities in many parts of the world in order to fulfill in various ways the principle in the Corporate Philosophy
“We respect and value Earth, its water, air and life, and we will protect social infrastructure.”

❖ Co-existence with Local Communities

Participation in the Yamato River and Ishi River Cleanup Campaign

Employees and their family members, as well as retirees, from the Kurimoto Group participate in the Yamato River and Ishi River Cleanup Campaign, which is the largest joint cleanup event in Osaka Prefecture, every year. While only two people participated in the first campaign (in 1999), the number of participants increased as we continued this initiative, and 140 people joined this year's event. We will continue to be a part of the campaign and make our best effort to help improve the water quality in Yamato River.



Participation in the Hirose River 10,000 People Project

- Hirose River Cleanup Campaign - Tohoku Office

Participation in the Fujimae Tidal Flat Cleanup Campaign

- Nagoya Office

Participation in the Love Earth Cleanup 2018, a local environment cleaning campaign

- Kyushu Office



The Hirose River 10,000 People Project



Fujimae Tidal Flat Cleanup Campaign



Love Earth Cleanup 2018

Participation in the Fukushima-Hamakaido Sakura Project

Hoping to help the Tohoku Region to be restored as quickly as possible, we participated in the Fukushima-Hamakaido Sakura Project operated mainly by Happyroad Net, an NPO, by making a donation as part of our CSR activities.

In this project, local residents and other volunteers plant cherry blossom trees on a section of Route 6 (the total length of 163 km) and prefectural and municipality roads close to the national road to create roads lined with cherry blossom trees. The project aims to manage and maintain the cherry blossoms as flowers for the repose of souls of those affected by the nuclear accident for many years, pass them on to the future generations and realize a wish to ensure that the residents and children who had evacuated are welcome by rows of cherry blossom trees when they return home.



Fair Personnel Management, Support for Capacity Building

Based on the concept that people are the most important assets for companies, the Kurimoto Group seeks to maximize the contribution of each employee to its business management and takes measures that respect their diversity and individuality.

Basic HR Policy

For the Kurimoto Group to achieve sustainable growth, we believe that it is important to maximize the abilities and motivation of human resources, "people" who grow and upgrade their own value.

In accordance with the basic policy on human resources shown on the right, various personnel systems and programs are operated to help all employees feel proud and motivated to work and to achieve self-fulfillment through their work.

1. Recruitment of "people" who fit the management strategy

We work to actively recruit human resources with the skills and experience needed for the realization of our business and management strategy on a timely basis.

2. Development of "people" who reform the management culture

We work to vitalize our people and organizations through various personnel programs that motivate employees and help them demonstrate their best performance, and to develop a lively corporate culture with focus on "reform, challenge and creation."

3. Cultivation of "people" who reform their mindsets and behaviors

We work to cultivate human resources and encourage them to work autonomously so that they can develop themselves to contribute to their organizations.

Support for Capacity Building toward Self-fulfillment

The basic image of human resources that Kurimoto seeks is that of those who are always aware of problems and who proactively take the initiative to solve challenges in their workplace. We have established basic policy on education, and assist employees in building capacity so that they can realize self-fulfillment through development of their career in terms of professional skills and positions. The training courses provided for them are tailored to their respective work approach and expected roles.

Basic Education Policy

1. We will produce value-added products and services through capacity building of employees and revitalization of the organization in order to create customer value and make a social contribution.
2. We assist employees in career development and capacity building and aim to help them foster abilities to make a social contribution and a rich humanity both as members of society and as members of an organization.

Education System Diagram

		Position-based training		Personnel system-related	Training for selected employees	Support of personal development	Life design	Global education	CSR-related	Job type/department-based education						
Directors/Executive Officers		New director training New executive officer training								Skills	Technical	Sales				
Management staff (M Course*1)		Senior manager (newly appointed M2/division manager) training		Target management system training	Training for superiors of C2 promoted staff	Next-generation management leader training	KPC management school	Improvement cafeteria system (business school)	Distant learning system	Scheme to support the acquisition of public qualifications	New life training (58 years old)	Language training, TOEIC exam, overseas local training, etc.	Human rights education, diversity promotion education, time management training, compliance education, safety and health education, environmental education, quality education	Various skill exams (casting, mechanical processing, finishing, mechanical maintenance, etc.)	Intellectual property training	Credit management training
		New management staff training														
		Management staff promotion assessment training														
Union members	Senior class	Basic management training		Production leader development training (section chiefs)	C2 rotation system											
	Mid-level	C2 promoted staff training	P5 promoted staff training													
		Mid-career employee training														
	3rd year -	Training for 3rd-year employees hired for regular employment (C Course)	Training for 3rd- and 4th-year employees hired for regular employment (P Course)													
2nd year	Training for 2nd-year employees hired for regular employment															
New employee	New employee follow-up training		*brother & sister* system													
	New employee introductory training															
		C Course *2 P Course *3		*1 M Course (newly appointed M2/division manager) training		*2 C Course (new management staff training)		*3 P Course (management staff promotion assessment training)								

*1: M Course (management course) *2: C Course (creative course) *3: P Course (professional course)

HR rotation system (C Course, medium class)

We have operated an HR rotation system mainly for medium class employees in the C Course (clerical and technical positions) since April 2015. The HR rotation system has three objectives, namely (1) Identification of the right jobs for the right persons and development of human resources, (2) Vitalization of organizations and (3) Creation of added value and innovation. This system will help the employees find new aspects of

themselves through experience in different jobs and organizations. We also believe that when employees with various backgrounds gather in an organization, they learn diverse viewpoints and values from each other through discussions and stimulate each other to vitalize the organization, and this will lead to business creation and the improvement of added value.

