

# Safety



**Continuing to provide innovative safety and security to society on the foundation of know-how cultivated in pyrotechnics and vehicle safety industry .**

## Business Overview

We have cultivated a wealth of pyrotechnic device technologies over the course of our longstanding operations, which started with the production of cellulose nitrate, a raw material of celluloid. Applying these technologies, our Safety Business manufactures and sells automotive safety devices such as automobile airbag inflators (gas generation devices), which protect the lives of occupants and pedestrians by inflating airbags within milliseconds after a collision, and gas generators for seat belt pretensioners (PGG).

Our automobile airbag inflators are highly regarded as the

key component of airbag systems that continue to advance. We operate in seven countries including Japan, the US, China, Thailand, Poland, South Korea, and India so that we can flexibly respond to rapidly changing automotive industries worldwide. Our Pyro-Fuses, which safely, instantaneously, and pyrotechnically interrupt high-voltage and high-current electricity in the event of an emergency, are expected to be used in many products that will be automated by AI, not to mention the already burgeoning electric vehicle industry.

### Business Environment

- Global slowdown of automobile production
- Technological advances in self-driving cars
- Stricter automotive safety standards in emerging countries

### Strategies

- Thorough productivity enhancement and streamline operations at overseas bases to improve profitability
- Adopting next-generation technology
- Sales expansion of business in Europe, USA and India through strengthening collaboration with module makers
- Development of new use of pyrodevices beyond the automotive market

### SDGs Relevant to these Segments



### Performance Highlights (Consolidated)

Net sales (FY2020/3)

**¥74.8 billion**

Operating income (FY2020/3)

**¥3.3 billion**

## TOPICS

### Safe, Reliable Pyro-Fuses Suitable for Use in Cars and Industry

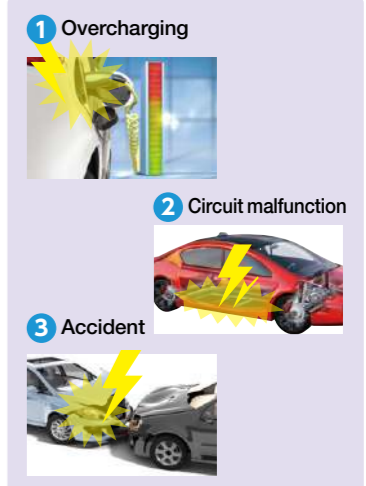
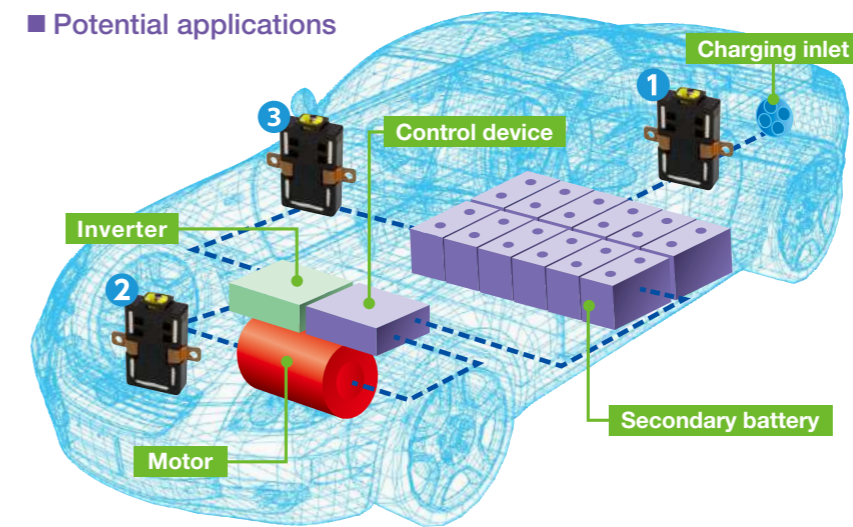
With highly reliable techniques, honed through the development and production of airbag inflators, we are developing and producing Pyro-Fuses that instantaneously interrupt electrical currents.

Electric vehicles, expected soon to appear on roads in great numbers, use high-voltage batteries. Certain measures are therefore required to protect occupants from the risk of electrical shock in case of an accident or malfunction and to prevent secondary hazards. In this context, Pyro-Fuses

are expected to alleviate safety concerns as a solution for interrupting the electric circuits in the event of an emergency and isolating the vehicle's battery.

We will launch a wide variety of Pyro-Fuses that prevent abnormal heating and catching fire in the event of an earthquake or fire as well as for industrial uses such as for batteries and systems for storing and transmitting renewable energy.

#### Potential applications



Interrupts electricity in an emergency to prevent additional hazards

#### Applications other than for vehicles

Our Pyro-Fuses can also be used for safety gear, renewable energy, and in medical care.



### Business Overview of FY2020/3

The sales volume of automobile airbag inflators, our mainstay product, was maintained at the same level as in the previous year despite the negative impact of the COVID-19 pandemic, while sales by the entire Safety Business decreased year-on-year because the supply of replacement products for recalls by other companies came to an end.

We have been restructuring our global production for

inflators to improve profitability of the business. As part of this effort, we transferred some operations to other sites and, as a result, posted a fixed asset impairment loss. We will accelerate our efforts to raise earnings, which include further cost reductions and the development of competitive new products.