

Introduction of Accessibility Solutions Segment(ACB)

November 19, 2020

**Daisuke Hakoda, President,
Accessibility Innovations Company**

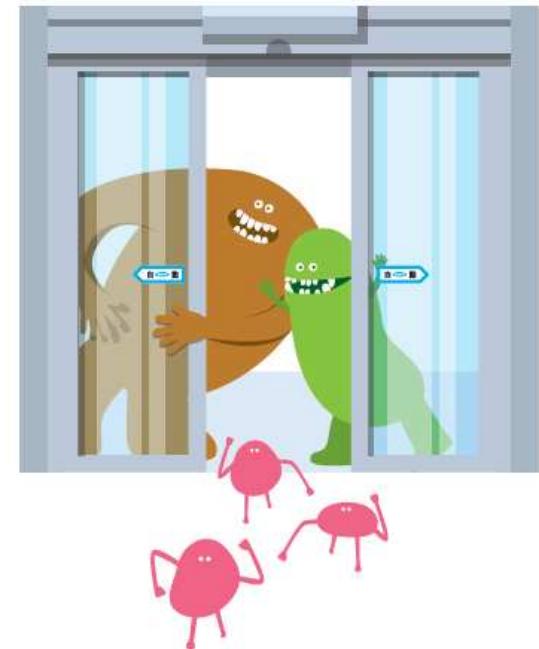
1. Outline of the ACB Segment

2. Business Environment and Our Strengths by Business

(1) Automatic Doors

(2) Platform Doors

3. Medium- to Long-Term Growth Strategy



Career History



Daisuke Hakoda

Representative Director

Senior Managing Executive Officer

President, Accessibility Innovations Company

Jun. 2007 President of Nabtesco Aerospace Inc.

Jun. 2009 General Manager, Accounting & Finance Department of Nabtesco Corporation

Jun. 2010 General Manager, Corporate Planning Department of Nabtesco Corporation

May. 2013 General Manager, Shanghai Nabtesco Hydraulic Co., Ltd.

Jun. 2013 Executive Officer of Nabtesco Corporation

Jun. 2015 Director and General Manager, General Administration & Human Resources Division of Nabtesco Corporation

Mar. 2017 Managing Executive Officer, Senior General Manager, Corporate Planning Division, and Senior General Manager of General Administration & Human Resources Division of Nabtesco Corporation

Jan. 2018 Managing Executive Officer, Corporate Planning, Accounting & Finance, Information Systems, Corporate Communication and Human Resources of Nabtesco Corporation

Mar. 2018 Representative Director of Nabtesco Corporation (to present)

Jan. 2019 President, Accessibility Innovations Company (to present)

Jan. 2020 Senior Managing Executive Officer of Nabtesco Corporation (to present)

Interests:

Watching professional baseball

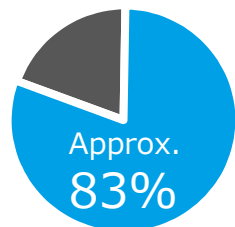
1. Outline of the ACB Segment

Outline of the ACB Segment



Automatic Doors

Sales ratio (FY2019)

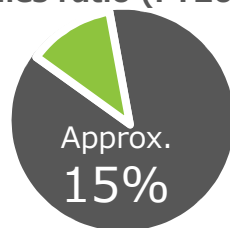


Main customers

Major general contractors, sash manufacturers, hospitals, banks, public institutions, etc.

Platform Doors

Sales ratio (FY2019)

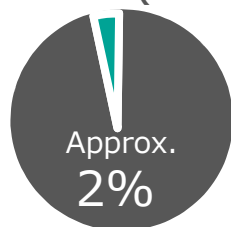


Main customers

Railway and subway companies in Japan and overseas.

Welfare Equipment

Sales ratio (FY2019)



Main customers

Hospital,
Nursing home
Leasing company
Prosthetic Limbs
Manufacturer

History of Our Automatic Door Business



- 1956 Became the first manufacturer of automatic doors in Japan
- 1957 Established (current) NABCO DOOR and Founded (current) NABCO SYSTEM
- 1992 Acquired an automatic door manufacturer in the United States (presently NABCO Entrances Inc.)
- 1995 Established an subsidiary in China (presently NABCO AutoDoor (Beijing) Co., Ltd.)
- 2011 Acquired the Automatic Door Business Division from Kaba Group of Switzerland and take over Gilgen Door Systems AG. **Building 4-pole global supply system** (Japan, North America, Europe and China) for automatic door and platform door businesses.
- 2012 Acquired full ownership of NABCO DOOR as the result of stock swap.
- 2016 Converted NABCO SYSTEM into a consolidated subsidiary as the result of additional stock acquisition.