Work Environment

The Kurimoto Group values diversity of human resources in the workplace, and aims to create a work environment where employees can perform according to their respective abilities and aptitudes with a sense of security.

Respect for Diversity

Respect for human rights

Kurimoto considers the attitude to and efforts for human rights issues as one of the important management challenges and organizes position-specific, office-specific and theme-specific human rights workshops in a regular and continuous manner throughout the group. During Human Rights Week in December 2018, we invited an external lecturer from a special subsidiary company and organized training sessions with the title of "Current situation of the employment of persons with disabilities in private companies and response to it" for officers and management staff. We will continue to further strengthen cooperation with related organizations outside the company including the Corporate Federation for Dowa and Human Rights Issue, Osaka and also tackle a wide range of human rights issues to enhance awareness of each and every employee.



Human rights workshop for officers and management staff

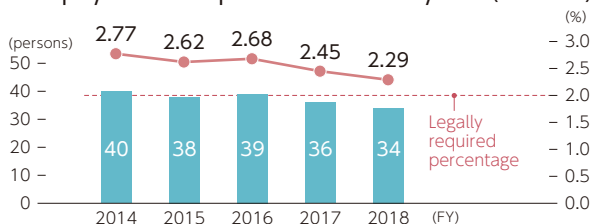
Promotion of employment of senior workers

Kurimoto introduced a re-employment scheme in April 2006 to continuously retain all employees who have reached retirement age but who wish to continue working until the age of 65 as a general rule. The applicants can flexibly select the work style that fits their individual lifestyle, such as full-time work or a more relaxed work style (working on half-day or alternate-day basis). We offer various programs and work conditions to encourage senior workers to aggressively use their skills and know-how even after reaching retirement age, including a system to reflect their performance on their retirement benefits.

Promotion of employment of people with disabilities

The Kurimoto Group continues to make various efforts to create a comfortable work environment for people with disabilities and to adapt the workplace to accommodate their needs.

■ Employment of People with Disabilities by Year (Kurimoto)



■ Number of employees with disabilities —●— Employment rate

* As of June 1 every year (according to the annual report on the employment of people with disabilities)

* Employing one person with severe disabilities is considered the same as employing two persons with disabilities.

Promotion of measures to support female workers to play more active roles

We provide training to female employees and bosses and have also formulated the action plan below to develop a work environment where female workers can play more active roles.

Action plan based on the Act to Advance Women's Success in their Working Life

(Three years, from April 1, 2018 to March 31, 2021)

Target 1: Increase the ratio of female workers among the new employees hired at the time of regular employment to 30%

Target 2: Increase the ratio of the workers who continue to be employed in 10 years from the employment to 80%

We will promote various initiatives concerning recruitment, staffing, training, etc., to support female workers to play more active roles.

● Acquisition of certification as an "Osaka City Active Women Leading Company"

In recognition of its efforts to support employees' work-life balance, Kurimoto was certified by Osaka City as a two-star Osaka City Active Women Leading Company (leading company in the efforts to support women to demonstrate their fullest capabilities) and as a company that encourages male workers to become "ikumen" (father playing an active role in parenting) on December 1, 2017.



Promotion of support for balancing work and life

Kurimoto aims to help employees balance work and life and keep working lively. Our initiatives to promote work-life balance include establishment of a general business owner action plan based on the Next Generation Nurturing Support Measures Promotion Law, as well as development and improvement of programs to allow employees to take childcare and nursing care leave and reduce their working hours to devote more time for childcare.

Action plan based on the Next Generation Nurturing Support Measures Promotion Law

(Three years, from April 1, 2018 to March 31, 2021)

Target 1: Expansion of opportunities for workers to receive training that helps them achieve a balance between childbirth/child rearing and career development

Target 2: Increase in the number of paid holidays taken by employees through measures to encourage them to take holidays

In recognition of our efforts to support the development of the next generation, the Ministry of Health, Labour and Welfare certified Kurimoto as a company that supports child rearing, and granted the next generation accreditation mark, "KURUMIN".



■ Use of Childcare-related Programs (FY2014 to 2018)

Proportion of female workers who took childcare leave	100%
Number of male workers who took childcare leave	8 persons
Number of workers who reduced working hours for childcare	6 persons
Number of days off taken for nursing care	63 days

Safety and Health

The Kurimoto Group actively develops safety and health activities with the involvement of partner companies to attain the goal of zero occupational accident and zero occupational illness.

Progress in Safety and Health Activities

Since 1962, the Kurimoto Company-wide Safety and Health Committee has held meetings with the participation of the whole Kurimoto Group, including partner companies, in health and safety activities to meet the target of zero occupational accidents and zero occupational illnesses. Our safety initiatives include thorough implementation of fundamental activities such as safety patrol, safety training, risk assessment and risk prediction. We also address health-related issues such as prevention of lifestyle-related diseases, avoidance of overwork and strengthening of support for mental health, through organization of workshops, consultations with industrial physicians and stress checks in a planned manner.

Kurimoto's Company-wide Target and Basic Policy for Safety and Health in FY2019

Target

Zero occupational accident and zero occupational illness

Safety Declaration

We will adhere to the rules decided by us or others.

