

CORPORATE GUIDE

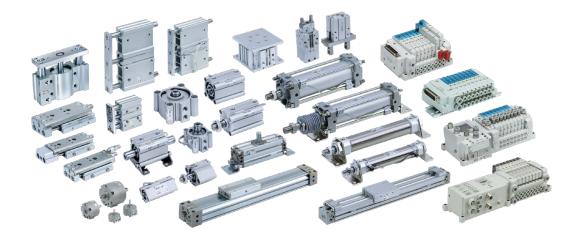


SMC:

Continuing to pursue worldwide customer satisfaction and support automation with the latest pneumatic technologies



The 21st century—with increased globalization and the rapid evolution of information technology—has seen great changes in the way business is conducted. In these quickly developing, ever-changing times, customer satisfaction can only be achieved with a clear understanding of customer goals and objectives. This is the reason for SMC's dedication to building an organization that listens carefully to customers and responds quickly and specifically to their needs. SMC has established a wide-spread global network of locations in all major countries in the Americas, Europe, Asia, and Oceania as well as in emerging countries, showing our active commitment to the world market. SMC supports this global network with a stable supply chain of products, advanced technical services, and a solid communication network. It is our number one goal to meet the needs and expectations of all our customers.



Technical Development

We have over 1,600 engineers spread out over numerous technical centers in Japan, the U.S., Europe, and China.

Quick, clear, and detailed responses to customer requests are communicated through our sales group. And with ongoing information exchange between our technical centers, our engineers are constantly working together to find new industry trends that may lead to product improvement.

Production and Supply

Our product line offers 12,000 basic models with over 700,000 variations. With both domestic and overseas production facilities, we are able to provide a stable supply of products to customers around the world.

We are proud to offer a vast array of products that satisfy the needs of a wide range of applications. Our unique production system allows us to quickly deliver high-quality products at competitive prices, and by maximizing our local production capabilities, a stable supply of product is guaranteed.

Sales & Communication Network

With 560 sales offices in 83 countries and regions worldwide, our sales force of over 8,400 maintains close communication with our customers.

It is by establishing a strong base in each country and region with a large experienced sales force that SMC is able to provide the best possible service in the industry. Maintaining close communication with our customers throughout the world ensures our engineering teams and our products stay at the leading edge of the industry.

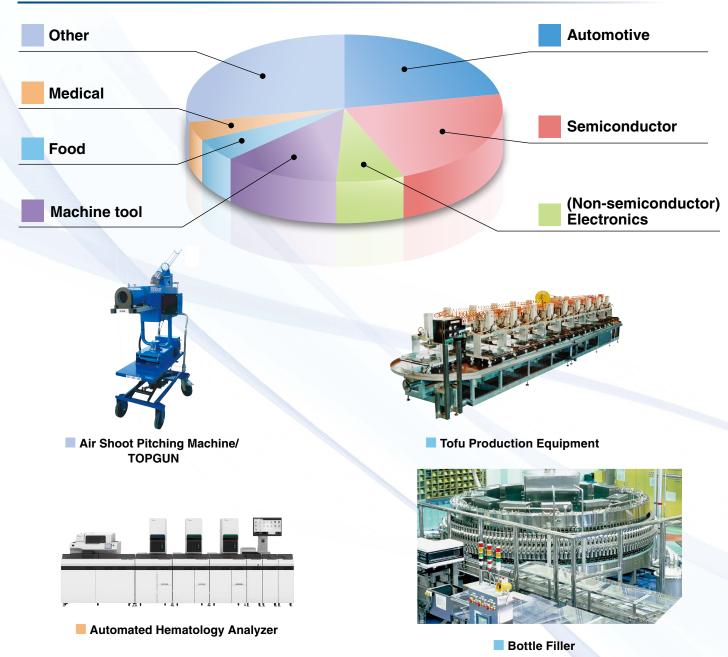
Pneumatics:

Contributing to the automation of nearly every industry

The stage is set for the endless possibilities that pneumatic control technologies have to offer.

The development of sophisticated automation in the industrial world has sparked a rapid growth in the use of pneumatic components in other industries. Pneumatic components are no longer only a mainstay of core industries such as the automotive, electronics, and machinery industries; they are now being used in a growing number of other industrial fields as well. As the demand for high-technology applications continues to grow at lightning speed, pneumatics has become an indispensable part of high-tech industries such as information technology. In addition, pneumatic components are starting to play an increasingly important role in the automation of the medical industry, nursing care, and other consumer applications. There appears to be no end in sight for the future of pneumatics.

