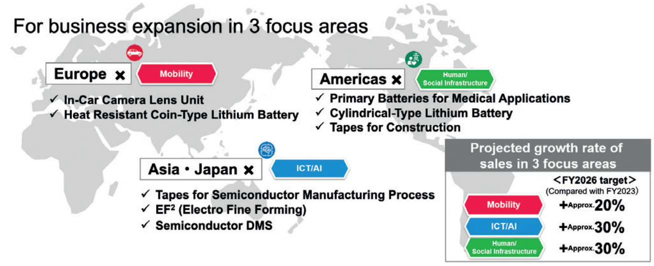
Maxell Unveils Medium-Term Management Plan

Leading electronics company to accelerate efforts to pursue technological development in stated focus areas. By addressing customer issues and leveraging well-documented strengths in technology, President Keiji Nakamura hopes stakeholders come to recognize the firm as indispensable.

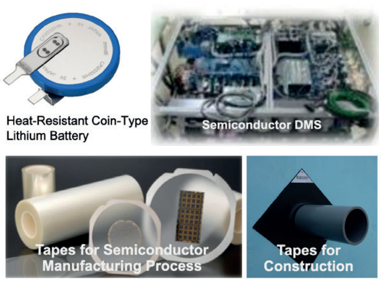


Maxell, whose name derives from the phrase "Maximum Capacity Dry Cell," started life as a battery manufacturer in 1961 and is today renowned not only for its high-quality electronics but its desire to contribute to society through the use of groundbreaking, original technologies. These technologies include the firm's unique analog core technologies, including mixing and dispersion; fine coating; and high precision molding and forming, all of which are driving technological innovation in a range of fields.

Today, company President Keiji Nakamura is on hand to explain the firm's new medium-term management plan, MEX26, an ambitious program which aims to improve profitability and capital efficiency while achieving sales and profit growth through proactive investments in growth areas.

A four-pronged business strategy will see Maxell focus on existing businesses and new businesses, as well as sales and the company's management foundation: human resources, DX (digital transformation), IP (intellectual property) and sustainability.

Turning to Maxell's existing portfolio first, Mr. Nakamura has identified three focus areas where the company's much-vaunted Analog Core Technologies can help foster a competitive advantage. These are the fields of mobility, information and communications technology/artificial intelligence, and human/social infrastructure.



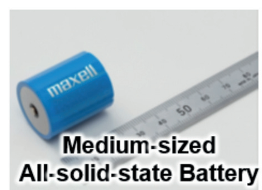
"Growth businesses within these fields," Mr. Nakamura states, "include heat-resistant coin-type lithium batteries, coated separators and primary batteries for medical applications."

Growth Businesses

Mobility	✔Heat-Resistant Coin-Type Lithium Battery ✔LED Headlamp Lens ✔In-Car Camera Lens Unit ✔Coated Separator
ICT/AI	✔Tapes for Semiconductor Manufacturing Process ✔Semiconductor DMS ✔EF² (Electro Fine Forming)
Human/Social Infrastructure	✔Primary Batteries for Medical Applications ✔Cylindrical-Type Lithium Battery ✔Tapes for Construction ✔Hydraulic Tools

If contributing to the creation of a sustainable society is at the heart of everything Maxell does, then this commitment is perhaps best illustrated by the company's achievement of mass producing the world's first small-size, sulfide-based all-solid-state battery. A new business venture, all-solid-state batteries are widely regarded as the future of battery innovation. Maxell's all-solid-state batteries are sulfide-based, making them not only highly reliable—with a battery life of up to 20 years—but also capable of performing at a wide range of temperatures without risk of leakage. These qualities make them stand out as an innovative and likely indispensable solution to a range of interconnected problems.

Aim to commercialize these products during MEX26



2024 sees the company enter Phase 2 of its multistage plan to generate sales of around 30 billion yen by the end of the current decade. "In the current phase," Mr. Nakamura explains, "we are looking for sequential investment toward the development of next-generation technologies as well as to commercialize medium-sized all-solid-state batteries."

Underpinning both these approaches, of course, is the company's sales strategy and management foundation. Mr. Nakamura confirms that Maxell will be looking to strengthen its technical sales team by developing and investing in human resources. Equally important is a desire to consolidate relationships with global customers in the Americas, Europe and Asia who will be key players in the three focus areas mentioned above.

As for the management foundation, the company will focus on business efficiency and personnel development through the use of core systems that were standardized during the previous medium-term management plan during 2021-2023. This includes areas such as human resources, digital transformation, intellectual property and sustainability management.

For investors, meanwhile, the company's stated aim is to generate a PBR (price-to-book ratio) of over 1.0x by achieving profit growth through proactive growth investments of 350 billion yen, which is more than double the previous medium-term management plan, and to improve capital efficiency through advanced shareholder returns aiming for a total payout ratio of 100 percent.

All in all, MEX26 is an important milestone as the company moves toward FY2030, with FY2027, three years hence, representing a further key date when all-solid-state batteries and other new businesses will be fully launched.

With so much change afoot, it is worth noting that even in the face of emerging issues such as climate change, resource shortages and international disputes, Maxell's stated aims remain the same: to develop products and services globally, resolving challenges in society in order to create social, environmental and economic value. Or, as Mr. Nakamura puts it: "We at Maxell aim to create Maximum Excellence for employees, customers and society by leveraging our unique Analog Core Technologies to deliver the highest value to stakeholders and investors alike."