Basic Policy

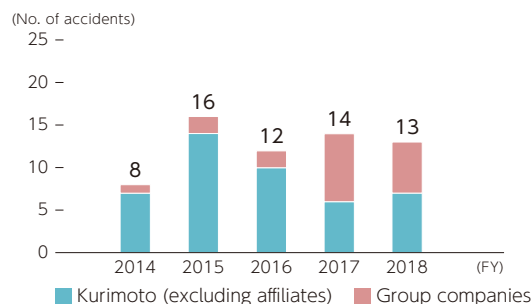
1. We return to the origin that safety should be put before everything else, and everyone from top management to each employee acts with the top priority on safety.
2. We aim to establish workplace groups of people who individually understand and comply with the determined rules and always follow the basics in their operations.
3. We help each employee to grow, and work to create a comfortable work environment as well as a corporate culture that focuses on safety and health with the participation of all employees.
4. We improve safety and health activities in a continuous manner to secure the safety and health of all people involved in the business activities of the Kurimoto Group, and to contribute to the realization of a safe, secure and comfortable society.

Results of Health and Safety Activities

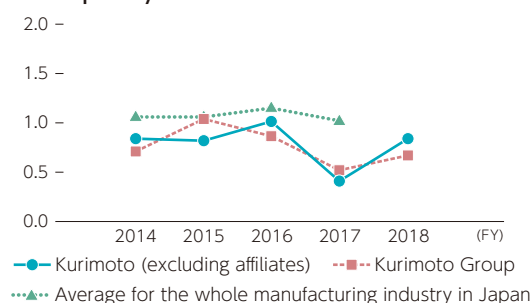
The Kurimoto Group follows the PDCA cycle of safety activities by ensuring, in case of an occupational accident, that the cause is ascertained and that measures are taken to prevent recurrence, in order to eliminate occupational accidents.

Occupational accident data

■ Number of occupational accidents (Including accidents with no lost workdays)



■ Frequency Rate



	2014	2015	2016	2017	2018
Kurimoto (excluding affiliates)	0.84	0.82	1.02	0.41	0.84
Kurimoto Group	0.71	1.04	0.87	0.52	0.67
Average for the whole manufacturing industry in Japan	1.06	1.06	1.15	1.02	1.20

Frequency rate is the number of injury accidents per million work hours, and indicates the frequency of accidents that cause a worker to miss one or more days of work.

Frequency rate =

$$(\text{number of injury accidents} / \text{total working hours}) \times 1,000,000$$

Safety and Health Initiatives

Simulated Hazard Experience Training Hall

We established the Simulated Hazard Experience Training Hall in Kagaya Factory in fiscal 2015.

On the sites of the manufacturing industry, while there has recently been significant progress in safety initiatives such as the improvement of the work environment and the achievement of essential safety of machines and equipment, it is indicated that it has become more difficult for field workers to understand what is dangerous and what action involves danger.

In the simulated hazard experience training, participants experience simulated hazards that lurk in work operations, using simulated hazard experience equipment that simulates operations on actual sites, etc. The training aims to enhance each person's sensitivity toward danger. The Simulated Hazard Experience Training Hall is equipped with various training machines that can simulate roughly 20 types of hazards, including getting pinched, getting a body caught in machinery, dust explosions and electric shocks, to allow trainees to learn about them. We referred to our past accidents and similar equipment at other companies, and also added some unique ideas of ours for the machinery.

A total of more than 900 people have already received training in the Simulated Hazard Experience Training Hall. We hope that the training leads to creating safe and secure workplaces and also helps the entire Kurimoto Group meet the target of eliminating occupational accidents.



Device to simulate overcurrent and tracking

Device to simulate slips and falls

Disaster prevention awareness-raising training sessions

Kurimoto regularly organizes disaster prevention awareness-raising training sessions and life-saving training sessions to save the lives that can be saved and prepare for natural disasters that can occur at any time.

In fiscal 2018, we organized a practical training workshop on first-aid treatment using familiar items with the cooperation of Osaka Prefecture Branch of the Japanese Red Cross Society. A practical lesson was provided on initial treatment including first aid actions and methods to stop bleeding using items that can be obtained in an ordinary home such as supermarket plastic bags, women's stockings and men's neckties. A lecture was also given on the importance of self-support, mutual support and public support in emergency situations. The workshop helped the participants have a better understanding.

We will continue to claim the importance of training to save the lives that can be saved and preparation for saving the lives of loved ones and properties through the life-saving training sessions and disaster prevention awareness-raising training sessions.



Demonstration of first-aid treatment using familiar items

Activities to visualize safety

"Visualization of safety" is to make danger in the workplace and daily safety activities visible with photos, pictures, drawings, signage, etc. The visualization helps an organization develop effective safety activities and thereby prevent occupational accidents.

Our worksites for iron pipe manufacturing, which started the visualization activities ahead of other sites, have enhanced the safety awareness of employees and revitalized their safety activities through initiatives such as the establishment of a program that commends excellent activities to visualize safety. We are now working to introduce the activities throughout the company to promote the establishment of a workplace where there are no disasters and staff can work comfortably across the Kurimoto Group.



Activities to visualize safety

Activities to promote quitting smoking

The Health Promotion Law revised in fiscal 2018 will promote a ban on smoking and separation of smoking areas throughout social life.

We are also promoting the installation of smoking rooms and a ban on indoor smoking as measures to address passive smoking. More specifically, we work to raise awareness through lectures on tobacco, display of posters that encourage smokers to quit smoking, etc. In fiscal 2018, we organized a lecture of our industrial doctor under the title of "Tobacco and health hazards" to promote quitting smoking.

