



Our Precision, Your Advantage

KAYABA Group Report **2022**

April 1, 2021–March 31, 2022

KAYABA will contribute to the sustainable development of the planet and society as a global leader in vibration and power control built on our core technology of hydraulics.

“Everything in use is still developing, a legacy from the past. The world continuously seeks that which is new. The unique ability of humankind to progress lies in its constant search for perfection.” Shiro Kayaba left these words behind, and they are the key to our future. Kayaba is returning to our origin as a company rooted in the craftsmanship of manufacturing in order to contribute to the creation of a prosperous future through ingenuity and constant improvements and the lasting development of society. And from there, we will keep moving forward.



Masao Ono
Representative Director, and
President Chief Executive Officer (CEO)

KYB Corporation

Automotive Components (AC) Operations



Main Products

Shock absorbers for automobiles: Shock absorbers (original equipment (OE), aftermarket)

Shock absorbers for motorcycles: Front forks, rear cushion units

Hydraulic equipment for automobiles: Vane pumps, vane pumps for continuously variable transmissions (CVT), hydraulic power steering systems, electric power steering (EPS)

Others: Shock absorbers for all-terrain vehicles, free locks, dampers for railroad cars, brakes for railroad cars, active suspension systems for railroad cars

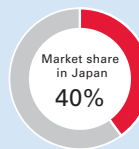
Basic Strategy

- Strengthen: Stabilization of our revenue base
- Evolution: Innovative *monozukuri*
- New initiatives: Creation of high-value-added products

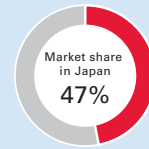


Market Share Source: KAYABA data (As of March 31, 2022)

Automobiles Shock Absorbers



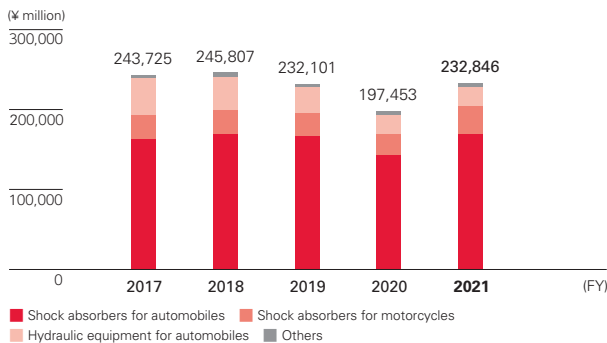
Motorcycle Front Forks



Goal for FY2022

Establish a position as a core supplier by further strengthening existing projects and core technologies

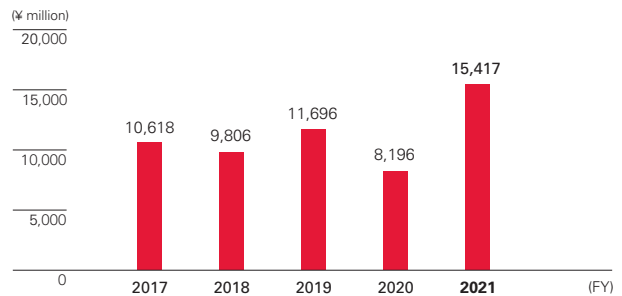
Net Sales*1



*1. As of FY2017, "Royalty income" and "Revenue related to mold compensation," which were previously recorded in "Other income" in the Consolidated Statements of Income, are included in "Net sales."

*2. Segment profit is calculated by deducting cost of sales and selling, general and administrative expenses from net sales.

Segment Profits*2



Technological Strategy

Evolving our Core Technology to Offer New Value

In order to respond to a market that is undergoing a major transformation due to electrification and EVs, KAYABA is developing high-value-added products centered on our core technology and aiming to offer the optimum products to our customers.

Our vibration control technology supports transport equipment such as automobiles and railroads, and they are required to deliver outstanding safety and comfort. Therefore, we are collecting data from road surfaces and running vehicles to advance the development of an active suspension that makes real-time control a possibility, among other initiatives.

Also, fusing our vehicle measurement technology and analysis technology with AI and IoT, we have started a "Smart Road Monitoring." This service supports road maintenance management work by using dedicated devices installed on vehicles to automatically collect information on road conditions and detect abnormalities. We have completed verifications of the functions through trial applications in cooperating municipalities, and are adjusting the functionality of this service to prepare it for release.