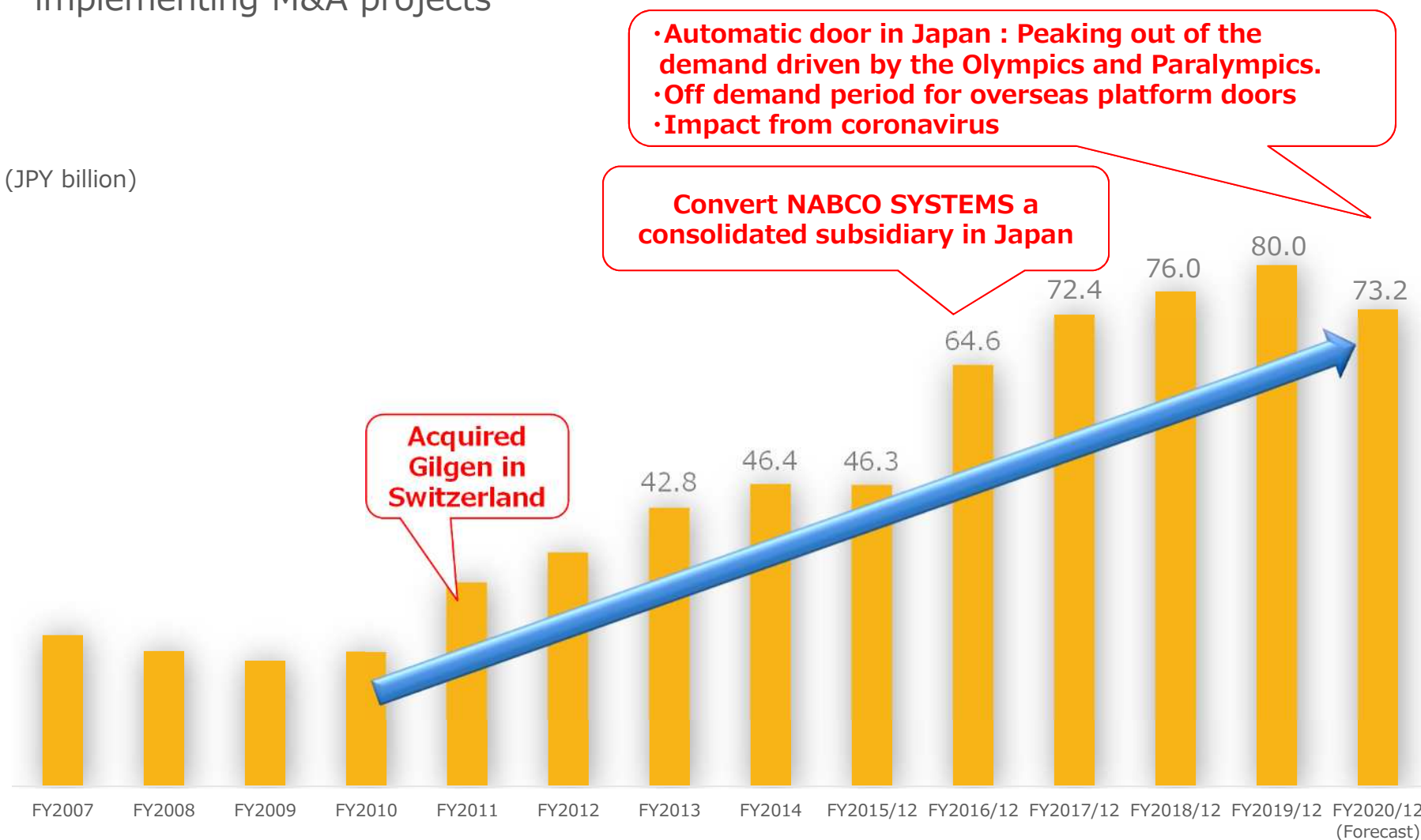


Sales History of ACB Segment



- Continued to achieve growth over 10 years by increasing market share and implementing M&A projects

(JPY billion)



