

# Suminoe Textile Group Integrated Report 2022



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# Suminoe Textile Group's products are found here, there and everywhere.

**To make your everyday life more comfortable, safer and smarter, we will continue to play an indispensable role in people's lives and society.**

The Suminoe Textile Group is a pioneer manufacturer of textiles for interior use in Japan. Throughout its history of more than 130 years since its inception, the Group has always produced products that come in contact with people. Featuring outstanding design, functionality and safety performance, our diverse products have continued to support amenity spaces and enriched lifestyles. We have also worked to contribute to society through sustainable manufacturing of eco-friendly products, as exemplified by the development of a one-of-the-kind carpet tile recycling technology.

Just as we have always done, we will continue to provide value that only we can create, everywhere in people's lives and society.



## Interior Fittings

Providing comfortable and functional interior products

Curtains | rugs and mats | carpets | wallpaper | sliding paper doors | arts and crafts textiles | dancho (plush hand-woven carpets that separate a stage from the auditorium) | dantsu (hand-woven carpets and hooked rugs)



## Automotive Textiles

Adding higher value to automotive textiles

Ceiling materials | seat covering materials | car mats | floor carpets



## Traffic Facilities

Supplying a total line of interior materials for public transportation facilities

Seat covering materials | seat cushion materials | carpets | floor signage film | curtains



## Functional Materials

Offering new functional products that are friendly to human health and the environment

Fabric-coated heating products | deodorizing filters | floor materials for bathrooms | interior materials for aircraft



Company Purpose

We contribute to the improvement of society  
through the production and sales of good products,  
and a prosperous business.

Company Motto

We pride ourselves as a pioneer in the interior design and furnishing  
industry and persist in a spirit of cooperation,  
sincerity and determination.

Code of Conduct

- 1. We comply with all laws and ethical business standards, and conduct corporate activities in an impartial and ethically sound manner.
- 2. We contribute to the advancement of the community through the production and sale of high-quality products.
- 3. We treat all employees of the Company fairly, act with due respect for their individual personalities, and place high importance on their health and safety.
- 4. We place high priority on maintaining good relationships with all our stakeholders.
- 5. We make proactive contributions to the community, as expected of a good corporate citizen.
- 6. We take very seriously the impact of our business activities on the global environment, and contribute to environmental preservation initiatives.

This year, we have begun to publish the Integrated Report in order to inform a broad range of stakeholders of how the Suminoe Textile Group creates value in the medium and long term and what kind of initiatives the Group promotes to enhance its corporate value.

This report provides financial information, including management strategies to achieve sustainable growth as well as a business overview and the performance of the Suminoe Textile Group, and non-financial information on its specific sustainability and ESG initiatives. By disclosing such information in an integrated manner, this report aims to help stakeholders deepen their understanding of the Group.

Referenced Guidelines

ISO26000 Guidance on Social Responsibility  
Guidance for Collaborative Value Creation, published by the Ministry of Economy, Trade and Industry (METI) of Japan  
International Integrated Reporting Framework, published by the International Integrated Reporting Council (IIRC)

Scope of the Report

Suminoe Textile Co., Ltd. and its consolidated subsidiaries in Japan and overseas  
However, the scope varies according to the items reported.

Period Covered

Fiscal year 2022 (From June 2021 to May 2022)  
(Some activities undertaken outside the above period are included.)

Information Disclosure System



Disclaimer about Forward-Looking Statements

Among all the current plans, strategies, and judgments that are included in this Report, those which are not historical facts represent our forecasts for future performances, etc. These are on the basis of assumptions and judgments based on information currently available for the Suminoe Textile Group and may thus contain risks and uncertain factors. Please be advised, therefore, that the Group's business results that will be publicly announced in the future may differ significantly from the forecasts due to various factors.

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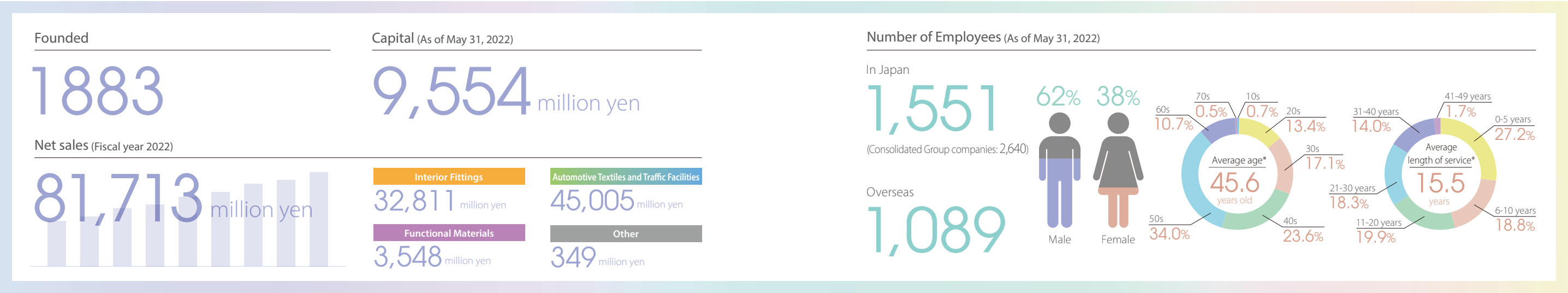
  

