Special feature SMART Business

# Responding to the needs of the times to reach ¥10 billion in net sales by FY 2026

SMART Inc. provides the entire gamut of plant recycling services to respond to growing needs. USS Group will not only increase its earnings while contributing to the realization of a circular economy, but also promote them as new long-term core businesses.

ZAXIS

Dismantaling of a wind power generator at the Iwaya Wind Park

Call Law and

Dismantaling of the Palette Town ferris wheel Dismantaling of the old ARBIZ Inc. head office building

USS Integrated Report 2023

## Addressing broad social needs centered on plant recycling

A USS Group company, ARBIZ, established SMART Inc. as a joint venture with a subsidiary of Sumitomo Mitsui Finance and Leasing in the fiscal year ended March 31, 2020 for the purpose of creating another core business after the Auto Auction Segment. USS is steadily expanding its business scale by responding to social needs changing with the times around the plant recycling business.

The dismantling and recycling of plants requires a tremendously broad range of techniques and expertise because the buildings and equipment consist of chemical products, metals, and various other materials. In addition to plants, we handled contracts to dismantle the Odaiba ferris wheel in the fiscal year ended March 31, 2023 and a windmill at a wind power generation station in Aomori in the fiscal year ending March 31, 2024. Both of these projects required disassembly work at heights, which demands different techniques and expertise than dismantling a plant. The strength of SMART Inc. is its human capital who possess this kind of expert skill and can satisfy diverse customer needs.

### SMART Inc. growth strategy aiming to generate ¥10 billion in net sales by FY2026

SMART Inc. showed higher income as well as profit in the year ended March 31, 2023 with ¥3,925 million in net sales thanks to an increase of orders for large-scale dismantling projects. In the fiscal year ending March 31, 2024, we have

set a target of ¥5.0 billion in net sales. Our ultimate goal is to reach ¥10 billion in net sales by the fiscal year ending March 31, 2027. To realize this remarkable growth, we must further improve our technological capabilities while considering the needs of society.

First, our policy to expand the scope of this business will broaden the domain to areas that SMART Inc. had left up to subcontractors before, such as dealing with the soil contamination and civil engineering required in the course of plant recycling. Proposals able to combine all of these services give USS a competitive edge over other companies. We are also working to enhance the appeal of the plant recycling business through work proposals using three-dimensional plans.

As potential customers in the plant business domain, SMART Inc. is engaging in sales efforts to make proposals to power, oil and steel companies in the midst of active restructuring. In addition, we will take advantage of the demand for dismantling bridges, harbors, and other aging social infrastructure. Future initiatives will also consider M&As of engineering and other such companies.

Moreover, we will more greatly emphasize the expansion and development of expert human capital in preparation for this business growth. These efforts will take the form of not only stronger human resource recruitment and preparations to build a work-friendly environment but also a focus on forging partnerships with other companies.

This evolution of our technological capabilities and human capital will respond to the robust demand as USS aims to realize its net sales target for the business by the fiscal year ending March 31, 2027. The plant recycling business will grow into one primary USS long-term venture.

#### SMART Inc. plant recycling



#### **Respond to higher societal expectations and market needs**