2. Business Environment and Our Strengths by Business

(1) Automatic Doors

Automatic door business: 2 brands and 21 Group companies

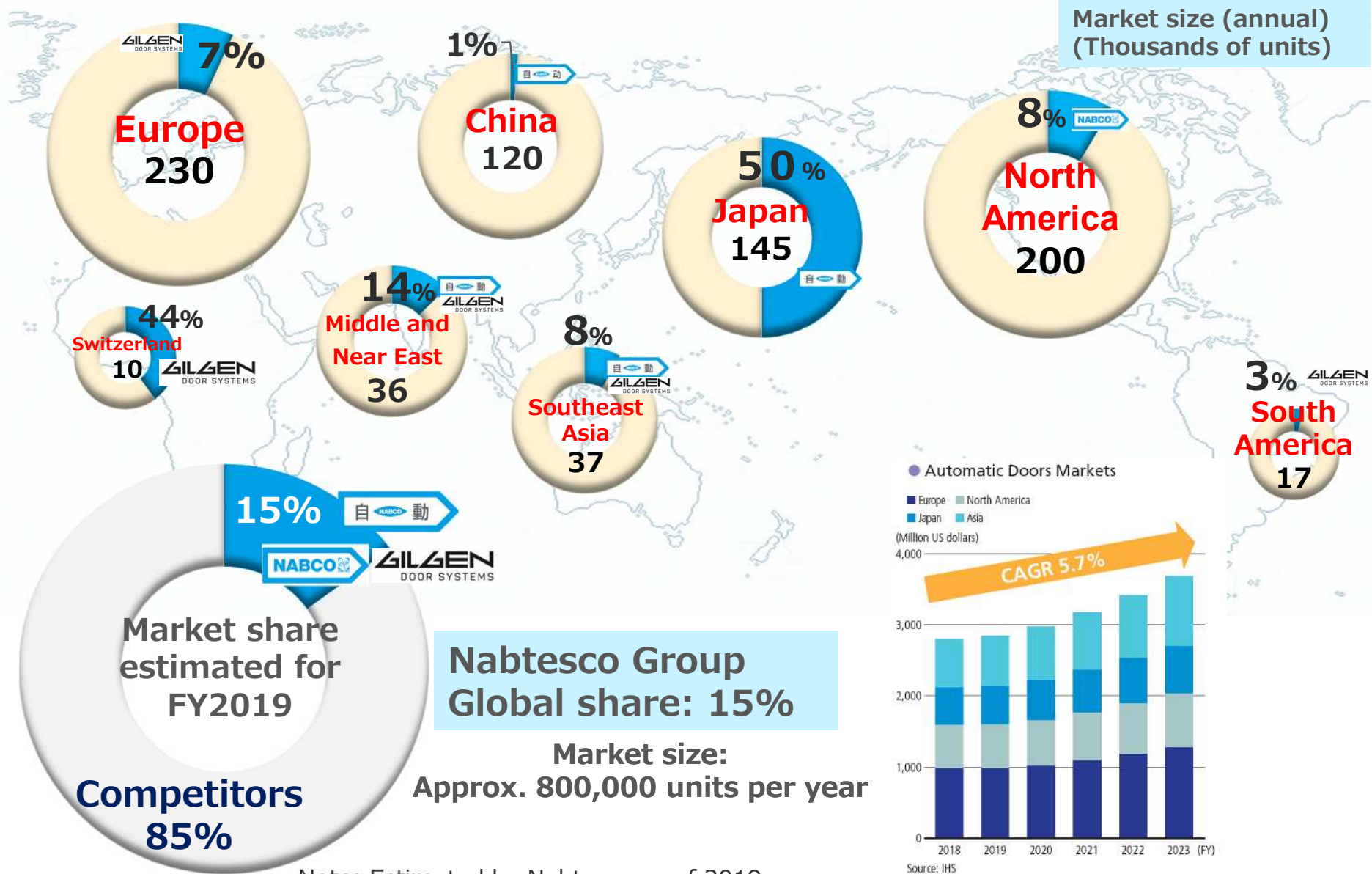


As of Dec. 2019

Size of the World's Automatic Door Markets



Market size (annual)
(Thousands of units)

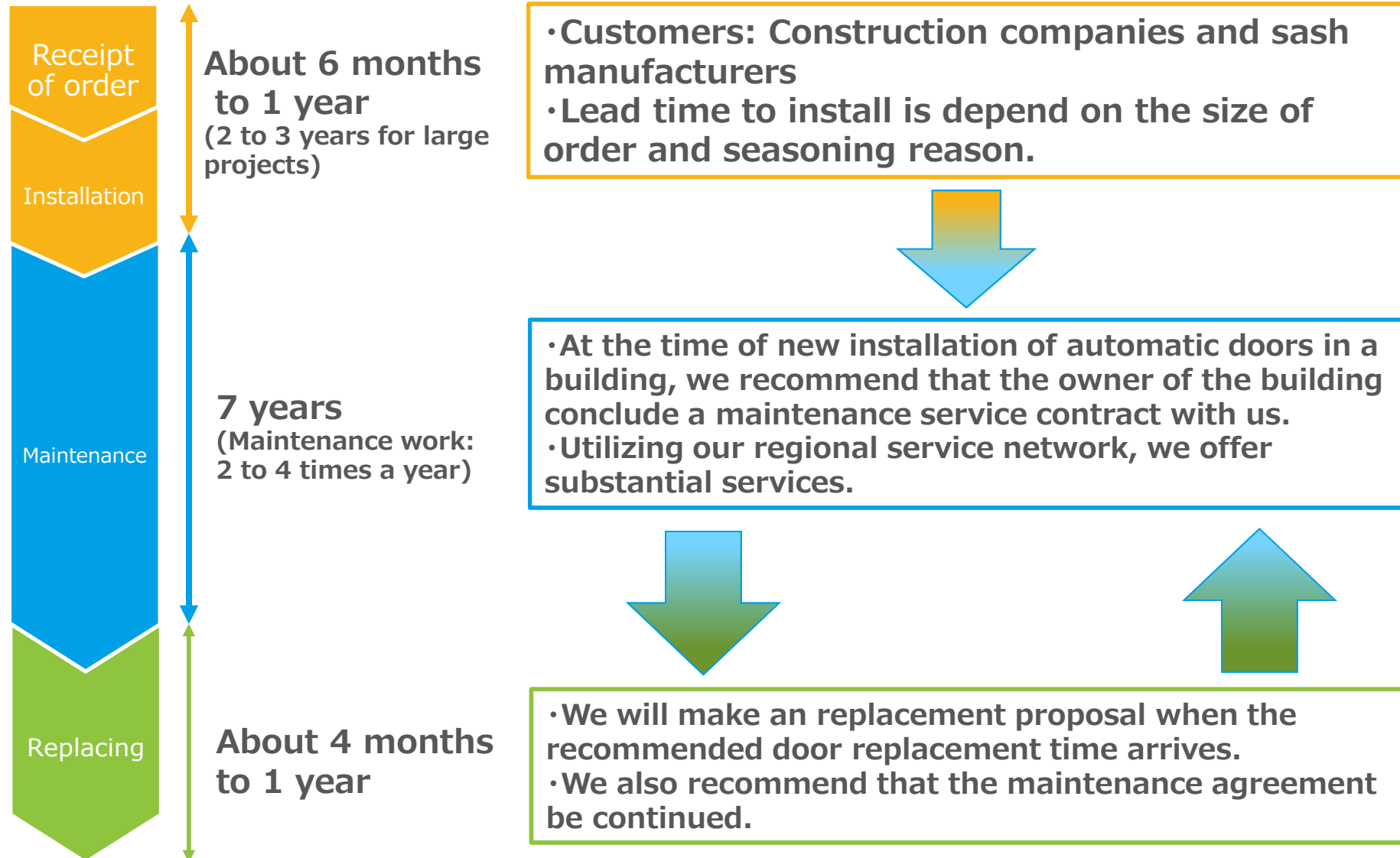


Note: Estimated by Nabtesco as of 2019

Business Model for the Automatic Door Business by Value Chain market







■ Including after-sale maintenance and replacement services, this secure the position of stable **cash cow business**.

