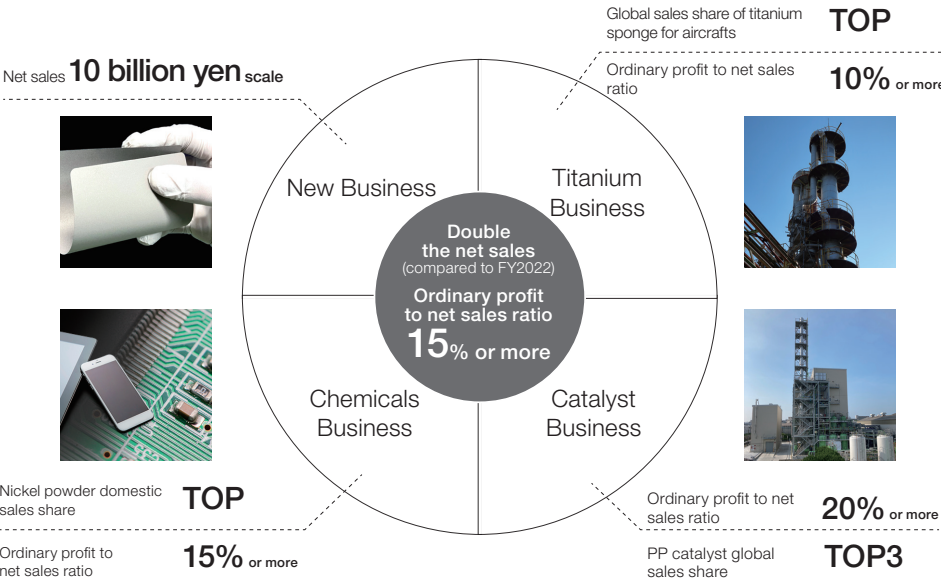


Vision for 2030 and the Positioning of the Medium-term Management Plan

Vision for 2030 (BE2030)

Creating advanced materials and technologies, becoming a highly profitable company that is flexible to environmental changes, and contributing to the development of a highly recycling-oriented society

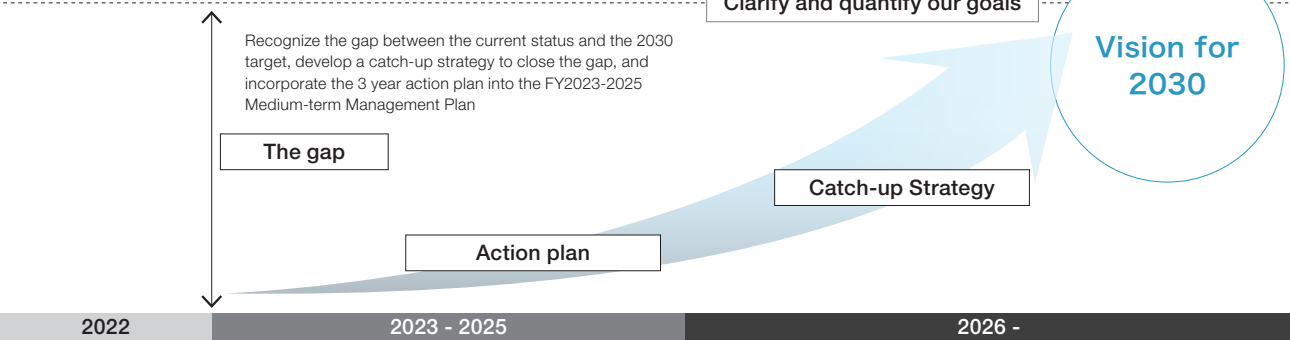
Vision by Business Segment



FY2030 target

	FY2030
Net sales	170 billion yen
Ordinary profit	25 billion yen
ROE	10% or more
ROIC	10% or more
D/E ratio	Less than 1.0 times

Positioning of the Medium-term Management Plan



Progress of the FY2023-2025

Medium-term Management Plan

Titanium Business

Catch-up Strategy	<ul style="list-style-type: none"><li>Optimize titanium sponge price levels</li><li>Increase processing margin due to increased production of titanium ingots</li><li>Increase capacity through partial improvement of titanium sponge equipment (Wakamatsu/Chigasaki Plants)</li><li>Consider construction of a new plant that can ensure profitability</li><li>Improve labor productivity by 30%</li></ul>
Major Measures for FY2023-FY2025	<ul style="list-style-type: none"><li>Apply a price formula linked to cost fluctuations</li><li>Increase titanium sponge production capacity at the Wakamatsu/Chigasaki Plants (3,000 tons per year)</li><li>Full operation of the Saudi Arabia sponge plant (ATTM)</li><li>Improve titanium ingot production efficiency</li></ul>

Catalyst Business

Catch-up Strategy	<ul style="list-style-type: none"><li>Improvement of production technology at the Kurobe/Chigasaki Plants (approximately 40% increase compared to the current production capacity)</li><li>Increase production capacity by constructing a new plant (approximately 30% increase compared to the current production capacity)</li><li>Aggressive market development by improving catalyst performance</li><li>30% improvement in labor productivity</li></ul>
Major Measures for FY2023-FY2025	<ul style="list-style-type: none"><li>Increase production capacity through improvements in production technology and other areas (approximately 6% increase compared to the current production capacity)</li><li>Formulate a plan to increase capacity by constructing a new plant</li></ul>

FY2023 progress

- The measures listed in the Medium-term Management Plan have generally progressed as planned.
- Although titanium sponge production continues to be at full capacity, titanium ingot production is becoming more difficult owing to the slowdown in the Chinese economy. Responding to such environmental changes will be an issue to be addressed in the future.

Chemicals Business

Catch-up Strategy	<ul style="list-style-type: none"><li>Increase production capacity by operating the 5th plant (approximately 40% increase compared to the current production capacity, upon completion)</li><li>Create concrete plans for the next expansion investment (approximately 30% increase compared to the current production capacity)</li><li>Improve labor productivity by 30%</li></ul>
Major Measures for FY2023-FY2025	<ul style="list-style-type: none"><li>Increase production capacity by operating the 5th plant (scheduled for FY2025) (approximately 20% increase compared to the current production capacity)</li></ul>

New Materials Business

Catch-up Strategy	<ul style="list-style-type: none"><li>Expand WEBTi business</li><li>Create new businesses</li></ul>
Major Measures for FY2023-FY2025	<ul style="list-style-type: none"><li>Commercialize WEBTi via the New Materials Division</li><li>Increase production capacity in line with business expansion</li><li>Plan and develop new business themes at the Technology Strategy Department and Technical Development Center</li></ul>

FY2023 progress

- Achievement of the Medium-term Management Plan targets, which is based on substantial growth, is in an extremely difficult environment.
- The first task is to ensure a solid recovery of earnings in FY2025 and thereby return to the growth path initially assumed in FY2026.

FY2023 progress

- Continue to promote commercialization of porous titanium material (WEBTi) (Efforts to build production capacity and expand the customer base)
- Consideration of commercialization of other new business projects currently being pursued at the same time