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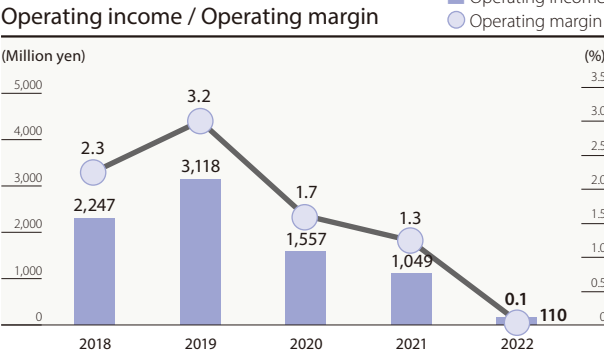
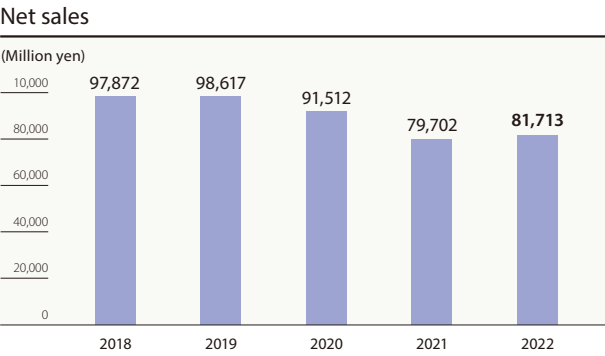
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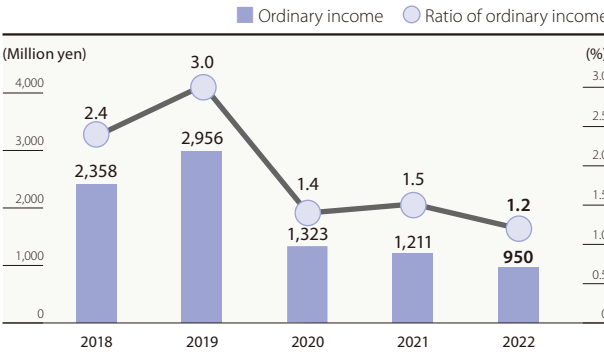
\* Average figures of Group companies only in Japan



Financial Data (for each FY ended May 31)