Domestic Sales Composition by Industrial Sector (Japan)





Automobile Assembly Lines



Coater/Developer



Electronic Parts Mounting Equipment



■ IC Test Handler



■ IC Test System



■ ESL Paper Pack Filling Machine



■ Thermo Former



Automatic Rice Sorter



Air Jet Loom

12,000 basic models and 700,000 variations: A wide range of product variations to accommodate various applications

A complete lineup of pneumatic control systems

As a general supplier of pneumatic components, SMC is able to provide a complete system of product suitable to a variety of applications. Our broad range of product variations available for each system component is what allows SMC to offer a pneumatic system that is capable of specifically meeting the diverse needs of our customers.



Compressor



Air Dryers, Mist Separators

These components provide clean, dry air through dehumidification and filtration.



Air Dryers



Air Preparation Filters



Air Filters, Regulators, Lubricators

These components remove foreign particles from compressed air, provide pressure control, or supply lubrication.



Air Line Equipment



Solenoid Valves

These components control cylinders and other actuators by switching the flow direction of the compressed air.



Solenoid Valves



Actuators

Air Cylinders, Rotary Actuators, Air Grippers

These components use the compressed air switched by directional control valves to create force for linear action, rotary action, and gripping.



Air Cylinders



Rotary Actuators and Air Grippers

SMC Products in Peripheral Markets

SMC products are no longer only for use in conventional pneumatic control systems. We are continually expanding our product lineup to cover peripheral markets as well. SMC products have always been developed to satisfy unique requirements, and our commitment to customer satisfaction is the driving force behind our pursuit of developing products for new markets.

Detection Switches

Switches that monitor various fluids, such as air or water, to control pressure and/or flow rates



Pressure Switches



Flow Switches

Electric Actuators

Electric actuators that use a variety of controllers and motors to provide highly accurate multi-point positioning and shockless transport



Electric Actuators and Dedicated Controllers/Drivers

Process Valves

Process valves that can switch the flow of various fluids such as air, medium vacuum, water, oil, steam, etc.



2-Port Valves

Life Science Equipment

Mainly valves that can switch the flow of water and reagents in blood analyzers



2/3-Port Valves

Temperature Control Equipment

Temperature control equipment that allows for precise temperature control in thermo-chillers with refrigeration technology and thermo-cons with thermo-electric device technology



Thermo-chillers



Thermo-cons

Vacuum Equipment

Vacuum equipment that generates a vacuum state by supplying compressed air for workpiece adsorption and transfer applications



Vacuum Ejectors



Vacuum Pads

Chemical Liquid Valves

Air operated chemical liquid valves that are compatible with acid, alkali, and super-pure water, which are required for the production of semiconductors in high-purity environments



Air Operated Chemical Liquid Valves

High Vacuum Equipment

High vacuum valves that are used for semiconductor manufacturing equipment



High Vacuum Angle Valves



Slit Valves



1,600 experienced engineers providing quick solutions to meet the specific needs of each customer

Pneumatic control is entering a new era of high technology. This is demonstrated by its merging with the rapidly growing field of information technology, its expanding into the life science field, and its increasing role in environmental responsiveness and energy saving. SMC is responding to pneumatics' growing role by making improvements in performance, quality, and durability as well as by incorporating themes of high-performance, multi-functionality, miniaturization, and new materials. It is by pursuing research and development in multiple fields that we are able to produce a constant flow of new products.

In addition, by considering international standards from the inception stage, we are able to create products that can be applied worldwide. Our highly qualified engineering staff, comprised of 1,600 specialists from a great number of fields, is ready to provide our customers with prompt and detailed solutions to their specific problems.



CAD



Laboratory



Clean Room



Environmental Test Rooms



Life Testing Room



CT Computed Tomography



Universal Testing Machine



Non-contact Profiler



Micro Vickers Hardness Tester



Scanning Electron Microscope



By researching electronic control technologies and developing products for fields such as the semiconductor industry, SMC's research and development division is always ready to adapt products to the changing times. Thanks to our product development facilities, we are also able to provide our customers with an extensive variety of experimental equipment for cooperative research.



