

Overview of the Daiseki Group's Performance

Company name	Main business description	Fields	Response to risks
Daiseki	Wastewater, Waste Oil, and Sludge Recycling	Wastewater, Waste Oil, and Sludge Recycling	The risk is that if the long-term stagnation of the domestic manufacturing industry continues in the future, the market for industrial waste disposal business will also hit a ceiling. We will seek to capture new markets centered around the circular economy.
Hokuriku Daiseki	Recycling of waste oils, manufacturing and sales of lubricants, etc.		
Daiseki Eco. Solution	Contaminated Soil Recycling	Contaminated Soil Recycling	The risk is that the market will hit a plateau if capital investment runs its course in the soil contamination survey and treatment business. We will work to improve profitability as an issue.
Daiseki MCR	Recycling of lead from waste batteries	Lead Recycling	The rise of illegal dismantling and export traders of raw materials such as waste lead batteries is an issue for stable procurement. We will increase direct contracts and direct collections with waste generators to ensure stable procurement.
System Kikou	Cleaning work and related work for large tank storage equipment	Large Tank Cleaning	There is a risk of market contraction due to reduced demand for fossil fuels. We will work to obtain cleaning projects arising from dismantling and change of use. We will expand business to include the cleaning of large tanks when their use is changed from crude oil to hydrogen and ammonia, pigging of auxiliary piping facilities prior to dismantlement due to closure and decommissioning, and the cleaning of plant tanks, even for small and medium-sized tanks, where there are many difficult residues due to factors such as solidification and reactions.
Green Arrows Chubu	Plaster recycling from waste plasterboard	Plasterboard Recycling	The resource recycling business is still insufficient in terms of production capacity (manpower and equipment). We will establish a stable revenue base and expand the scale of the business because the market growth potential is high.
Green Arrows Kyushu	Plaster recycling from waste plasterboard		
Daiseki Eco. Solution	PCB and biodiesel fuel	Other Resources Recycling	The resource recycling business is still insufficient in terms of production capacity (manpower and equipment). We will establish a stable revenue base and expand the scale of the business because the market growth potential is high.
Sugimoto Trading Company Co., Ltd.	General waste disposal, waste plastic recycling		
Sugimoto Paper Industry Co., Ltd.	Used paper recycling		

	Capturing growth opportunities	Number of employees*1 (people)	Net Sales*2 (millions of yen)	Operating profit*2 (millions of yen)	Operating cash flow (millions of yen)
	We will roll out intermediate treatment and recycling services for industrial waste with low greenhouse gas emissions, driven by demand for carbon neutrality. As more and more customers seek a transition to a circular economy, we will develop new businesses centered on the circular economy by leveraging the technologies and customer networks that have been cultivated in the recycling business up until now.	740	38,168	10,577	13,792
	The market is expected to expand due to the trend toward carbon neutrality, the circular economy, and the reorganization of manufacturing bases in Japan due to factors including the shift to EVs.	140	19,413	1,810	
	In addition to the reduction of environmental impact that has already been addressed, we will offset CO ₂ emitted by our trucks when collecting waste lead-acid batteries from FY2025 by using J-Credits, thereby increasing transactions with waste generators who are conscious of reducing CO ₂ emissions.	79	4,053	929	
	Based on the cleaning know-how accumulated in the petroleum industry, we will expand our business to cover all types of plants that require maintenance and management.	67	3,949	573	
	The resource recycling business has high market growth potential, with the tailwind of SDGs, ESG investments, and high resource prices.	112	4,736	982	
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*1 The number of employees is the number of full time employees

*2 Net sales and operating profit of Daiseiki Eco. Solution Group are after elimination of intercompany transactions