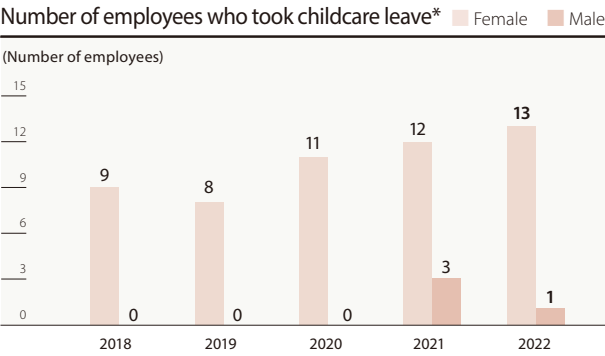
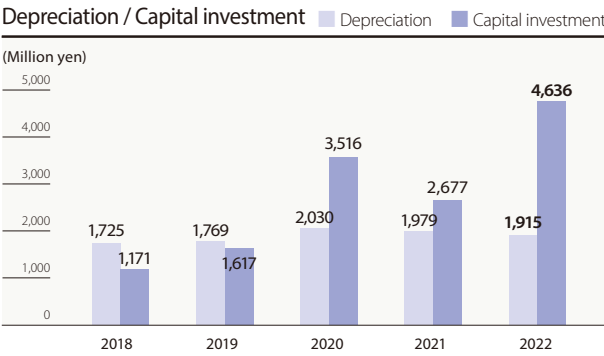
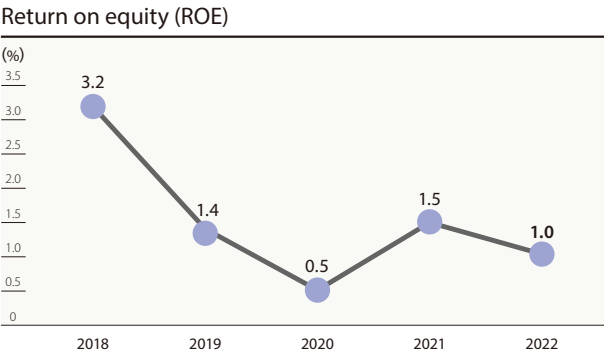
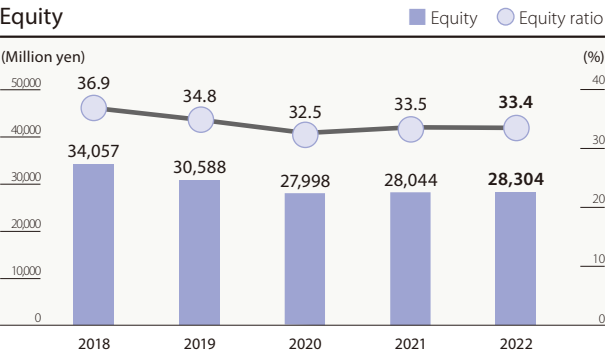
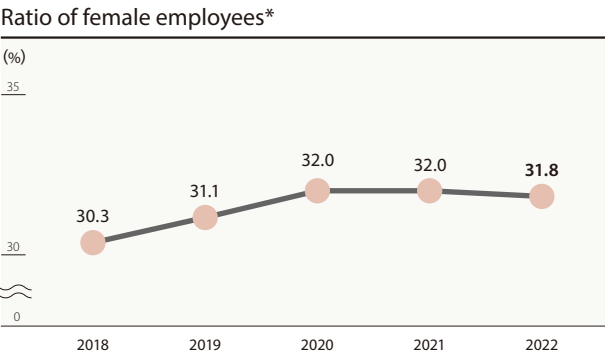
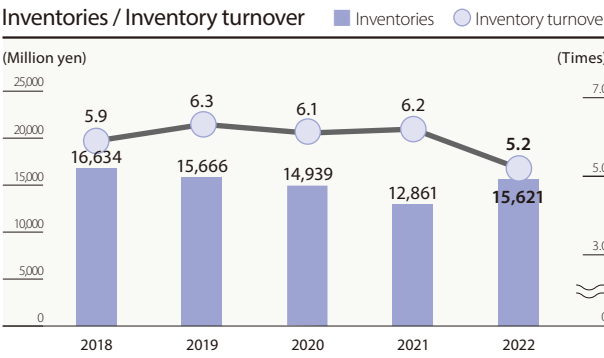
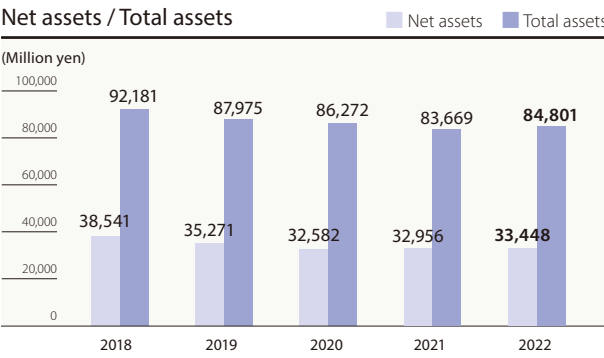
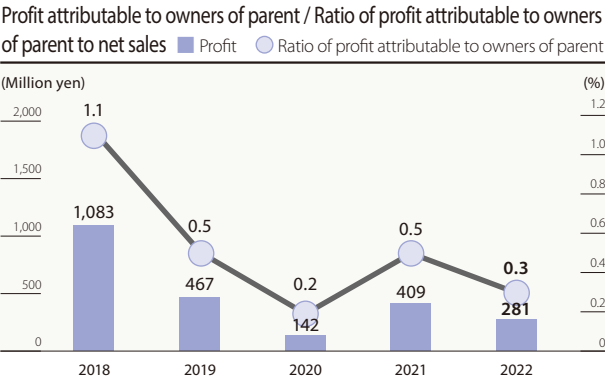
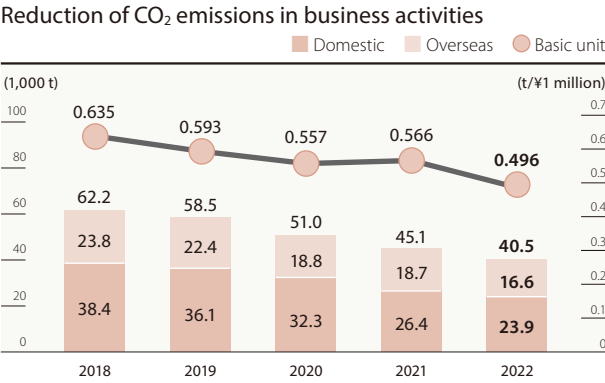


Ordinary income / Ratio of ordinary income to net sales



Non-financial Data (for each FY ended May 31)

\* Group companies in Japan only





Suminoe Textile was founded by rice dealer Denshichi Murata, who opened the Murata Factory in 1883 in Sumiyoshi Village, Higashinari-gun, Osaka Prefecture (now Sumiyoshi Ward, Osaka City).

