Japanese News

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Eto Plans 3.2% Sales Growth as It Accelerates Overseas Expansion

Eto (Yokohama, Kanagawa Prefecture; President Toshiyuki Amano) is targeting sales of ¥18.9 billion for the fiscal year ending March 2027, up 3.2% from the previous fiscal year. The company plans to strengthen its sales capabilities by establishing a new sales promotion division while accelerating overseas expansion, including the establishment of its first sales office in India and expansion of its operations in Vietnam. The initiatives are aimed at building a stronger foundation for medium- to long-term growth. Eto recorded sales of ¥18.3 billion in fiscal 2025, ended March 2026, slightly below its initial target. **Operations in China and ASEAN were affected by production adjustments at automakers, while demand for residential equipment in North America remained weak amid inflation and high interest rates.**

By market, automotive demand in Japan remained largely flat, while overseas markets were challenging. Sales to the construction machinery sector remained firm, supported by resilient market conditions. Demand for industrial machinery, particularly robotics-related products, recovered throughout the previous fiscal year and is expected to remain strong in the current year. In the electronics sector, demand from some semiconductor manufacturing equipment customers remained solid, and sales are expected to remain at roughly the previous year's level. In the medical sector, Eto handles finished medical devices and is working to develop the business into a new core revenue source.

In Japan, the company is strengthening its production capabilities at its Kagoshima plant. In addition to its traditional brass products for residential equipment, the plant is expanding into steel and stainless steel products, enhancing its ability to respond to a wider range of customer demand. Overseas, **Eto's Vietnamese subsidiary opened a sales office in Ho Chi Minh City in March, adding to its existing base in Hanoi.** In India, the company has previously dispatched employees to conduct market research. It now plans to establish its first Eto sales office in India by the end of this year in Gurgaon, where its parent company, Kyokuto Boeki Co., Ltd., also has an office.

President Amano describes India as an essential market for Eto's long-term strategy. **"India is a market we cannot overlook** when considering our business development over the next 10 years," he said. With trade regulations increasing the importance of local sourcing for manufacturers, **the company is also considering establishing local production capabilities.** "We will continue studying the possibility of developing manufacturing functions there," Amano said. On March 31, Shinji Sakuma stepped down as representative director and president of Eto and became representative director and president of its parent company, Kyokuto Boeki Co., Ltd., on April 1. Amano succeeded Sakuma as president and has established a new sales promotion division starting this fiscal year.

President Toshiyuki Amano

"Separate from our sales offices, we have established an organization focused on marketing-driven, proactive sales. We will strengthen both relationships with existing customers and the development of new customers," Amano said. Amano was born on December 18, 1966. He joined Eto in 1986 and was initially assigned to the company's Yamagata Sales Office. He subsequently spent two periods stationed in Thailand, working in overseas operations for a total of 12 years. After returning to Japan, he held positions in domestic sales and the international business division before becoming a director responsible for overseas operations in June last year. He became president and representative director in April this year. Drawing on his extensive experience in Southeast Asian markets, Amano will lead the company's efforts to further expand its overseas business.

Ohashi Technica Posts Higher Sales and Profits, Expands Global Production Capacity

Ohashi Technica (Minato-ku, Tokyo; President Masaya Hirose) reported higher sales and profits for fiscal 2025, ended March 2026. Consolidated sales rose 2.3% year on year to ¥40.918 billion, while operating profit increased 36.1% to ¥2.426 billion. Ordinary profit rose 25.6% to ¥2.966 billion, and net income increased 36.9% to ¥2.084 billion.

U.S. manufacturing facility

Although production cuts by some major automotive customers in Japan, China and ASEAN affected results, sales of newly awarded products expanded across the company's operating regions. Profitability also improved due to price revisions and higher productivity in manufacturing operations. Sales increased in both Japan and overseas markets. While the China business continued to post losses due to lower sales, overall operating profit increased as higher revenue, improved gross profit margins from price revisions and manufacturing productivity gains, and lower selling, general and administrative expenses, particularly overseas, contributed to earnings.

By region, Japan posted higher sales despite the impact of production cuts by major automotive customers, supported by increased sales of newly awarded products. In the Americas, new orders, price revisions, higher manufacturing productivity and lower SG&A expenses significantly improved profitability. China, however, recorded lower sales as production by Japanese automakers continued to decline amid intensifying price competition among local manufacturers. SG&A expenses fell following structural reforms implemented in the previous fiscal year, but the decline in sales had a greater impact, resulting in another loss. The loss, however, was smaller than in the previous fiscal year.

In ASEAN, sales increased despite production cuts by major customers, supported by higher sales of newly awarded products and foreign-exchange translation effects. Profit also increased on the back of improved manufacturing productivity. Europe also achieved a significant increase in profit, driven by new orders, price revisions, lower procurement costs and reduced SG&A expenses. For fiscal 2026, ending March 2027, Ohashi Technica forecasts sales of ¥43.0 billion, up 5.1% year on year, operating profit of ¥2.55 billion, up 5.1%, and ordinary profit of ¥3.0 billion, up 1.1%.