SMC's global engineering network: Featuring technical centers in the U.S., Europe, China, and Japan

Following the basic concept of developing products from the customer's standpoint, SMC dedicates a great deal of staff and financial resources to research
and development. This is undertaken to promote research on basic technology
with future potential and to produce products that meet the needs of the marketplace in a timely manner. To provide speedy solutions to all our customers'
problems, technical centers have been established in the U.S., Europe, and
China, creating a powerful global engineering network with Japan as its
nucleus. All of our technical centers keep in close contact, constantly exchanging information in order to quickly respond to local demands and offer the same
standard of technical service quality throughout the world.

The Japan Technical Center has been expanded, moving to a new twin-tower building from where it will oversee worldwide technical development.



JTC (Japan Technical Center) Japan

The JTC is staffed with 1,200 employees and is the center of SMC research and development. It produces new products for the global market based on customers' current and future needs.



CTC (China Technical Center) China

The CTC's 120 employees are reinforcing the system through product development and technical services in order to quickly respond to the Chinese market's wide range of needs and requirements.











UTC (U.S. Technical Center) United States of America

The UTC is enhancing engineering capabilities in order to more quickly respond to the needs of the North American market through product development and technical services. At present, there are approximately 140 employees tasked with dealing with the various needs of customers in the region.

ETC (European Technical Centre) United Kingdom

The ETC was established in the existing SMC UK factory site in Milton Keynes. Here, approximately 70 experienced staff members from a number of SMC European subsidiaries work together to handle projects from their respective countries. This has enabled improved communication, faster and more accurate information exchange, and a higher level of customer satisfaction in the region.

GTC (German Technical Centre) Germany

Situated in Germany, the industrial center of Europe, the GTC and its 80 employees develop products and provide technical services by quickly responding to the needs of the region's customers.





Die Maintenance



Aluminum Die-casting Line

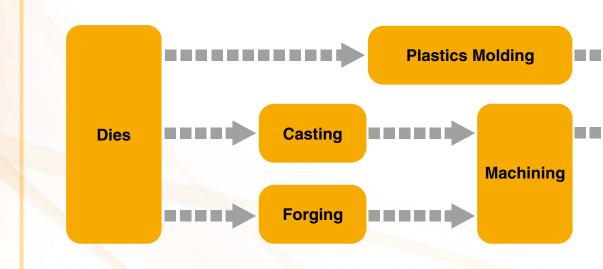


NC Machinery Line



Piston Rod Machinery Line

SMC's Integrated Production System





Impact Molding



Punching Press

SMC's unique production system: Bringing you high-quality, low-cost products with short lead times

SMC products reflect the market trend of greater diversification with 12,000 basic models and over 700,000 available variations. This is made possible by an integrated production system that includes casting, machining, surface treatment, coating, assembly, and inspection, all of which are performed in SMC's factories in order to quickly supply high-quality, reasonably-priced products to our customers. Furthermore, we use a unique production control system in which instructions for all production operations are performed automatically based on the information from the order received. As a result, SMC can provide products with short lead times.



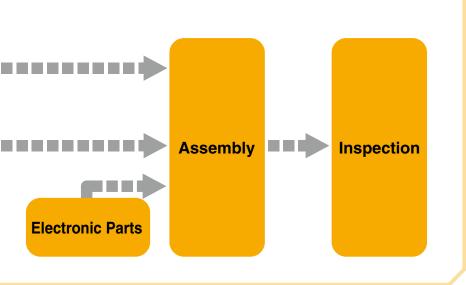
Valve Body Machining



Plastics Molding



Coil Winding





Clean Room



Electronic Substrate Mounting



Automatic Assembly Equipment



Assembly and Inspection of Temperature Control Equipment



A global production network providing the world with a stable and continuous supply of high-quality products

SMC provides products to world markets from six domestic production facilities, including our Soka (Saitama Pref.) and Tsukuba (Ibaraki Pref.) factories, as well as from other key overseas production facilities in China, Singapore, India, and Vietnam. Additionally, in order to respond quickly and flexibly to the demands of local markets outside of Japan, overseas production facilities have been established in SMC subsidiaries around the world.

1 Domestic Production Facilities (Japan)





Kamaishi Factory (Iwate Pref.)