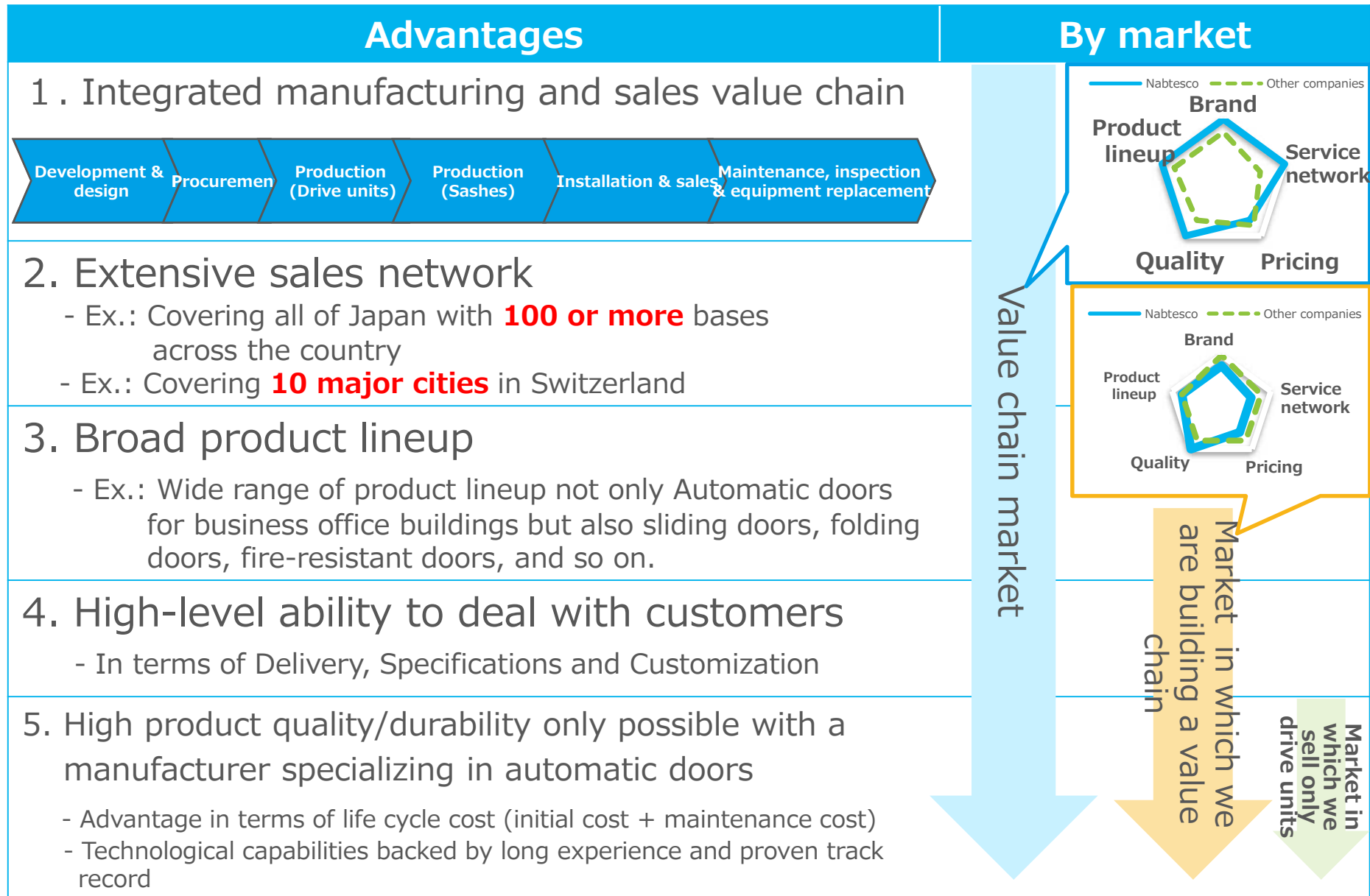


Strategy by Business and Region



Business type	Region	Strategy
 <p>Automatic door systems</p>  <p>MRO</p>	<p>Japan</p> <p>Switzerland</p>	<p>[Value chain market] We have already established a value chain model and enjoy a high market share. We will sow seeds to win new orders while expanding the MRO service, thereby maintaining and boosting our market share.</p>
 <p>Automatic door systems</p>	<p>Europe (Countries neighboring Switzerland)</p> <p>United States (Large cities)</p>	<p>[Market in which we are building a value chain] <ul style="list-style-type: none"> • We are implementing measures to build a value chain strategically. • We aim to create a regional value chain market </p>
	<p>China</p> <p>Some other Asian countries</p>	<p>[Focus on high value-added markets] We will focus only on high value-added markets where we can take advantage of our technological capabilities.</p>
 <p>Drive units</p>	<p>Other regions</p>	<p>[Selling only drive units] We sell drive units only through official distributors and other channels.</p>

Our Competitive Advantages in the Automatic Door Business



Medium- to Long-Term Business Opportunities



Expansion of growth opportunities driven by more ESG-oriented customers



(1) Safety improvement of automatic door itself and environmental contribution through the installation of automatic doors

Conventional automatic door

Improvement of the indoor environment



The door opens each time someone passes by



The door opens only when someone is heading directly to it, and does not open unnecessarily.

Energy conservation



The air conditioner does not work as the door is kept open.



Unnecessary door opening time is reduced.

