

Strengthening Bases in Asia and Challenging the Growing Market

Responding to customer needs with a diversity of businesses

A wholesale company Daimaru Kogyo deals in electronic parts, food products, software, chemical products, metal and resin products, housing materials, fishing rods and others and provides solutions to customers through various services ranging from the procurement of industrial materials and retail merchandise to after-sale care.

For example, in the field of metal and resin products, Daimaru Kogyo provides various parts of global strategic cars of major automobile manufacturers, and in the field of chemical products, the company supplies materials of the recently much talked about "liquid glass" to manufacturers. In the field of electronic parts, the company attacks a niche in the printed circuit board and semiconductor market and is competing with the world's leading electronic parts manufacturers to develop and procure products. In the field of packaging materials, Daimaru Kogyo reduces costs by using foreign manufacturing plants and supplies many famous confectionery packages.

Synergy with the businesses of the Group

Daimaru Kogyo jointly develops with Daimaru Matsuzakaya Department Stores items suitable for mid-year and year-end gifts including seaweed, shiitake mushrooms, canned crab

meat and seasonings, which are sold at Daimaru and Matsuzakaya stores throughout Japan. The company clarifies quality standards including the methods of selecting and processing raw materials and solely undertakes the entire process from production to delivery. Daimaru Kogyo prepares reliable certificates of origin and production evidence and provides consumers with carefully manufactured products together with reassurance.

Daimaru Kogyo imports wine and food directly from France and Italy to sell them at Daimaru and Matsuzakaya stores and the supermarkets of Peacock Stores. The company selects and imports excellent products made with a focus on quality, scent and taste including wine recommended by a famous French chef Paul Bocuse. Using such know-how, Daimaru Kogyo undertook the operation of liquor department in some locations of Daimaru Matsuzakaya Department Stores in fiscal 2010 and entered the retail field. By operating consistently from planning and procurement to sales, the company contributes to the streamlining of department store sales operations.

Daimaru Kogyo will deepen partnership with other companies of the Group including direct marketing, design and construction and a restaurant chain as well as department store and supermarket chains to seek further synergy.

Strategic use of Asian bases

Daimaru Kogyo has a total of 15 business places mainly in the triangular market of Japan, China and ASEAN countries including six domestic locations such as Tokyo, Nagoya and Osaka and nine overseas locations such as Chinese mainland, Hong Kong, Taiwan, Thailand, Indonesia and Myanmar. The world population is estimated to reach nine billion in 2050 from the current 6.7 billion and Asian countries in which the majority of the world population is concentrated are said to be likely to account for 50% of global GDP. From a global standpoint, Daimaru Kogyo, which has the function of trading company, seems to have many opportunities, and with a stronger focus on Southeast Asian and ASEAN countries as information-gathering and business bases, the company will expand into emerging countries whose demand is expected to increase.

Topics for fiscal 2010

Received an inspection-free manufacturer certificate and R&D thank-you cards from Nissan Motor

On May 10, 2010, a ceremony to present an inspection-free manufacturer certificate was held at Daimaru Kogyo Quality Control Center and Daimaru Kogyo received a pass certificate. This is the company's 19th consecutive year of achieving certification as an inspection-free manufacturer. The inspection-free manufacturer certification requires very high quality standards to be met: the non-defective rate of not less than 99% and the delivery date achievement rate of not less than 95%. Parts from such certified suppliers are used by Nissan Research Center for experiments and researches without inspection.

On October 29, 2010, Nissan Motor gave R&D thank-you cards to two members of Daimaru Kogyo Automobile Processed Parts Team at the pre-launch presentation of Nissan's hybrid vehicle Fuga (launched on November 2, 2010). These R&D thank-you cards were awarded to 50 companies that had contributed to the research and development of new technologies for the hybrid vehicle Fuga.

※R&D stands for research and development.