Environmental Conservation Activities

To be committed to protecting the global environment, including the water, air and life of the Earth, in our manufacturing and other business activities, we have established the Kurimoto Basic Environmental Policy and promote activities to show our commitment.

Measures for Environmental Management

Basic Environmental Policy

Based on the Basic Environmental Policy, we consider environmental conservation to be a core management task and promote environmental conservation activities in a continuous manner.

Kurimoto Basic Environmental Policy

1. Promotion of environmental management and continuous environmental conservation activities
2. Compliance with laws, regulations, agreements, action plans, etc. and elimination of environmental risks
3. Energy saving, resource saving, reduction of waste and recycling to promote reduction of environmental impact
4. Promotion of shifting to products with lower environmental impact and development of environmental conservation equipment
5. Environmental education and enlightenment of all employees
6. Promotion of participation in social contribution activities

Environmental Management Structure

Chaired by the manager of the section in charge of environment management in the Head Office, the Environmental Promotion Committee cross-connects different divisions and worksites and promotes the introduction and operation of an environmental management system and environmental impact reduction activities.

Environmental Management Structure

We regard consideration of the environment as a crucial management task in business activities, and accordingly founded the Environmental Promotion Committee. This committee cross-connects different divisions and worksites to reduce environmental impact and thereby ensure that we can contribute to the establishment of a sustainable society.

【Environmental Promotion Committee】

Chairperson

Manager of the section in charge of the environment management in the Head Office

Committee members

Manager responsible for the environment management in factories

■ Kurimoto Group of ISO 14001 (Environmental Management System) Certification

(as of April 1, 2019)

Registered organization (related division/department)		Date of registration	Registration No.	Main product lines
Kurimoto, Ltd. Kagaya Factory	Ductile Iron Pipe Division	February 10, 2000	JQA-EM0710	Ductile iron pipes
Kurimoto, Ltd. Sakai Factory	Ductile Iron Pipe Division	December 3, 1999	JQA-EM0613	Ductile iron pipes
Kurimoto, Ltd. Sumiyoshi Factory	Valve Division Plant Engineering & Machinery Division Materials & Machinery Division Technology Development Division	March 27, 1998	JQA-E-90144	Valves for industrial and public uses, powdering, kneading and drying systems, forging and bending roll systems, crushing, and heat-resistant/wear-resistant metal castings
Kurimoto, Ltd. Katano Factory Koga Factory	Construction Materials Division	July 10, 2009	JQA-EM6376	Products related to ducts for construction, building material products for construction and civil engineering, noise control equipment
Kurimoto, Ltd. Koto Factory Shiga Factory	Plastic Products Division	November 30, 2001	JQA-EM1947	Reinforced plastic mortar pipes, various reinforced plastic moldings
Zentec Co., Ltd.		June 30, 2017	JQA-EM7341	Maintenance and repair work of bridges and roads, repair and reinforcement work of concrete structures, work for sound insulation walls, rear face sound absorbing plates, guard fences and approach preventing fences

Green Purchasing

To pursue environmental conservation in our supply chain, we promote green purchasing activities. The basic ideas of Kurimoto are presented to suppliers as guidelines to ask for their

cooperation. We also encourage suppliers to develop their environmental management structures by reference to ISO 14001/JIS Q14001 (environmental management system).

Guidelines

In purchasing, we will select the products with less environmental impact in consideration of the following aspects.

1. Materials

The materials to be used in products and parts shall be easily recyclable.

The kinds of the materials to be used in products and parts shall be uniform whenever possible.

2. Recycling

A large quantity of recycled materials shall be used in the materials to be used in products and parts.

3. Resource saving

The raw materials shall offer a high yield to enable effective use of resources.

The products and parts shall be smaller and lighter and have a low failure rate.

4. Chemicals

Less amount of hazardous substances shall be used (legally banned substances shall not be used).

5. Energy saving

Energy saving (power, fuel, etc.) shall be considered in the production process.

6. Easiness of disassembly

The products and parts shall be able to be easily disassembled into reusable units.