Accessibility



Touch switch for the automatic door has lower accessibility



Automatic door open without touch

NATRUS
NATRUS+e

Comply JIS A 4722

*JIS: Japanese Industrial Standards

1. JIS* A 4722

Previously

Only automatic revolving door applied JIS standard

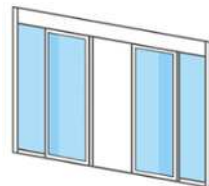
From March 2017

Wide range of automatic door has applied JIS A 4722

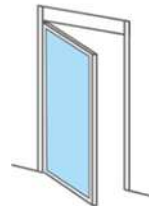
Propose of JIS A 4722

Safety philosophy for elderlies, children and disable people, and safety design bring higher safety for automatic door users.

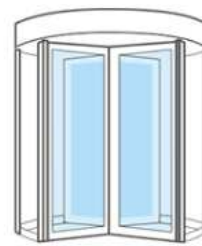
Automatic doors require JIS



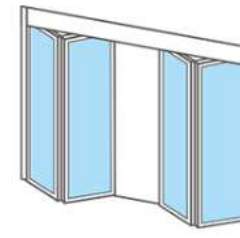
Sliding doors



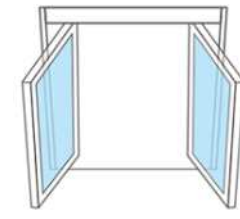
Swing doors



Revolving doors



Folding doors



Balance doors

2. More safety and more environmental contribution

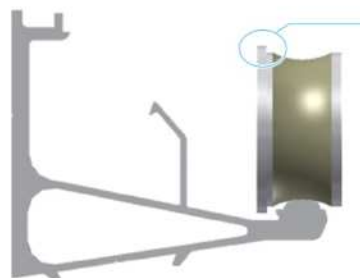
Ex. 1 : Improve the resistance to wind pressure and earthquake

Ex. 2 : Improve electricity consumption and air-conditioning efficiency

Resistance of run off (NATRUS)



Improve the resistance of run off bring the resistance of wind and earthquake



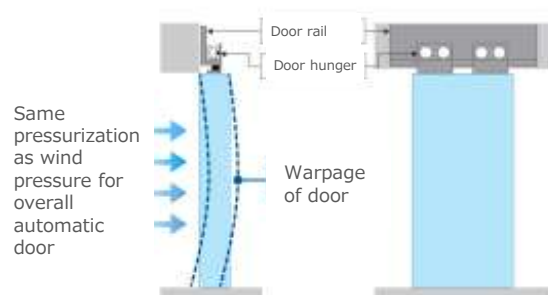
Preventive un hinge mechanism installed to prevent the run off

Redesign the shape of flange to improve the resistance of run off



Resistance to wind pressure

Improve 24% compare to old model



- ※1 Evaluated by drive units for the door rail and door hunger and weight for the door roller was 120kg
- ※2 The evaluation show the resistance to the wind pressure for the overall automatic door

Resistance to earthquake

No run off at the same level of Great East Japan Earthquake (Intensity 6)

<Test condition>

- Door: NATRUS VS-150 (Sliding type)
- Wave profile 1) Great Hanshin-Awaji Earthquake in 1995 (Intensity 6)
- 2) Great East Japan Earthquake in 2011 (Intensity 6)

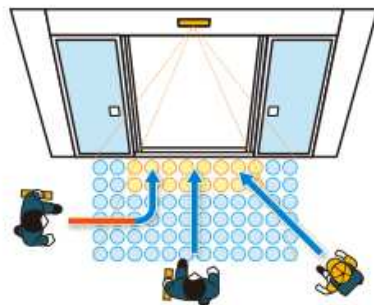
※This test is only proof the resistance of run off and no warranty for the wipe out or drop for the same level of earthquake



Test for resistance to earthquake

The automatic door automatically open and close only when necessary as well as succeed to reduce energy consumption

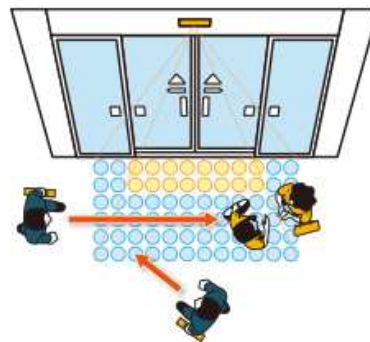
○ Open for the people want to pass through



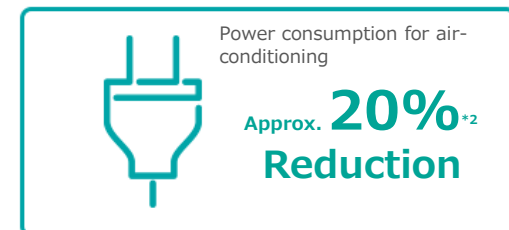
OPEN



Close for the people walking nearby



CLOSE



Won KIDS DESIGN AWARD 2019
Chairman's award for KIDS DESIGN AWARD

※1 Unnecessary door opening time : Door opening time without people pass through the door (No necessary count when one person go through the automatic door)

※2 This result based on the actual measured value. It may change by test environment such as installed environment, traffic environment and others.