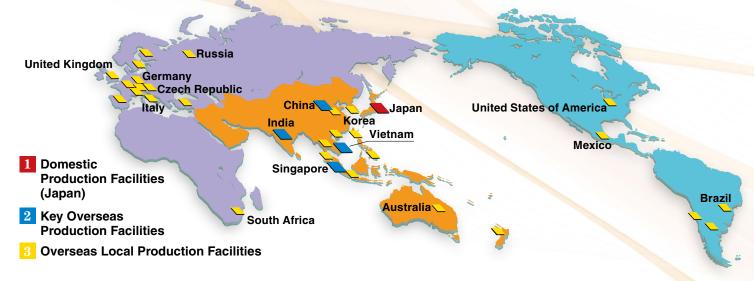






Yamatsuri Factory (Fukushima Pref.)





2 Key Overseas Production Facilities









China Factory

Singapore Factory

India Factory

Vietnam Factory

Argentina Chile

Overseas Local Production Facilities

Americas



United States of America



Brazil



Mexico

Europe and Africa



Germany



United Kingdom



Italy

Austria Finland France South Africa Spain Sweden Switzerland Turkey



Russia



Czech Republic

Asia and Oceania



Australia



Korea

China (Guangzhou) Singapore Hong Kong Taiwan Malaysia Thailand New Zealand Philippines



One-to-one communication facilitated through a highly extensive network sharply focusing on SMC customers and an experienced sales support organization

In order to satisfy each individual customer, SMC believes it is essential to promote sales activities that emphasize personal contact. The function of our sales staff is not simply to take the customers' orders but to accurately gauge the customers' needs and desires. They play an important role in the development of new products and services by providing vital feedback to the technical and production departments. For this reason, we invest a great deal in our support network and sales organization with the aim of developing closer relationships with our customers and becoming more familiar with their needs. SMC's sales force of 1,200 in Japan and 7,200 internationally is continually striving to cultivate closer communication with our customers.

SMC's extensive domestic sales network 54 branch offices and 94 distributors with 591 offices



A wide range of information in a variety of different settings

SMC has set up showrooms and other facilities in many different locations to promote the exchange of information with customers. Information is offered and suggestions are made through various presentations, training seminars, exhibitions, and other means. In order to maintain strong, close relationships with people and geographic regions, we aim to engage in high-quality sales activities that achieve more than just selling products.



International Fluid Power Exhibition



Pack Expo



Mechanical Components & Materials Technology Expo



Demonstration Van



TAMAGO Exhibition of New Products



Showroom (Japan Technical Center)



Seminar



https://www.smcworld.com SMC's website

Showroom "Alpha"



Head Office



Toyota



Kyoto



SMC achieved a 30% global market share thanks to the support of local subsidiaries in 57 countries and regions worldwide

Starting with Australia in 1967, SMC has continued to move quickly into the international marketplace, steadily establishing local subsidiaries and distributors in 560 locations in 83 countries and regions around the world. With the expansion of our international network, we have earned a solid reputation as a reliable international brand with a global market share surpassing 30%. We will continue to view the world as a single market and further develop our sales organization in order to provide complete customer satisfaction.

SMC Services in The Americas

The Americas Zone supports the needs of the regions' customers with more than 80 sales branches, 5 local production facilities, and over 2,000 employees.

With this network, SMC is able to provide customer support for specials and application assistance as well as locally produced products. We also offer pneumatics education assistance through the use of training kits and other materials. SMC cooperates closely with a number of other Japanese companies operating in America to responsibly provide as many services as possible.



