

Generating Value in Four Regional Segments

The TS TECH Group organizes its business operations into four regional “segments”: Japan, China, the Americas, and the rest of Asia plus Europe. We are committed to achieving business growth by diversifying our customer base and pursuing efficiency improvements and cost reductions from a number of angles.

13 countries 44 companies 14,719 people



	Japan	The Americas	China	Asia and Europe
Number of affiliates	7	16	8	12
Number of employees (People)	2,294	8,166	2,344	1,915
Motorcycle business revenue (Million yen)	4,637	304	—	3,151
Automobile business revenue (Million yen)*	51,557	230,891	85,254	43,509
(Seats)	48,436	204,395	82,606	39,454
(Interior products)	3,121	26,495	2,647	4,054
Revenue from other businesses (Million yen)*	14,144	8,186	—	76
Total (Million yen)*	70,340	239,381	85,254	46,737
Capital expenditures (Million yen)	6,370	5,082	667	1,443

* Inter-segment transactions are eliminated by offsetting and only revenue from sales to external customers is presented.

As of the end of March 2024

Japan —Reorganizing Production in the Saitama District—

We are working on the reorganization of the Saitama district to build high efficiency production structures, with the aim of further advancing manufacturing technologies and enhancing the income structure. By constructing a new Production Technology Building at the Saitama Plant that will enable verification and validation of manufacturing technology and mass production, we aim to enhance technology development in the production domain. We will then disseminate the manufacturing technology generated there to the Group's production sites, further enhancing the functions of the Saitama Plant as a global mother facility.



The Americas

—Building an Income Structure Resilient to Environmental Change—

In the Americas, while the size of the market has allowed the segment to generate the highest revenue in the Group, profitability remains a challenge due to a number of factors, including high labor and material costs. We aim to achieve a V-shaped recovery to a highly profitable structure that is resilient to changes in the environment by investing in efforts to improve the production structure. We will, for instance, introduce equipment to automate the production process and launch an automated vertical warehouse system that can respond flexibly to fluctuations in production.

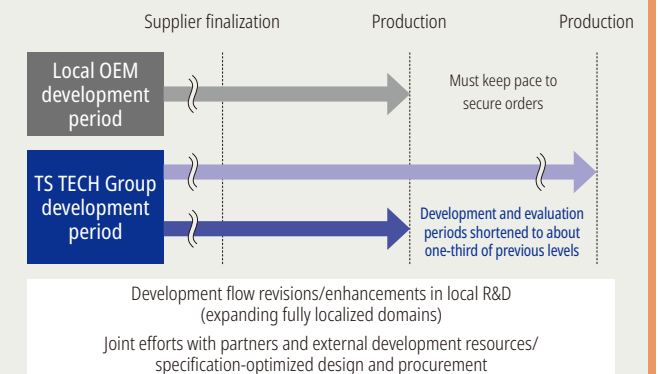
An automated vertical warehouse facility



China

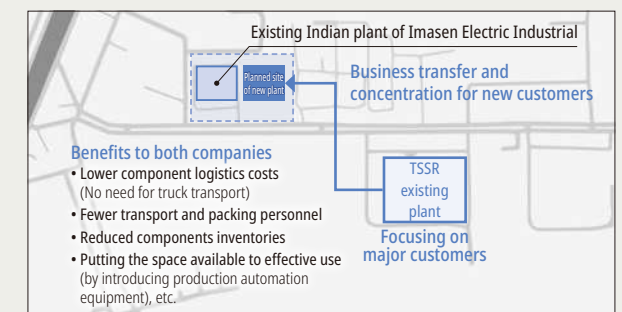
—Improving the Profit Structure to Secure High Profit Margin—

In China, we are facing an unprecedented uphill battle due to the growing power of emerging EV manufacturers. In order to support the profitability of the TS TECH Group, we are engaged in efforts to acquire new customers and new commercial rights by establishing partnerships with new companies, seeking to gain a competitive edge in the increasingly crowded Chinese market. In addition, we are working to improve the income structure by pursuing production automation, optimizing staffing levels, and utilizing local manufacturers.



Asia and Europe —Building a New Plant in India—

In response to the growth in orders for Maruti Suzuki India Limited, we are working to strengthen our production system in India. We will build a new plant on the site of the Indian plant of Imasen Electric Industrial Co., Ltd.* to expand production capacity. At the same time, we will make effective use of the space made available at the existing plant and strengthen our cost-competitiveness. In addition, our production site in Poland, which is now fully operational, will aim to grow sales further by taking advantage of its location to supply competitively priced products to European customers.



* The TS TECH Group entered into a capital and business alliance with Imasen Electric Industrial Co., Ltd. in November 2020 with the aim of expanding sales channels and commercial rights, strengthening technology and research and development, and improving cost-competitiveness.