(2-1) Business opportunities driven by “contactless” needs

Increase the necessity of **infection control** at various facility in daily life



Examination room
at hospital



Restroom at
commercial buildings



Nursing room at
commercial buildings
and airport



Entrance for office or
meeting room



Grocery store



Main entrance at
condo



Smoking room



Food factory

(2-2) Business opportunities driven by “contactless” needs



Do not want to touch the doorknob



① Provide the solution by the variety of automatic doors at various location

Ex. Zoning solution for infection control

Ex. Increase the installation of automatic doors per new building



Folding door

② Various replacement solution for manual door to automatic door

Manual door



Automatic door



Change the door closer to automatic



(2-3) Business opportunities driven by “contactless” needs



Do not want to
touch the sensor



Open only after you
sanitize your fingers

From “touch” to “no touch”
door switches



Touch-type door switches



Contactless switches (for hands)



Contactless switches
(for feet)

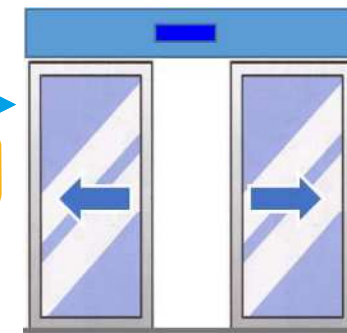
Coordinate with antiseptic injection machine and door opening sensor



After inject
antiseptic,
door opening
signal work



Open the door



2. Business Environment and Our Strengths by Business (2) Platform Doors

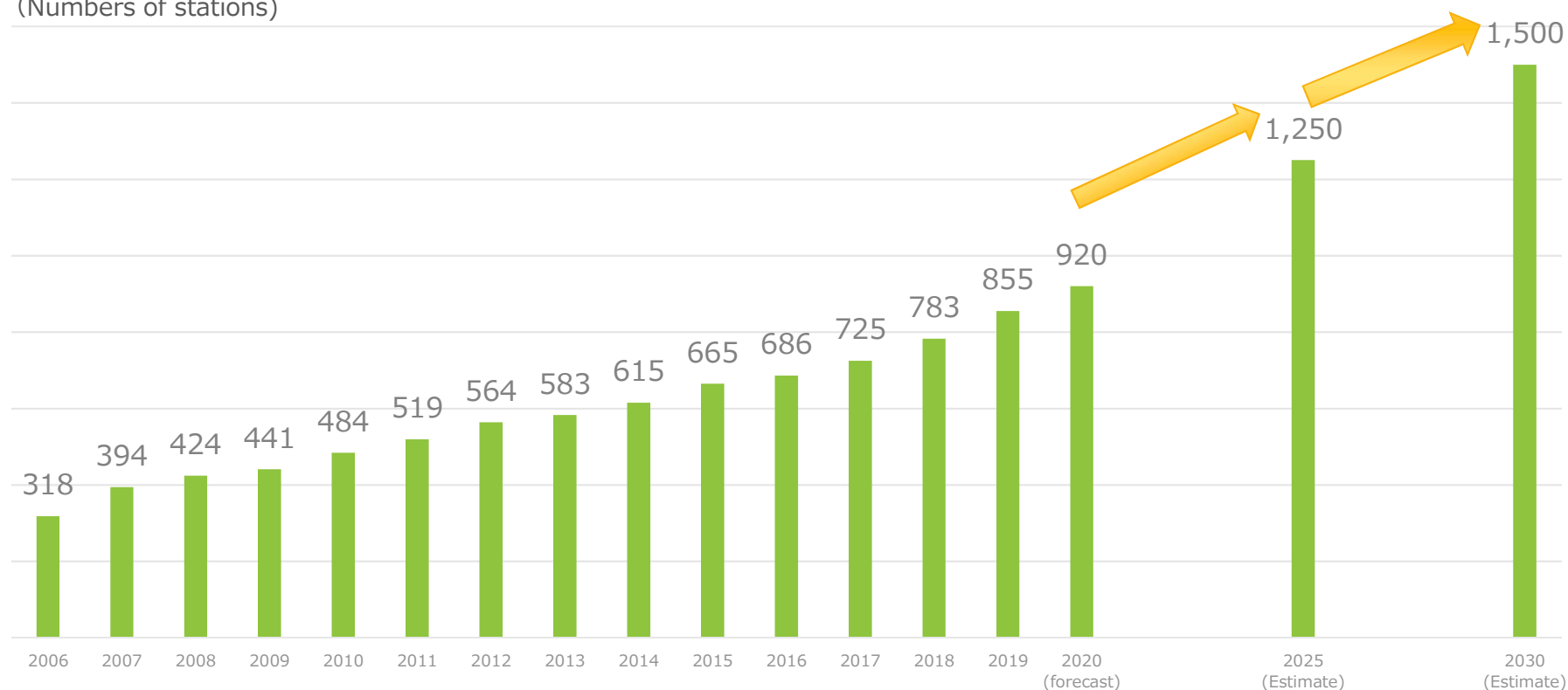
Domestic Platform Door Market Trend



In Japan, the installation of platform doors has been promoted 50 to 60 station per year. According to the statistics announced by the MLIT*, **the platform door installation rate will reach to 60% among stations with 100,000 or more daily passengers by the end of FY2020***. "The act on the promote of facilitation of transfer of elderly, persons with disabilities, etc." promote the installation of platform doors **among stations with 3,000 or more daily passengers (3,450 stations in total)**

Numbers of stations with platform doors

(Numbers of stations)



*MLIT: Ministry of Land, Infrastructure, Transport and Tourism

Soure : MLIT and Nabtesco estimate

Our Strengths and Strategy for Platform Doors

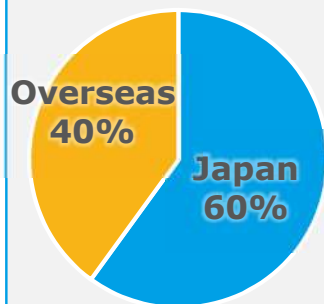


■ Strengths in platform doors

1. We provide highly functional and high value-added products
 - Double sliding doors with a wide opening, equipped with sensors for operation linked with the train doors
2. We have know-how to install platform doors at existing stations with short time frame



