

# Tabletop Business

## Main products

- Porcelain tableware
- Other tableware-related products
- Decorations/works of art, etc.



## Performance in fiscal 2022

Domestic sales to hotels and airlines, which had been falling for a long time due to the COVID-19 pandemic began to recover. There was also an increase in directly managed stores and online sales. In addition, the results were shown in the structural reform that we had been working for and led to significant progress in improving our profitability. In the U.S., the inventory adjustment at our customers continued throughout the year, and orders fell sharply due to poor business performance at one of our major

customers in the second half of the year. As a result, sales fell short of both forecasts and year-on-year changes. Business in Asia grew significantly in our key markets, China, India, Vietnam, and Taiwan. There was also an increase in profits in Australia and other regions.

As a result, net sales in the Tabletop Business were 6.905 billion yen (YoY increase of 15.8%), and an operating loss of 0.277 billion yen (YoY losses improved by 900 million yen).

## Progress of the 12th Three-year Business Plan

In the Tabletop Business, we are working to achieve the Group's Long-term Vision with the first priority setting on achieving profitability. In Japan, in order to expand sales to the hotel and restaurant markets, which had been recovering, we worked to develop a large number of new products. We also continued to reduce costs by simplifying distribution and streamlining operations. As a part of concentration in core competence to improve profitability, we also concentrated resources on online sales that are expected to grow in the future.

In China and India, sales grew significantly due to the conclusion of a general agent contract with a local company. In Vietnam, we opened a new showroom with the aim of expanding future sales. The U.S. market continued to struggle, but we will take measures to recover, such as marketing and cultivating new sales channels, strengthening our online operations, and expanding sales of microwave safe silver tableware that we just released to the market.



Yoshino



Rosa Rossa



Homage Collection



Orige



CLÉMENCE



Trefolio Gold &amp; Platinum

## Growth Strategy

Tableware is indispensable for enjoying delicious meals in a variety of situations, not only at home but also at hotels, restaurants, in airplanes, and at hospitals. We view our business as a business unit that contributes to the people's well-being. This is an important value which Noritake can provide to society, and we always keep this in mind when conducting our business activities.

In recent years, the demand for tableware has diversified. Shapes and materials that were never seen in the market are being demanded. The entire division is pushing ourselves day and night to develop products that can satisfy every customer. We worked vigorously to develop new types of strategic products for business-to-business, focusing on the development and reorganization of our production system.

In FY2023, we plan to release all the items in the "CLÉMENCE" series, which is expected to become our core lineup. In the field

of design decoration, we are expanding the differentiating inkjet decoration technology called "DECORATECT" to domestic corporations.

We also continue to develop products with a theme of sustainability. Tableware made of recycled materials which was launched in 2021 was highly received by the market, and we will increase the product lineup in FY2023. In addition, we will continue development of lightweight tableware for airlines.

Porcelain is made from limited natural resources, and requires a large amount of energy during the firing process. We recognize that advancing more environmentally conscious manufacturing, such as reducing the use of raw materials that may be depleted or shifting to renewable energy sources, is extremely important from the viewpoint of business sustainability, and we will continue to work on these initiatives.

## MESSAGE

### Strengthening Marketing Capabilities to Respond to Market Changes

We will strengthen our marketing activities and enhance dialogue with customers in order to respond to diversifying needs and the changes in markets that have been seen through COVID-19. Particularly in the domestic and U.S. markets, which are the two largest markets, we believe that digital marketing through enhanced online sales could be effective. We have already begun sales promotional activities using marketing automation tools at our domestic online sales and directly managed

stores. In addition, we launched a dedicated Instagram account for hotels and restaurants to conduct sales promotion activities, and will start online orders for hotel and restaurant customers from this fiscal year.

We will be leveraging these new initiatives for product development that enriches our customers' dining experiences to become a business that can contribute to the people's well-being.