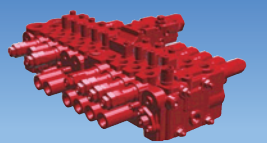
Hydraulic Components (HC) Operations



Main Products

Hydraulic equipment for industrial use: Cylinders, valves, pumps, motors, mini-motion packages (MMP), hydrostatic transmissions (HST)

System products: Equipment for military vessels, seismic isolation and vibration suppression devices, simulators, hydraulic systems, tunnel boring machines, environmental devices



Control valve



Travel motor



Hydraulic cylinder



Integrated HST (Pump and motor)

Market Share

Source: KAYABA data (As of March 31, 2022)

Hydraulic Cylinders



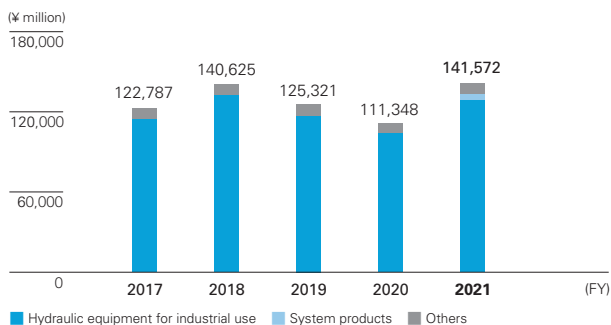
Basic Strategy

- Respond to automation and complex needs
- Promote cost reduction and local procurement

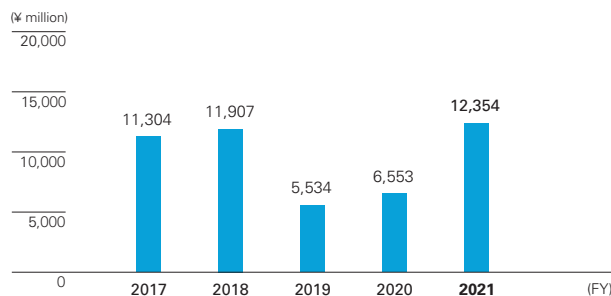
Goal for FY2022

A business that continues to be trusted by customers with products used around the world

Net Sales*1



Segment Profits*2



*1. As of FY2017, "Royalty income" and "Revenue related to mold compensation," which were previously recorded in "Other income" in the Consolidated Statements of Income, are included in "Net sales." We are disclosing that Systems Products are included in HC Operations as of FY2021 as a result of a review of segment management classification.

*2. Segment profit is calculated by deducting cost of sales and selling, general and administrative expenses from net sales.

Technological Strategy

Original Technology that Makes Sophisticated Control a Reality

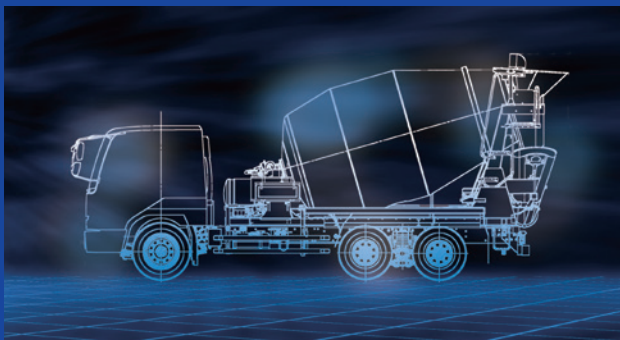
We are continuing with the development of electronic control models of hydraulic equipment. Going forward, through the upgrading of electronic control systems, we will strengthen our ability to make proposals in line with technological trends such as remote operation, automation, and unmanned operation.

The control valve is likened to the "brain" of a piece of construction equipment. It controls all types of actuators (a drive device that converts energy in a linear or a rotary motion by means of a hydraulic or electric motor), and smoothly performs movements. According to that analogy, the pump would function like the "heart," and it is there we will generate new value by making advanced controls possible with a fusion

that brings together KAYABA's strengths of hydraulic technology, electric controls, and sensing technology.

We are working on load sensing in order to respond to market needs such as low noise, low fuel consumption, improved operability, and attachment diversification, as well as the increasing necessity of environmental compatibility. Load sensing provides benefits including making simultaneous or combined operations that depend on operator's experience easier, conserving energy, and making electrification and automation possible without affecting the load. For social needs such as SDGs and carbon neutrality, we are moving forward with efforts for the next generation, such as the research and development of electrified products.