Platform door sales composition for FY2019



Domestic market: Rapidly expanding demand for platform doors, driven by higher safety awareness

Aim to win more orders by developing new-type platform doors

Prototype No. 1 developed jointly by West Japan Railway Company and West Japan Railway Technica



JR Kobe Line at Osaka Station



Overseas market: Steadily receiving orders in Europe, Australia and others under the leadership of Gilgen

Grand Paris Express infrastructure project



MTR and Sydney Metro Project

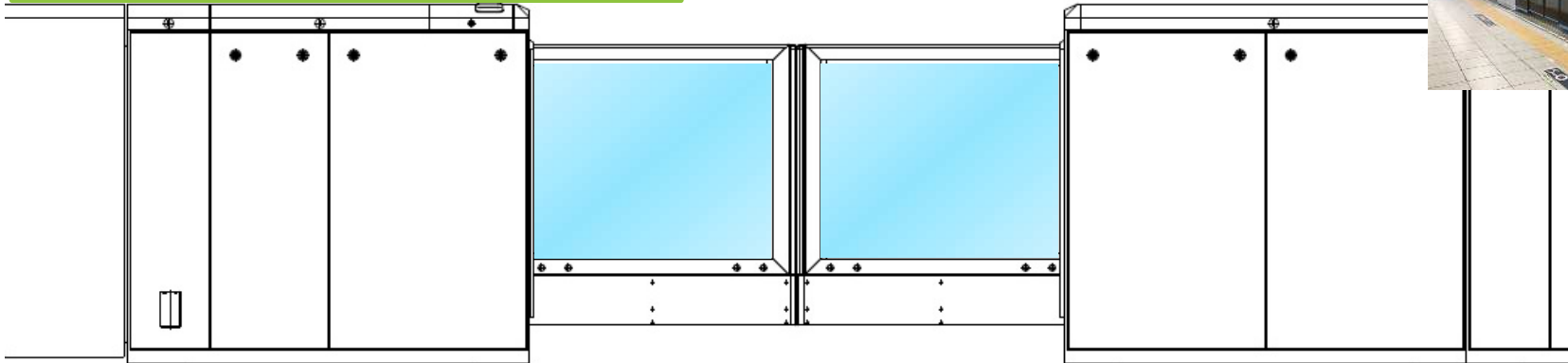


Double sliding doors with a wide opening



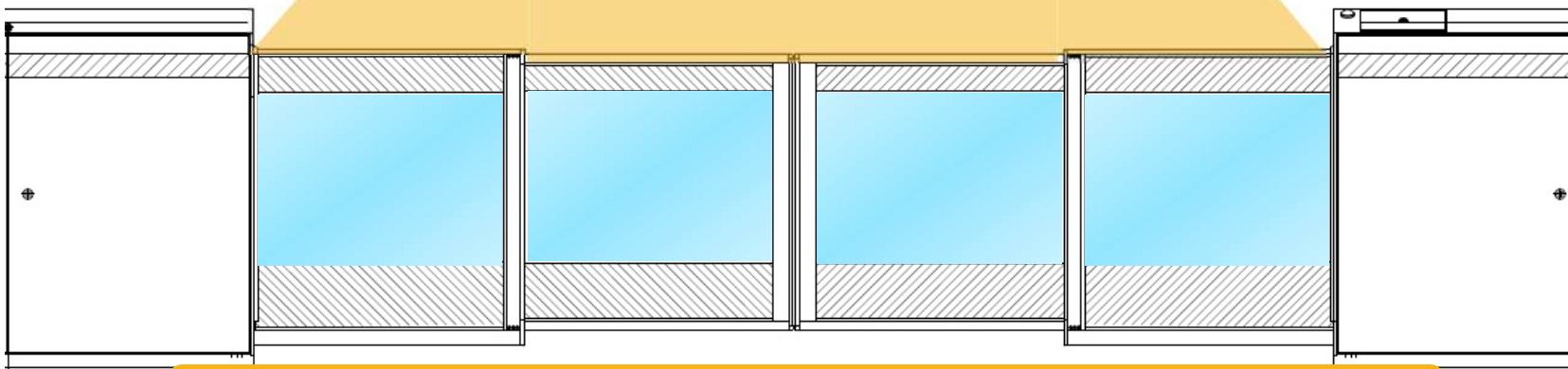
Adoption of double sliding door enable wider opening width

