

Annual Report 2019
(April 1, 2019—March 31, 2020)

Design the Future



STAND BY YOUR FUTURE
FURUSATO INDUSTRIES

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Notice regarding forward-looking statements

This material contains forward-looking statements that reflects Furusato’s plans and expectations. These forward-looking statements are based on information currently available and a rational evaluation based on certain assumptions that may cause Furusato’s future results to be materially different from any future results expressed or implied by these forward-looking statements due to several factors including change of business environment, market trend and others.

Group Philosophy

「FURUSATO GROUP STAND BY YOUR FUTURE」

In August 2000, the Furusato Group started as a two-company structure, consisting of G-net Corporation and Furusato Industries, Ltd., and then we have been building the foundation of the Group after the addition of Gifu Shoji Co., Ltd. and Security Design, Inc. During this time, the number of employees in the group has exceeded 1,000, and as new organizations and personnel continue to be added to the group, it will become increasingly difficult to communicate using the traditional framework.

We need to overcome differences in history and customs, share our ideals and values as a group, and move in the same direction. In a diverse business environment, including overseas, for the Furusato Group to grow continually, the group must move forward together beyond the boundaries of a company or organization. The new group philosophy has been formulated with this thought in mind.



OUR VISION What our ideal is

Hope for a sustainable society
Responsible for the continuing growth of the Group
Employees work energetically

OUR MISSION What we should do

Creating value for many people with our unique ideas results in meaningful activities for us

OUR VALUE What our values are

Create an environment in which everyone can demonstrate his or her abilities with a sense of security by acknowledging diverse personalities

- Acknowledge people and ideas that differ from your own, and create new value by exchanging opinions
- Have a willingness to constantly challenge for growth and strive to acquire and improve our abilities and skills
- Imagine the impact of your work and activities and think of ways to lead to better results

OUR STANDARDS

- Comply with laws and social norms
- Engage in environmental and social activities
- Take risks and challenges
- Grow through self-fulfillment
- Respect human rights
- Try to be fair and equitable
- Value our trust

Message from the President



Furusato Group's new group philosophy "FURUSATO GROUP STAND BY YOUR FUTURE" expresses our commitment to be close to and supportive of the future of all the people and societies involved in the group.

This year we experienced the COVID-19 pandemic that left the world in a state of uncertainty about the future. Under these circumstances, we will support our customers, suppliers, employees and their families, and society in achieving a sustainable future. We hope to be that group.

Regarding the management of the Group, last year, we have included Security Design, Inc. in the scope of consolidation because we expected the security business to grow. We will continue to invest proactively in the future to achieve growth by expanding the area and increasing the number of employees through office openings.

In the Machine & Tools Segment, we are improving the accuracy of user information to meet the needs of our customers. In January 2020, G-net Corporation (G-net), a subsidiary of Furusato Industries, Ltd., has acquired the domestic sales business related to RINGCONE and CORONET operated by Nidec-Shimpo Corporation. Through this business transfer, we expect that this new connection with our users will allow us to get a first-hand feel for their needs and lead to more effective proposals in the future.

Regarding our support for the introduction of automation in small and medium-sized manufacturing industries, based on user information, we have a system in place to provide a full range of services, from proposing the automation equipment needed to design, manufacturing, installation, and after-sales service, and we will use our unique resources to pursue value for our users that no other company can offer. Especially in this field, we will exert our presence as an engineering trading company with engineering functions such as design, manufacturing, and installation to our wide range of machine tool products.

Regarding the Group's work style, we have been fortunate to be able to make effective use of telework, staggered work hours, and the introduction of communication tools as part of our workplace system reforms to counter the COVID-19. Even after the end of the COVID-19 pandemic, it will continue to be a flexible and efficient way of working. In addition, by reforming the personnel system, including improving the compensation of young people and supporting their career plans, we will create an environment in which they can demonstrate their abilities and work with confidence and enthusiasm.

By constantly rolling out new measures and continuing reforms, the Group hopes for the sustainability of society, and aim to fulfill our responsibility for the Group's sustainable growth, and move forward with the goal of seeing our employees playing an active role.

Ryohei Furusato
President &
Representative Director