Special-Purpose Vehicles Division



Main Products

Concrete mixer trucks, granule carriers, pruned tree shredder trucks, specialfunction vehicles, tilting drum mixingmachines

Basic Strategy

- Achieve continuous growth, aim to be a business that makes our employees feel pride.
- Undertake business that is kind to the planet and to people



Concrete mixer truck



Inside the drum



Concrete pouring chute

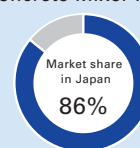


Product Lineup

Market Share

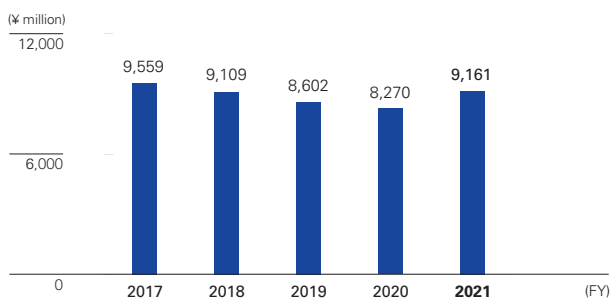
Source: KAYABA data (As of March 31, 2022)

Concrete Mixer Truck

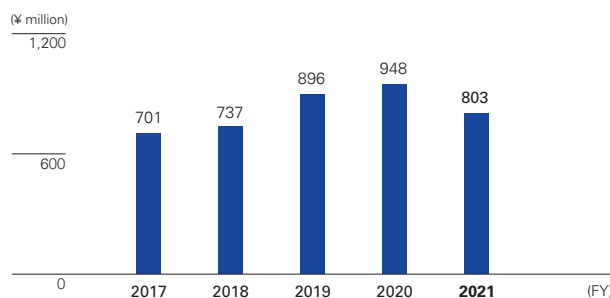


The Special-Purpose Vehicles Division strengthens its profit structure through the development of high-value-added products for domestic market needs, and accelerates the research and development of new products that can contribute to the decarbonization of society as well as next-generation products in collaboration with other business units. Overseas, it is advancing with the development of the foundation for a special equipment global system through the formulation of new overseas business plans.

Net Sales*1



Segment Profits*2



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COLUMN

Products + Human Resources + the Future



Mobile Home Research Project

The team formed for this project centers on the Special-Purpose Vehicles Division, but also taps the experience of AC Operations, HC Operations, and other R&D departments.

It uses KAYABA's vehicle customization skills and suspension technology to pursue safe and enjoyable driving, launching work on offering new value, such as vehicles that can serve as a living space in times of disaster.

A New Challenge for KAYABA

- Pursuing safety using technology
- Offering living spaces during times of disaster

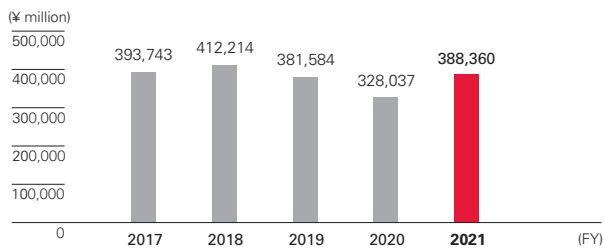


Vibration control technology
+Power control technology

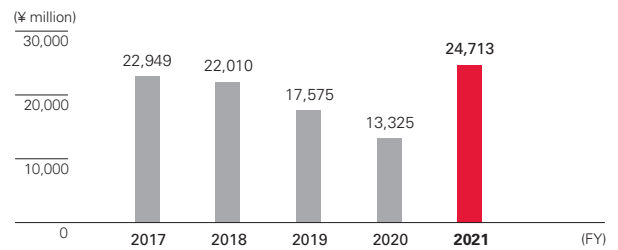
KAYABA Performance Highlights

Financial

Net Sales

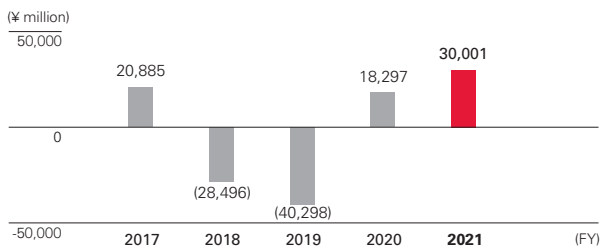


Segment Profit

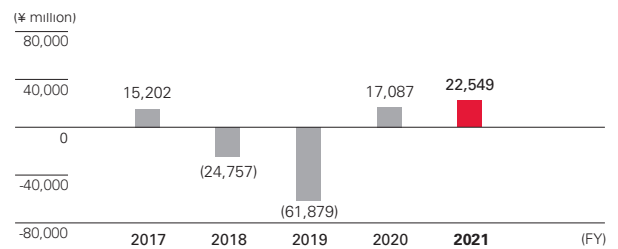


Note: Segment profit is calculated by deducting cost of sales and selling, general and administrative expenses from net sales.