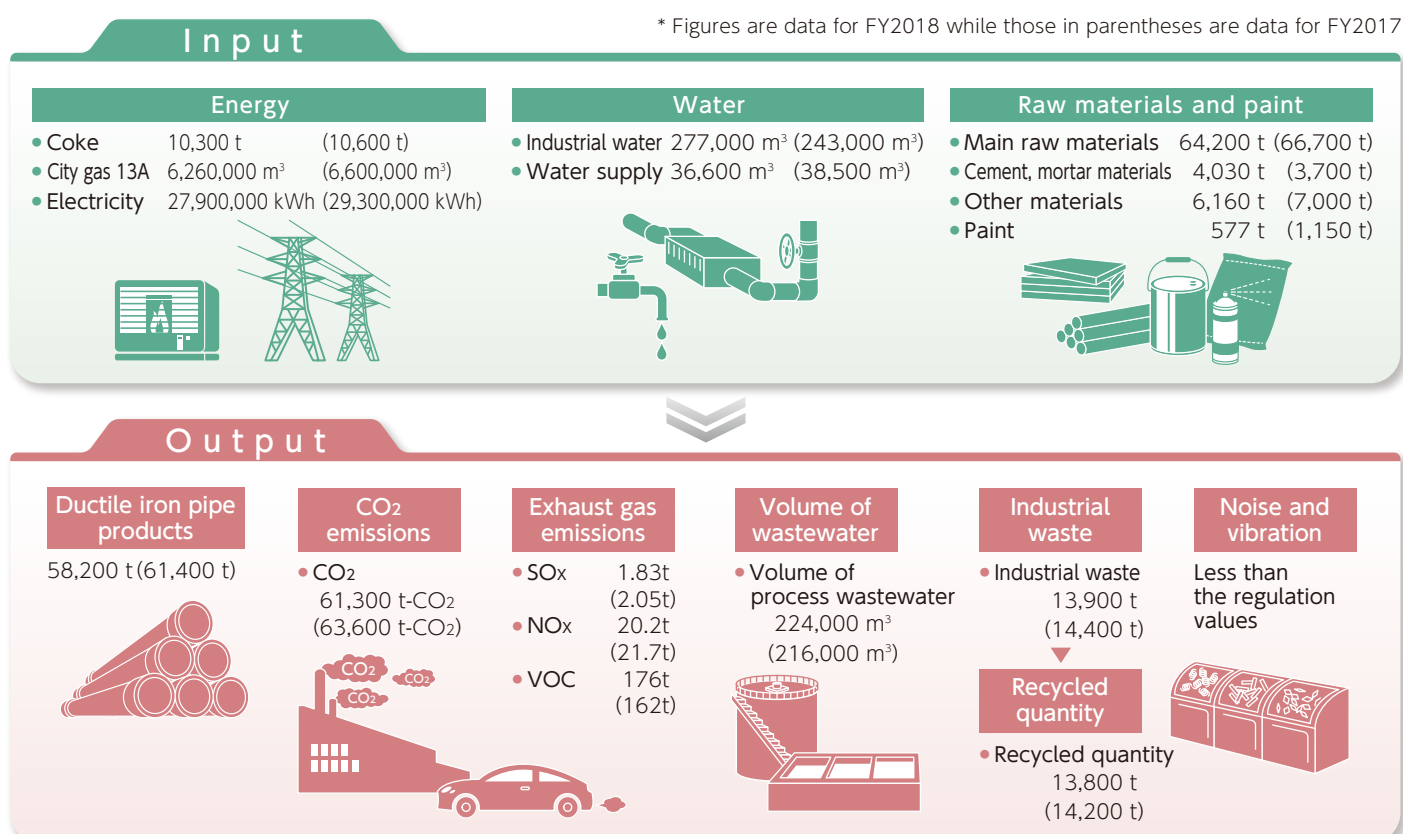
7. Packaging materials

The packaging materials (containers, packaging materials, etc.) shall be recyclable and able to be reused or used as recycled materials.

Material Flow from an Environmental Perspective

Ductile iron pipes play an important role in the main artery of industry, such as underground water and sewage pipes, to underpin people's life in every corner of society including urban, suburban and rural areas. With high adaptability to severe laying conditions, as well as high durability and easy applicability, the pipes are used widely as parts of conduit lines for water supply, agricultural water supply, sewage system and industrial water supply. The products are made of iron, which is highly recyclable.

The raw materials, paint, water and energy necessary for the manufacturing of the pipes are used efficiently in an effort to reduce emissions. The material flow in the production of ductile iron pipes is presented below from the perspective of the environment in two of our factories that manufacture them.



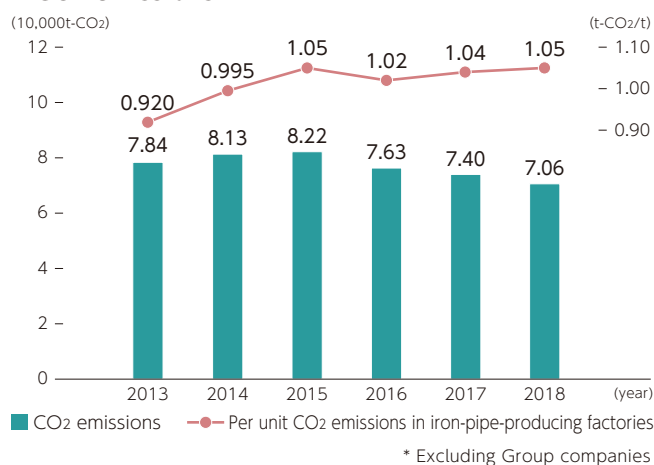
Energy Saving to Reduce CO₂ Emissions

Kurimoto's facilities are mainly composed of iron-pipe-producing factories which have melting, casting and thermal processing sections, and mechanical factories which have machining and assembly sections. The iron-pipe-producing factories account for 86.0% of the CO₂ emissions from the whole company.

Our main initiatives to reduce CO₂ emissions include reduction of coke use through improvement of the production method, reduction of power consumption by introducing energy-saving devices at the time of their renewal, and reduction of gas consumption by using waste heat.

In 2013, the base year for Japan under the Paris Agreement, our CO₂ emissions were 78,400 t-CO₂. Our emissions in 2018 were 70,600 t-CO₂, showing a decrease of 10.0% from the base year.