★ Expanding Production for Hybrid Vehicle Components

As part of its growth investments, Ohashi Technica has secured global orders for multiple suspension-related components for hybrid vehicles that Japanese automakers plan to produce in North America and ASEAN. To meet this demand, the company has expanded its U.S. manufacturing facility. The expansion has now been completed, increasing the plant's floor area to approximately 4,200 tsubo, or about 13,900 square meters. The company has also installed 15 new CNC lathes, bringing the total to 26 machines. A dedicated machining line consisting of the 26 CNC lathes will be brought online in stages through 2028, with production expected to increase accordingly. Products for the ASEAN market will be manufactured by Ohashi Giken, a Japanese subsidiary based in Aichi Prefecture. **The company aims to strengthen its global supply system and provide components with consistent quality across production regions.**

★ Three New Automated Machining Lines in Thailand

At its manufacturing facility in Thailand, Ohashi Technica is preparing for mass production after receiving orders for fuel-piping-related components for diesel engines used in pickup trucks produced by a Japanese automaker. The company is installing three fully automated machining lines, each consisting of nine CNC lathes and other equipment. Production is scheduled to begin in the second half of fiscal 2026. The order reflects the company's expertise in achieving high-precision machining through both cold forging and cutting processes. **Thailand plays an important role as an export base for the ASEAN market. Ohashi Technica plans to further expand its business by introducing advanced manufacturing technologies and putting its new sales office in Si Racha into operation.**

UNYTITE Accelerates Offshore Wind Expansion and Global Digital Transformation with AI

President Atsushi Hashimoto

UNYTITE (Kobe, Hyogo Prefecture; President Atsushi Hashimoto) is accelerating its expansion into offshore wind power, a promising growth market, while promoting global management reform through the development of an AI-powered digital platform. The company will build on its core businesses in bolts, nuts and forged components. UNYTITE serves five major markets: construction and civil engineering, construction machinery, shipbuilding and heavy electrical equipment, automobiles, and wind power generation.

In fiscal 2025 (ended March 2026), the construction and civil engineering market remained sluggish. Construction capacity was constrained by regulations limiting working hours and a chronic shortage of skilled workers, resulting in lower construction activity. Demand for structural steel also remained weak, reducing demand for the company's mainstay high-strength and torque-shear bolts. The impact of demand related to the Osaka-Kansai Expo was also limited.

Demand for construction machinery recovered, while sales to the shipbuilding and heavy electrical equipment sectors increased. However, these gains were insufficient to offset the decline in construction and civil engineering, resulting in sales slightly below the previous fiscal year. Profitability was also pressured by higher material, energy and auxiliary material costs. In the current fiscal year, the company plans to improve earnings through a review of its pricing and higher production efficiency.

★ Offshore Wind Power as a Growth Market

Offshore wind power is one of UNYTITE's key growth areas. The industry faces numerous challenges, including how to reliably fasten large M72-and-larger bolts and nuts, as well as transportation and post-installation maintenance at offshore sites. UNYTITE aims to address these issues through integrated system solutions. As part of its maintenance solutions, the company is already co-developing a wireless monitoring system with a company from another industry. The system monitors the tightening condition of bolts equipped with built-in strain gauges. **President Hashimoto aims to deepen the company's solution-based business by focusing not only on selling physical products, but also on providing services and solutions that address customers' operational needs.**

★ U.S. Business Set for Record Sales

UNYTITE's overseas operations showed contrasting results in the United States and China. In the United States, the company operates two locations: UNYTITE, INC. (Illinois; UIL), a manufacturing operation, and FASTENER LINK, INC. (Texas; FLI), a trading company. Before becoming president of UNYTITE, Hashimoto spent 12 years stationed at UIL and has served as its president since 2020. Both U.S. operations are expected to post record-high sales. While sales were largely flat in fiscal 2025 (ended December 2025), business conditions improved in fiscal 2026. In addition to the impact of price adjustments, the U.S. construction and civil engineering market is benefiting from strong demand for data center construction and other projects.

UIL's business model also makes it relatively resistant to tariff impacts. The company manufactures products locally using U.S.-sourced materials and supplies them to the U.S. market. Demand for domestically manufactured products is also increasing. FLI plans to leverage UIL's existing customer network to develop new business opportunities. At the same time, rising labor costs and difficulties in securing workers remain challenges in the United States. The company will respond by upgrading labor-saving equipment and strengthening operational capabilities at its production sites.

★ China Operations Face Weak Japanese Auto Demand

In China, UNYTITE has operated two locations: Foshan Yuren Precision Co., Ltd. (FUP) and Foshan Yuyi Precision Forging Co., Ltd. (FUF), both in Foshan, Guangdong Province. However, weak performance among Japanese automakers, which account for a large portion of sales, has weighed on the business. At the end of 2025, the two operations were consolidated onto FUF's site, accompanied by difficult personnel reductions. Going forward, UNYTITE plans to reduce its dependence on Japanese customers and expand into higher-margin businesses. For the current fiscal year, the company is targeting a 4.5% increase in sales from the previous year.

★ Four Priorities for the Next Stage of Growth

UNYTITE has identified four priority initiatives: (1) creating a safer workplace, (2) developing a long-term vision for the next 10 years, (3) fostering a workplace with active communication, and (4) establishing systems to reduce dependence on individual employees. In developing its long-term vision, the company plans to incorporate the perspectives of both experienced employees in their 60s and younger employees in their 30s to clarify its direction for the next generation. The company has also begun individual meetings with all employees and monthly communications from the president by email.

★ Expanding CADDi Across the Global Group

One of the company's key initiatives is the development of an AI-powered digital platform. **UNYTITE plans to expand throughout the group its use of CADDi, an AI data platform for manufacturers developed by CADDi Inc., which was first introduced at its U.S. operation. Hashimoto aims to create an environment in which employees and expatriate staff in Japan and the United States can share information on a common platform across language barriers by using the same system at both locations.**

Previously, drawings, equipment information and management methods were stored separately at each location. Going forward, UNYTITE plans to standardize not only drawing management, but also maintenance parts information, work instructions and other operational data through CADDi. The company will leverage accumulated data to promote the sharing of its entire portfolio of data assets and is considering a system that will enable employees to use knowledge and expertise across domestic and overseas operations. ■