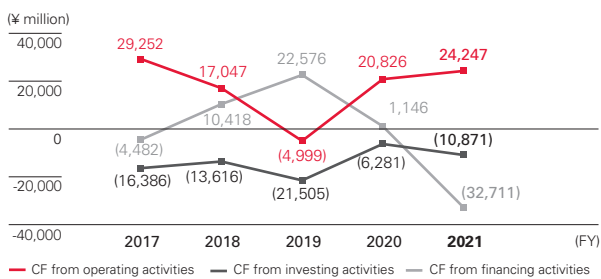
Operating Profit (Loss)



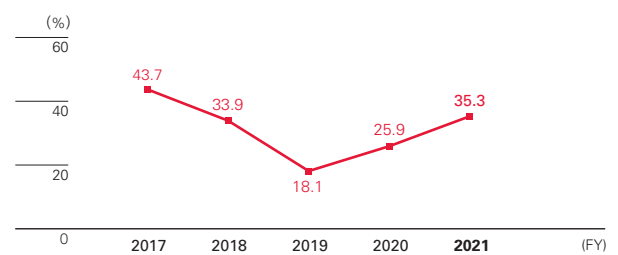
Profit (Loss) Attributable to Owners of the Parent



Cash Flows (CF)

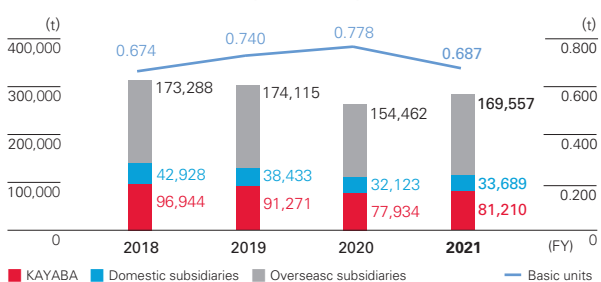


Ratio of equity attributable to owners of the parent



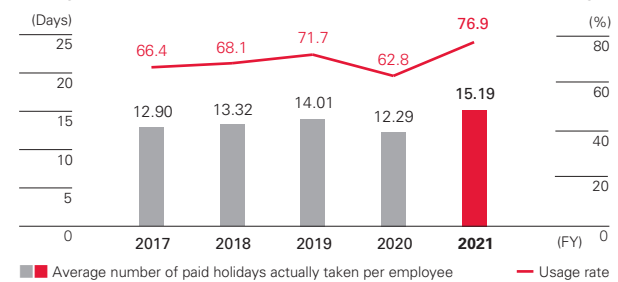
Non-financial

Total CO₂ Emissions: Scope 1 + Scope 2

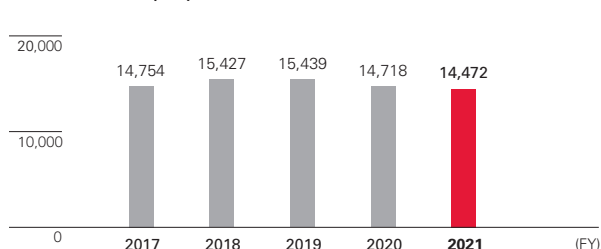


Note: The scope is the six plants of KAYABA, five domestic subsidiaries, and 17 overseas subsidiaries

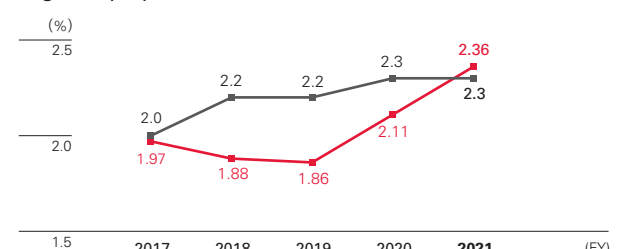
Average Number of Paid Holidays, Days Actually Taken and Rate of Usage



Number of Employees (Consolidated)



Disabled Employment Rate / Legal Employment Rate of Persons with Disabilities



Note: The scope of the paid vacation and disabled employee rates is for KYB Corporation.