■ CO₂ emissions



Waste Reduction Activities

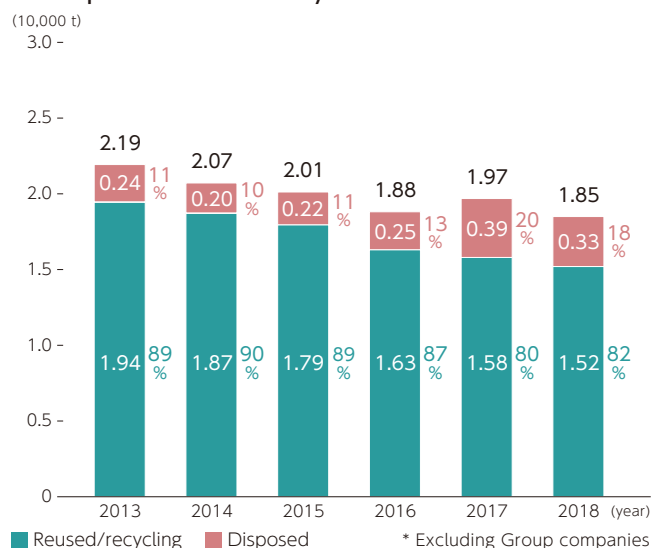
As part of the implementation of the ISO 14001 environmental management system, we aim to reduce industrial waste, promote appropriate recycling and ensure proper disposal of waste, in order to minimize environmental impact.

Approach to waste reduction

We reduce the amount of waste generated in our worksites and transported out of the sites as industrial waste.

- ① Consider usage of the waste as valuable materials
- ② Consider reduction in waste generation
- ③ Consider recycling of the waste at the worksite
- ④ Mutually share the information between worksites
- ⑤ Share various information on waste collection

■ Composition of Waste by Year



Environmental products

Translucent screens

The screens are used as sound insulation walls on roads to reduce noise for the areas along the roads.

Our line of translucent screens has those made of polycarbonate resin, which has high impact resistance, and those made of acrylic resin, which additionally has high durability, and users can select either type according to the specifications they require.

In addition to sound insulation and safety performance, those translucent screens help improve the insulation problem for neighborhood residents, as well as the landscape, and play a major role in the improvement of the environment.



TOPICS 1

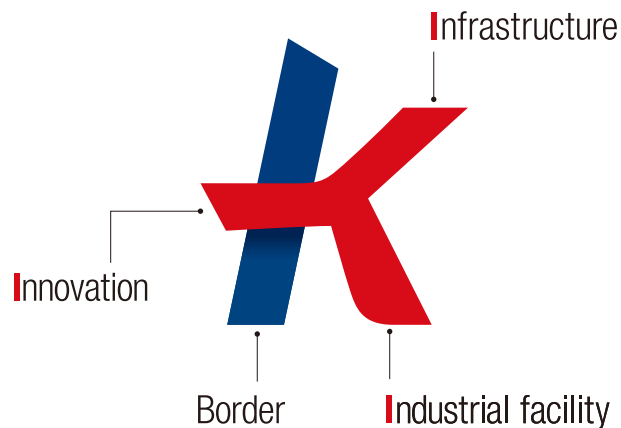
Renewal of the symbol logo of the Kurimoto Group in commemoration of the 110th anniversary

We have set a symbol logo of the Kurimoto Group in order to encourage our stakeholders, as well as those who learn about us in the future, to have expectations of our future based on our "changing" image while also maintaining a sense of security and a sense of trust that Kurimoto has retained for 110 years since its founding.

KURIMOTO

Description of the design

- 1 "Kurimoto blue," the conventional corporate color is continuously used to represent "tradition" while "Kurimoto red" is used as an accent color to express our will to take on challenges.
- 2 The letter "K" expresses an arrow made of three "I"s of Infrastructure, Industrial facility and Innovation flying over the border.



TOPICS 2

Development of the Kurimoto brand

We have set 2019 as the first year for the establishment of the Kurimoto brand in commemoration of our 110th anniversary since our founding and will implement various promotion activities in sequence, such as the start of the use of the new group logo in April, in the year.

- Display of ads on Tokaido Shinkansen platforms of Tokyo, Nagoya and Shin-Osaka stations and in Osaka Metro Yotsubashi station



- Publication of the special website for the 110th anniversary

Employing a design featuring the new corporate colors, the website introduces new products and project activities that go beyond the business borders as special content.

- Production of Kurimoto's theme song

The song is currently being produced with an aim to create a corporate theme song that can encourage employees and all other stakeholders and make them feel closer to Kurimoto. We plan to release it on the 110th-anniversary special website soon.



TOPICS 3

Establishment of Kurimoto Pipe Engineering Co., Ltd.

We established Kurimoto Pipe Engineering Co., Ltd. on October 1, 2018. Our Ductile Iron Pipe Division has accumulated a wide range of technologies and know-how in the fields of water supply, sewerage, agricultural water and industrial water. Making use of the technologies and know-how, Kurimoto Pipe Engineering Co., Ltd. will provide customers with various solutions for conduit lines including investigation, diagnosis, inspection, planning, design, construction, management and maintenance and regeneration to help solve various challenges faced by water supply services in the future.



クリモトパイプエンジニアリング株式会社

Name

Kurimoto Pipe Engineering Co., Ltd.

Address

2-1-64 Izumi, Suminoe-ku,
Osaka (in Kagaya Factory of Kurimoto, Ltd.)