This small factory in a private household was receiving orders for interiors for railway cars and ships, and even for the Imperial Diet Building, heralding the dawn of Japan's carpet industry.

1880s

1900s

1930s

1940s

1970s

1990s

2000s

2020s

Contribution to Japan's Modernization

Popularizing Interior Fabrics in Common Households

Offering One-of-a-Kind Products to Customers around the World

Industrial Revolution in Japan

Taisho Democracy

World Depression World War II

High economic growth period

Period of increasing globalization Bubble economy Manifestation of environmental problems

Collapse of the bubble economy IT revolution

A declining birthrate and aging population

Novel coronavirus (COVID-19) pandemic

History of the Suminoe Textile Group

1883

Murata Factory founded. Manufacture of handwoven carpets begins in Sumiyoshi, Osaka.

1892

The Company's first patent obtained for carpet weaving, "Yamato-ori."

1903

Sumiyoshi Factory with full-scale weaving facilities established.

1913

Suminoe Textile Joint-Stock Company established.

1916

Manufacture of carpets using power looms begins.

1930

Suminoe Textile Co., Ltd. established.

1937

Kawachi Factory established, where woolen spinning begins.

1949


Shares listed on the Tokyo, Osaka, and Kyoto stock exchanges.

1954

First to introduce to Japan a tufting carpet machine from the U.S.

Value Offered by the Group


1891



● Winning acclaim for *Dantsu* carpet-weaving techniques

Winning acclaim for its manufacturing techniques, the Murata Factory supplied *Dantsu* hand-woven carpets to the Imperial Diet Building. We have continued to deliver the "red carpet" and other interior textiles for the present-day Diet Building.


1913



● Mass production realized by using power looms

The Company imported technology and power looms from Germany and the U.K., becoming the first in Japan to manufacture machine-woven moquette.


1913



● Participating in the automotive industry in its infancy

Suminoe Textile supplied carpets and seat covering materials to automobiles assembled and manufactured in Japan for the U.S. automakers, Ford Motor Company and General Motors.


1899



● Manufacture of Japan's first hand-woven moquette

The Company received an order to manufacture the seat covers used in trains of Japan National Railways, which had conventionally used imported seat covers. We succeeded in producing and supplying hand-woven moquette as a seat covering for the first time in Japan.


1957



● Helping widespread use of carpets in general households

Although carpets had usually been custom-made, high-end products, the Company released a ready-made carpet called "Tafton," which was affordably priced for ordinary households.


1968



● Producing a 836 m² carpet by hand

The Homeiden Imperial Palace building is a banquet hall, the largest of all the Imperial Palace halls. Suminoe Textile provided for this hall a hand-woven dantsu carpet of 836 m². Its manufacturing process required approximately 10,000 weavers, who spent as long as nine months to complete this masterpiece carpet.


1971



● Construction of a new pollution-free carpet factory

When pollution problems attracted much attention, our Nara Factory was newly constructed. The factory was equipped with effluent treatment facilities in order to prevent leakage of hazardous substances discharged with wastewater.


1980



● Production of Japan's first carpet tiles

Suminoe Textile produced carpet tiles that can express mosaic patterns. It is easy to replace the damaged carpet tiles with new ones. With these advantages, these carpet tiles attracted much attention as an innovative product.


1989



● Development of a continuous fiber made from recycled polyester

スミトロン® (SUMITRON), which uses polyester chips recycled from PET bottles as raw material by 50% or more, contributes to resource-saving.


1998



● Development of around-the-clock deodorizing treatment technology

Suminoe Textile developed トリプルフレッシュ® (TRIPLE FRESH) treatment technology, which can deodorize and decompose substances that cause sick house syndrome and other malodorous substances that are generated daily in our environment on a 24-hour basis. This technology contributes to protection of people's health.


2011



● Development of recycled carpet tiles

We established a framework for repeating the recycling cycle involving the same products for carpet tiles. These recycled carpet tiles became the first to be certified as Eco Mark products under new standards.

The past, the present and the future



● Passing on traditional techniques to future generations

While promoting business reforms, the Suminoe Textile Group maintains and cultivates hand-weaving techniques handed down in Japan's historical industry, thereby making cultural contribution.

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