Standard platform door



Double sliding platform door

Two times wider opening width compare to standard platform door



Capable for multiple type of cars have different door position

Wide opening platform doors project for Sanyo Shinkansen



Platform doors for five stations has been scheduled

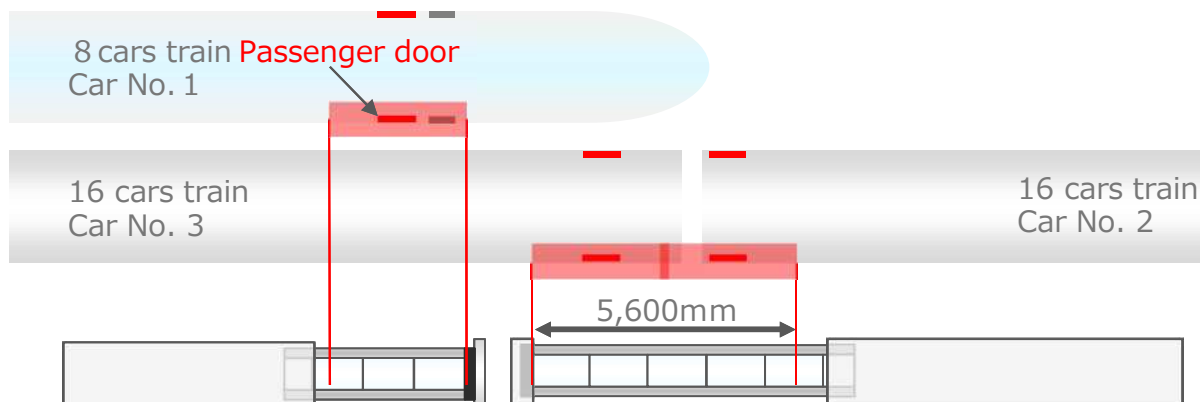


Stations for all
Nozomi stopped

Shin-kobe Installed

Okayama Installing

Hiroshima Installing



Sanyo Shinkansen has
16cars and 8 cars trains

Needs to open 5,600mm
Use wide opening
platform doors



Collaborative development
product with JR WEST and
West Japan Railway Techsia

Medium- to Long-Term Business Opportunities

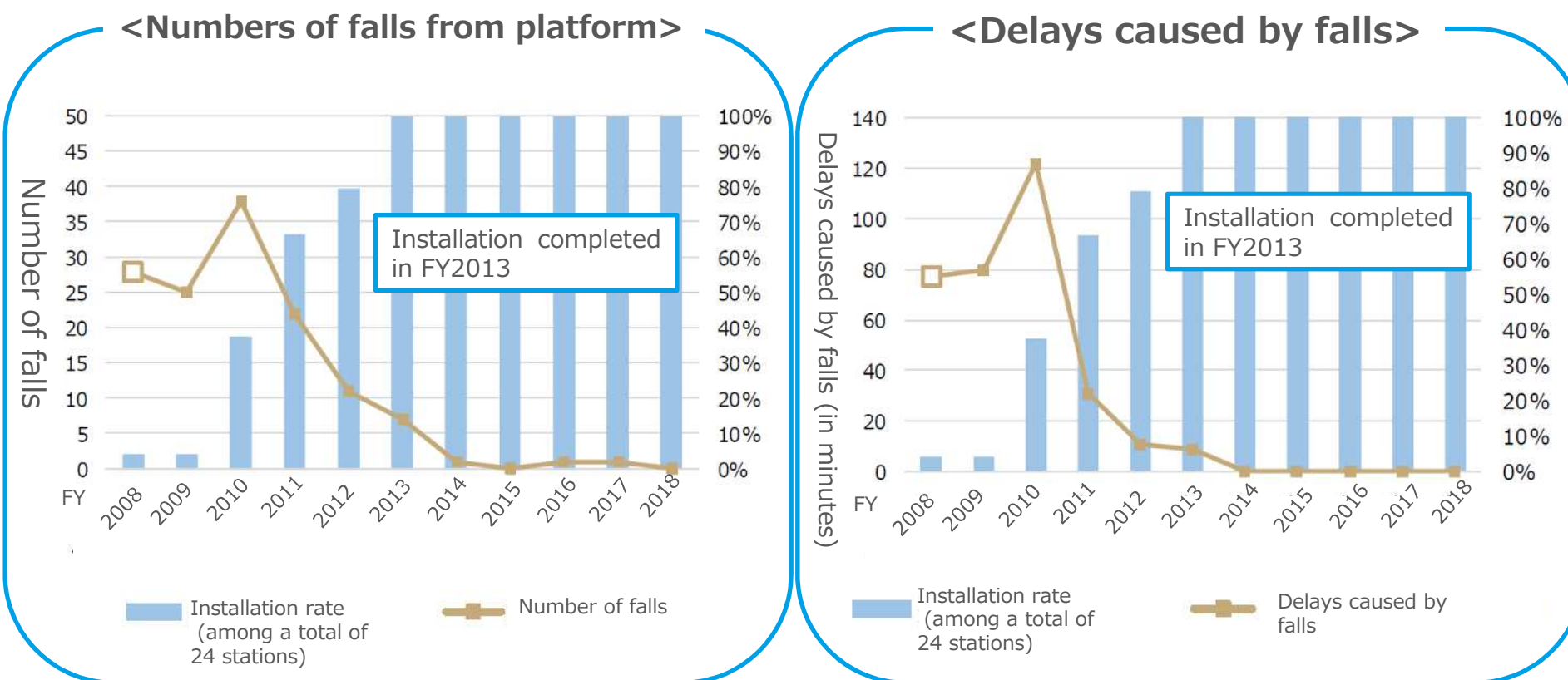


Expansion of business opportunities driven by more ESG-oriented customers



Contribution to the solution of social issues by increasing the safety of passengers through the installation of platform doors and prevent the delays

Effect brought about by installing platform doors (Example of Tokyo Metro)



Sorce : MLIT

3. Medium- to Long-Term Growth Strategy

Medium- to Long-Term Strategy



Automatic Doors	<ul style="list-style-type: none">■ Stable growth as a cash cow business model through maintain and increase market share at value chain market (Japan and Switzerland) and enhancement of the MRO.■ Sales growth from the market in which we are building a value chain through enhance of the distribution channel.
Platform doors	<ul style="list-style-type: none">■ Take growth opportunities due to the safety consciousness increase in both overseas and Japanese market through technological capability and enhance MRO business as the business foundation.
ESG	<ul style="list-style-type: none">■ Growth opportunity through improvement of safety and environmental contribution as market required.
Contactless	<ul style="list-style-type: none">■ Under COVID-19 Increase demand from replacement of sliding automatic doors and other functions■ After COVID-19 Increase the numbers of automatic doors installation per building and hospital which plan to build

Thank you for participant