Name and title of the representative director
Shin Harada, President

Date of founding
October 1, 2018

Business description

- Investigation, diagnosis, inspection, planning, design, construction, management and maintenance, regeneration, etc. of conduit lines and facilities for the fields of water supply, sewerage, agricultural water and industrial water
- Planning, design, construction and construction administration for civil engineering work, construction work, water supply facility construction and plumbing work and consulting services on them
- Maintenance, lease and sales of materials and equipment

Stock Information

■ Stock Information

(as of March 31, 2019)

Total number of shares authorized	39,376,600
Total number of shares outstanding	13,398,490
Share unit	100
Number of shareholders	7,585

■ Major Shareholders (Top 10)

(as of March 31, 2019)

Name	Number of shares held (1,000)	Percentage of shares held (%)
Taiyo Life Insurance Company	1,209	9.6
Japan Trustee Services Bank, Ltd. (Trust account)	797	6.3
Nippon Life Insurance Company	678	5.3
Resona Bank, Ltd.	444	3.5
The Master Trust Bank of Japan, Ltd. (Trust account)	423	3.3
Mizuho Bank, Ltd.	362	2.8
Trust & Custody Services Bank, Ltd. as trustee for Mizuho Bank Retirement Benefit Trust Account re-entrusted by Mizuho Trust & Banking Co., Ltd.	320	2.5
Iwatani Corporation	289	2.3
Sumitomo Mitsui Banking Corporation	272	2.1
CBNY-GOVERNMENT OF NORWAY	259	2.0

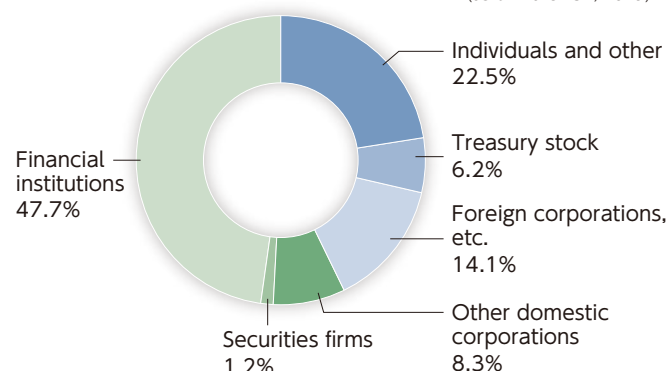
*1 We hold treasury stock (826,908 shares), which is not included in the table above.

*2 Treasury stock is excluded from the calculation of the percentage of shares held.

*3 Treasury stock does not include our shares held by Trust & Custody Services Bank, Ltd. (Trust E Account) as trust assets for board benefit trust (BBT) (39,043 shares).

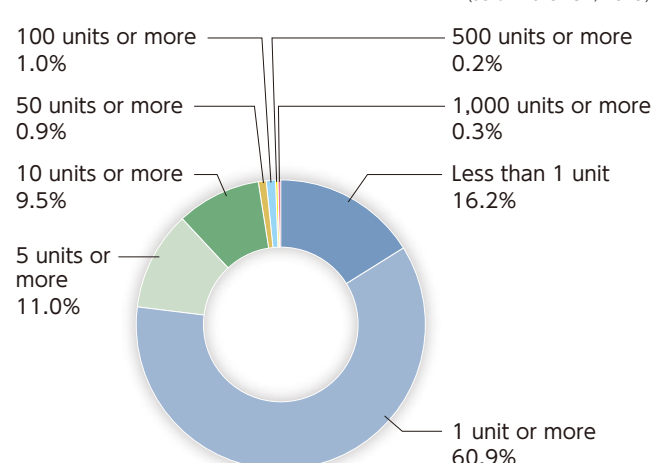
■ Breakdown of Shareholding by Investor Type

(as of March 31, 2019)



■ Breakdown of Shareholding by Number of Shares Held

(as of March 31, 2019)



Shareholder Information

Fiscal year	April 1 through March 31 of the following year	Inquiry phone number	0120-288-324 (toll free in Japan) Open from 9 a.m. to 5 p.m. (except Saturdays, Sundays and public holidays)
Annual Meeting of Shareholders	Held in June every year	Managing agency for special accounts	Mizuho Securities Co., Ltd. Head Office, branch offices and Planet Booths (satellite offices within Mizuho Bank lobbies) across Japan Mizuho Trust & Banking Co., Ltd. Head Office and branch offices across Japan
Record date of dividend		Method of public notices	Electronic public notices on Kurimoto's website. However, if an electronic public notice is impracticable due to unavoidable reasons, the public notice will be published in the Sankei Shimbun newspaper distributed in Osaka City. Website: http://www.kurimoto.co.jp
Year-end dividend	March 31	Number of shares per unit	1,000
Interim dividend	September 30	Stock exchange listing	Tokyo Stock Exchange
Record date of annual meeting of shareholders	March 31 Other record dates are established as necessary with prior public notice.	Securities code	5602
Transfer agent and special accounts management institution	Stock Transfer Agency Department of the Head Office of Mizuho Trust & Banking Co., Ltd.		
Location of transfer agent	1-2-1, Yaesu, Chuo-ku, Tokyo, Japan		
Mailing address	Stock Transfer Agency Department, Mizuho Trust & Banking Co., Ltd. 2-8-4 Izumi, Suginami-ku, Tokyo 168-8507, Japan		

■ For shareholders holding less than 100 shares

The number of shares per unit (trading unit) for Kurimoto is 100.

You cannot trade odd-lot shares (1 to 99 shares) on a securities exchange, but we have a system to purchase your odd-lot shares upon request.

For details on the procedures, please consult the securities company you deal with or Mizuho Trust & Banking mentioned above.

