



## Linking Cultivated Technologies and Providing Them as New DX Solutions

**Nobuo Shogaki**

President & Representative Director of Board  
Ryoden Corporation



Born June 5, 1955. In 2014, made efforts to expand the solution business as Deputy General Manager of the Solution Business Headquarters at the time. Appointed Representative Director of Board in 2016, and since then has expanded the company into new business fields based on the core businesses cultivated over an extended period and has focused on converting from a conventional trading company business model to a solution-oriented business model.

## Creating New Business with Technological Capabilities Seeking to Transform into a Business-Creation Company

### Year one for achieving the next stage of growth

On April 22 of this year, Ryoden Corporation will mark the 75th anniversary of its founding. This year is also the start of the company's fourth quarter century, and we will focus on building the foundations to become a company that can continue to grow even 100 years after its establishment.

Ryoden Corporation was established in 1947 as a distributor for Mitsubishi Electric Corporation. The semiconductor business, which was launched in the 1970s, made great strides in the early years, but the most recent quarter century was marked by the collapse of the bubble economy and other turbulent events. Currently, the company is entering an embryonic stage for new growth. The DX business leverages digital technology to provide new added value. This initiative, launched as a solutions activity when the term DX was not yet used, started bearing fruit in 2013.

In 2020, we established ICHIGAN 2024, a five-year medium-term management plan, as a completed form of those results. This year will be a turning point, and we have positioned it as an early milestone for the 100th anniversary of the company's founding.

### Using technological strengths to develop wide-ranging business

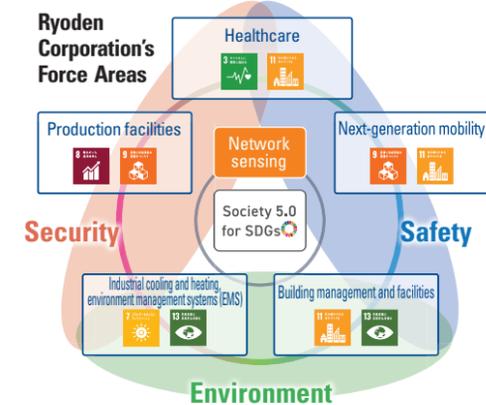
The first of the company's strengths that should be mentioned is "on-site strength." As a general agent for Mitsubishi Electric Corporation, which handles factory automation, cooling and heating, buildings, and semiconductor products, we have worked primarily at manufacturing sites to solve customer

problems based on the belief that "truth is found at the worksite." Another major strength is that we are highly familiar with semiconductor technology, such as image processing for in-vehicle cameras and power semiconductors including circuits. The Semiconductor Division has an artificial intelligence (AI) team, which is creating new solutions linked to other business, such as Remces, a cloud-based system that performs comprehensive monitoring of buildings and plant facilities, and image monitoring.

Our third strength is the fact that we are a telecommunications carrier, even though we are trading company. We are developing new business using LoRaWAN communications, a low-power, wide-area technology, to provide unique solutions in the IoT field, which involves the exchange of various types of data.

Our fourth strength is our ability to enter new fields by applying our technological capabilities to a wide range of business segments. In the field of smart agribusiness, we developed rapid cultivation LEDs and construct large-scale plant factories that link factory automation, cooling and heating, semiconductors, and the IoT. This summer, we will begin the world's first spinach cultivation with an annual production capacity of 1,000 tons. In the healthcare field, we build next-generation communications and network systems using advanced image processing technology.

In addition, we have a global network, and the ability to develop wide-ranging business overseas is another of our strengths. We have 19 sites in Asia, North America, Central America, Europe, and other regions, and in addition to sales, they perform numerous functions including discovering



new technologies and products and collecting information.

### Solving social issues including environmental, security, and safety issues using technological capabilities

The keywords for the future are the environment, security, and safety. People are able to create better lifestyles by using new technologies. One such solution is the plant factory, and we will apply new technologies, such as Remces, developed at plant factories, to other fields as well. We are taking active measures to achieve carbon neutrality: Scope 2 emissions are already covered by our in-house solar power plants, and we will contribute to the environmental activities of customers including visualization of Scope 3 emissions and carbon reduction systems using Remces.

We will work to achieve the target of operating income of 10 billion yen set in the medium-term management plan while we strive to be a "business creation company," that creates new businesses that can solve social issues using our unique technologies. **AD**

**Ryoden Corporation**

<https://www.ryoden.co.jp/>