Corporate Information (As of March 31, 2022)

Company Name	KYB Corporation
Head Office	World Trade Center Bldg., South Tower 28F, 4-1, Hamamatsu-cho 2-chome, Minato-ku, Tokyo 105- 5128, Japan Tel: +81-3-3435-3511 Fax: +81-3-3436-6759

Date of Establishment	March 10, 1935
Fiscal Year	April 1 to March 31
Paid-in Capital	¥27,647.6 million
Number of Employees	14,472 (Consolidated basis)
Securities Traded	Prime Market of Tokyo Stock Exchange

KAYABA in Globe (As of March 31, 2022)

Europe (7 companies in 12 countries)

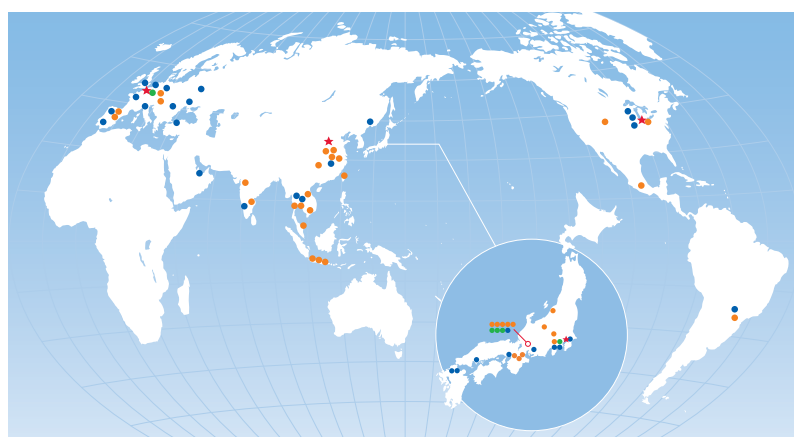
- ★ ● KYB Europe GmbH
- KYB Europe GmbH (Navarra Branch)
- KYB Europe GmbH (Dusseldorf Branch)
- KYB France
- KYB Iberia
- KYB Italy
- KYB Poland
- KYB Romania
- KYB Turkey
- KYB UK
- KYB Ukraine
- KYB Suspensions Europe, S.A.U.
- KYB Advanced Manufacturing Spain, S.A.U.
- KYB Manufacturing Czech s.r.o.
- KYB CHITA Manufacturing Europe s.r.o.
- LLC KYB Eurasia
 - KYB Eurasia Vladivostok
- KYB Middle East FZE

Asia (18 companies in 7 countries)

- ★ ● KYB (China) Investment Co., Ltd.
- KYB Industrial Machinery (Zhenjiang) Ltd.
- ● Wuxi KYB Top Absorber Co., Ltd.
- Changzhou KYB Leadrun Vibration Reduction Technology Co., Ltd.
- Hubei Henglong & KYB Automobile Electric Steering System Co., Ltd.
- CHITA KYB Manufacturing (Zhenjiang) Co., Ltd.
- KYB Manufacturing Taiwan Co., Ltd.
- KYB Steering (Thailand) Co., Ltd.
- KYB (Thailand) Co., Ltd.
- KYB Manufacturing Vietnam Co., Ltd.
- Takako Vietnam Co., Ltd.
- PT. KYB Hydraulics Manufacturing Indonesia
- PT. Kayaba Indonesia
- PT. Chita Indonesia
- KYB-UMW Malaysia Sdn. Bhd.
- KYB Motorcycle Suspension India Pvt. Ltd.
- KYB-Conmat Pvt. Ltd.
- KYB Asian Pacific Corp. Ltd.
- KYB Asian Pacific Corp. Ltd., Amata Nakorn Branch
- KYB Corporation Chennai Branch

Japan (12 companies in 1 country)

- ★ ● KYB Corporation (KAYABA)
 - Kumagaya Plant
 - Sagami Plant
 - Gifu North Plant



- Gifu South Plant
 - Gifu East Plant
 - Mie Plant
 - Basic Technology R&D Center
 - Production Technology R&D Center
 - Machine Tools Center
 - Developmental Center
 - South kanto
 - Nagoya
 - Osaka
 - Hiroshima
 - Fukuoka
 - KYB Trondule Co., Ltd.
 - KYB-YS Co., Ltd.
 - KYB Kanayama Co., Ltd.
 - KYB Motorcycle Suspension Co., Ltd.
 - KYB-CS Co., Ltd.
 - Takako Industries, Inc.
 - Kensiyuu Co., Ltd.
 - Japan Analysts Co., Ltd.
 - KYB Logistics Co., Ltd.
 - Chikuyo Seiki Kogyo Co., Ltd.
- ### America (6 companies in 3 countries)
- ★ ● KYB Americas Corporation (Indiana)
 - KYB Americas Corporation (Greenwood)
 - KYB Americas Corporation (Chicago)
 - Takako America Co., INC.
 - KYB Mexico S.A. de C.V.
 - KYB Manufacturing do Brasil Fabricante de Autopecas S.A.
 - KYB International America, Inc.
 - Comercial de Autopecas KYB do Brasil Ltda.