■ Inquiries related to shares

- If your shares are currently deposited with a securities company, please inquire of that company about stock-related procedures such as change of address, request for purchase of odd-lot shares and change of the dividend receiving method.
- If your shares are not deposited with any securities company, your shares are managed through a special account opened by Kurimoto at Mizuho Trust & Banking. As shares in a special account cannot be traded unless a request for purchase of odd-lot shares is made, we recommend that you open an account under your name at a securities company to transfer the shares to that account. For details on the procedures, please contact Mizuho Trust & Banking mentioned above, which is the special accounts management institution.
- Only the payment of unpaid dividends is handled at Mizuho Bank, Ltd. Head Office and branch offices across Japan.

Company Profile / Editorial Policy

■ Company Profile

Company Name	Kurimoto, Ltd.
Founded	February 2, 1909
Incorporated	May 10, 1934
Capital	31,186,098,159 yen
Number of employees	1,336 (non-consolidated) 2,108 (consolidated)
	(as of March 31, 2019)

■ Kurimoto Group

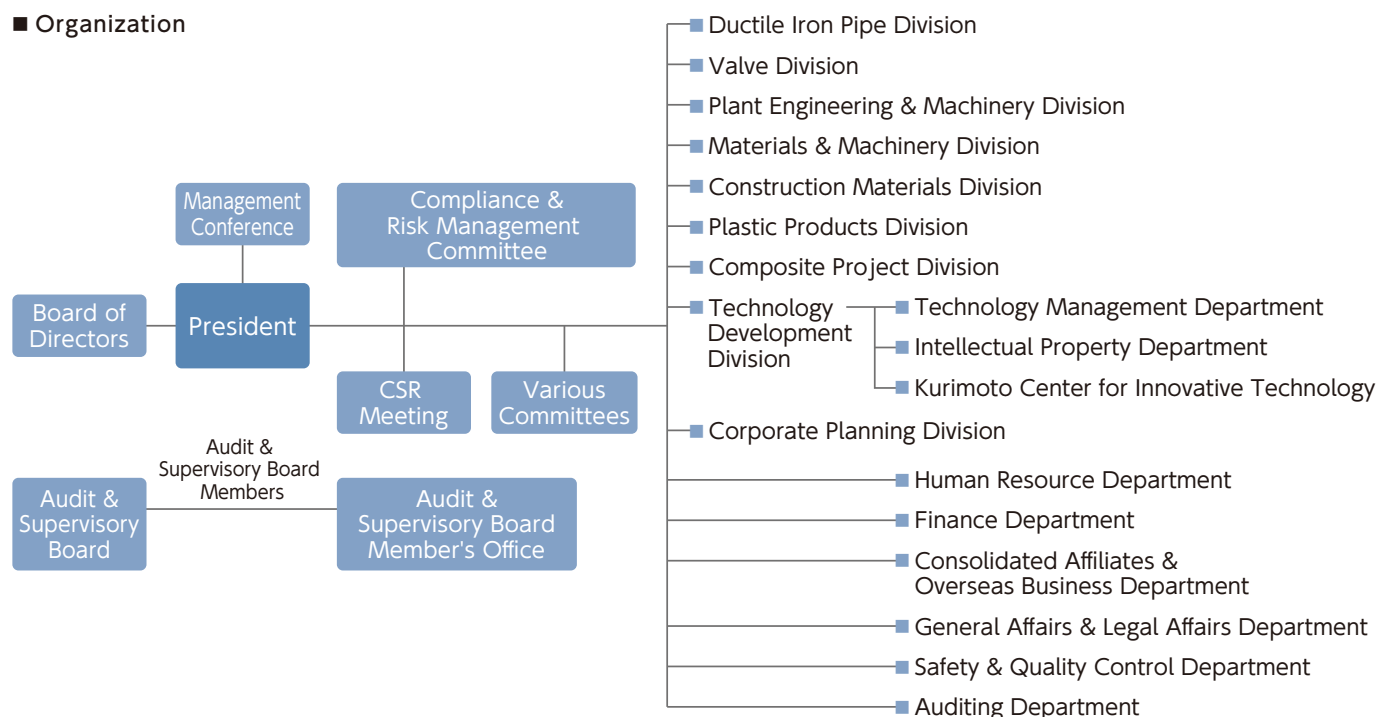
Affiliates in Japan

Kurimoto Trading Co., Ltd.
 Yamatogawa Co., Ltd.
 Hokkaido Kanzaï Co. Ltd.
 Kurimoto Logistics Corporation
 Kurimoto Pipe Engineering Co., Ltd.
 Motoyama Eng. Works, Ltd.
 KS-Tech Co., Ltd.
 Yashima Chemical Engineering Co., Ltd.
 Japan Castering Co., Ltd.
 Nihon Kaiser Co., Ltd.
 Zentecr Co., Ltd.
 Kurimoto Polymers Co., Ltd.
 Kurimoto Business Associates Co., Ltd.

Affiliates in Other Countries

Riko, Ltd.
 Kuritetsu (Shanghai) Trading Co., Ltd.
 Readco Kurimoto, LLC.
 Kurimoto USA, Inc.
 Kurimoto (Philippines) Corporation

■ Organization



(as of July 1, 2019)

Editorial Policy

- Our financial information and non-financial information, which used to be disclosed separately, are now presented in a single publication to show the whole picture of the Kurimoto Group, including its business activities, future strategies and plans, management system and CSR activities in a balanced manner.
- This report has been prepared for stakeholders who are interested in our Group's value creation activities on a short-, mid- and long-term basis, including shareholders and other investors, customers, suppliers, employees and their families, students and jobseekers, and citizens and consumers with high interest in environmental issues.
- We also included the latest information at the time of the publication of the report to the greatest extent possible. When the target period or area is different between items, it is accordingly mentioned for each case.