Argentina



Bolivia



Brazil



Canada



Chile



Colombia



Mexico



Peru

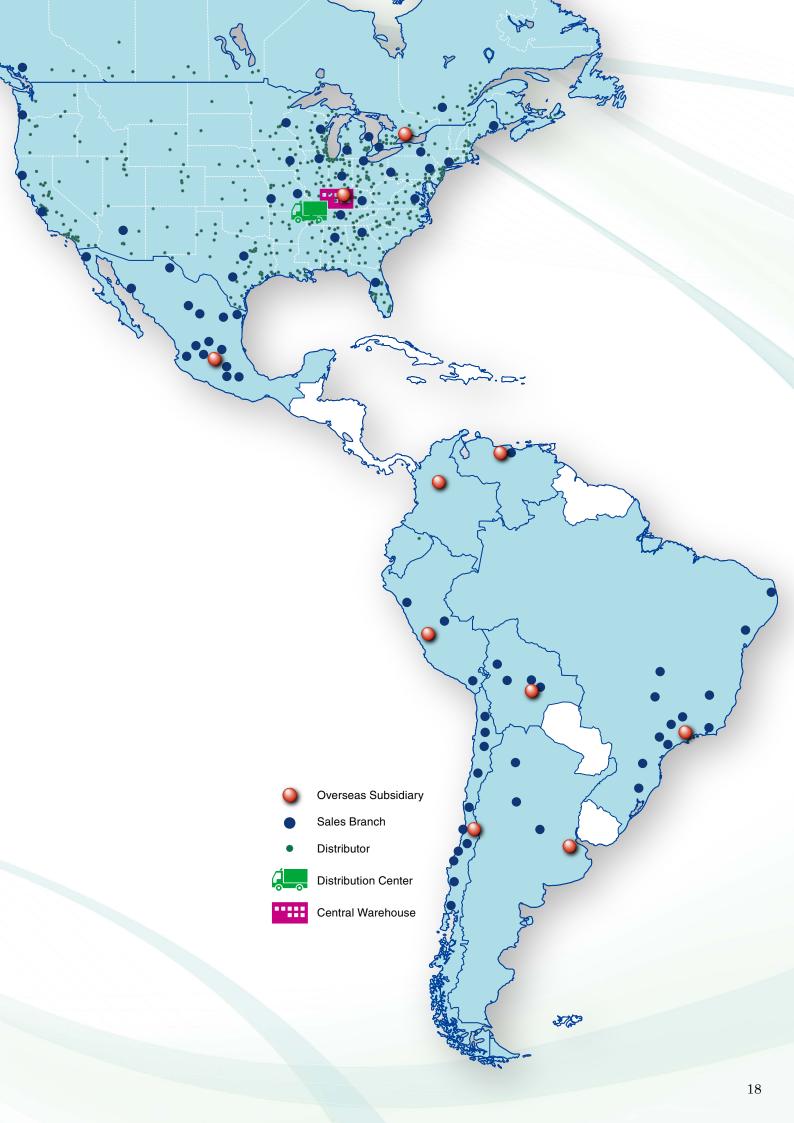


United States of America



Venezuela

* The names of countries are alphabetically indexed.



SMC Services in Europe and Africa

SMC products and services are available in 46 countries throughout Europe and Africa. This extensive sales network allows us to provide top-notch customer service while our production facility in the Czech Republic, our European Central Warehouse (ECW), and local subsidiaries that manufacture simple special-order products allow us to meet the demands of all of our customers in Europe. We also have a combined total of approximately 160 engineers from various countries, including Japan, stationed at our European Technical Centre (ETC) in the UK and our German Technical Centre (GTC) in Germany working diligently on customers' projects. Communication within the centers is conducted smoothly in not only English but also other languages, thereby building solid business





Austria



Belgium



Bulgaria



Croatia



Czech Republic



Denmark



Estonia



Finland



France



Germany



Hungary



Ireland



Italy



Kazakhstan



Latvia



Lithuania



Netherlands



Norway



Poland



Romania



Russia



Serbia



Slovakia



Slovenia



South Africa



Spain



Sweden



Switzerland



Turkey



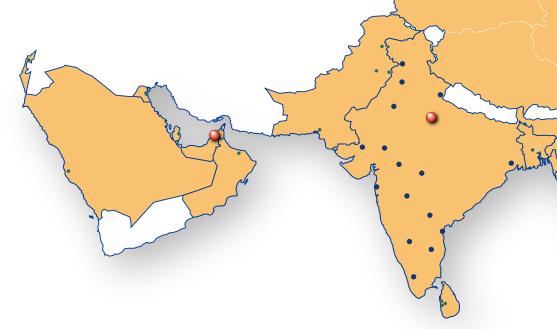
United Kingdom

Greece (Under the jurisdiction of Italy) Morocco (Under the jurisdiction of France) Portugal (Under the jurisdiction of Spain)

^{*} The names of countries are alphabetically indexed.

SMC Services in Asia and Oceania

SMC's Asia and Oceania service network includes 15 local subsidiaries, 14 production facilities, more than 220 sales offices, and approximately 8,000 staff members, covering 26 countries and regions such as Korea, India, the ASEAN countries, Australia, New Zealand, and the Chinese-speaking sphere that includes China, Hong Kong, and Taiwan. SMC is dedicated to providing a reliable support system for all users operating across Asia and Oceania.





Australia



China (Beijing)



China (Guangzhou)



Hong Kong



India



Indonesia



Japan



Korea



Malaysia



New Zealand



Philippines



Singapore



Taiwan



Thailand



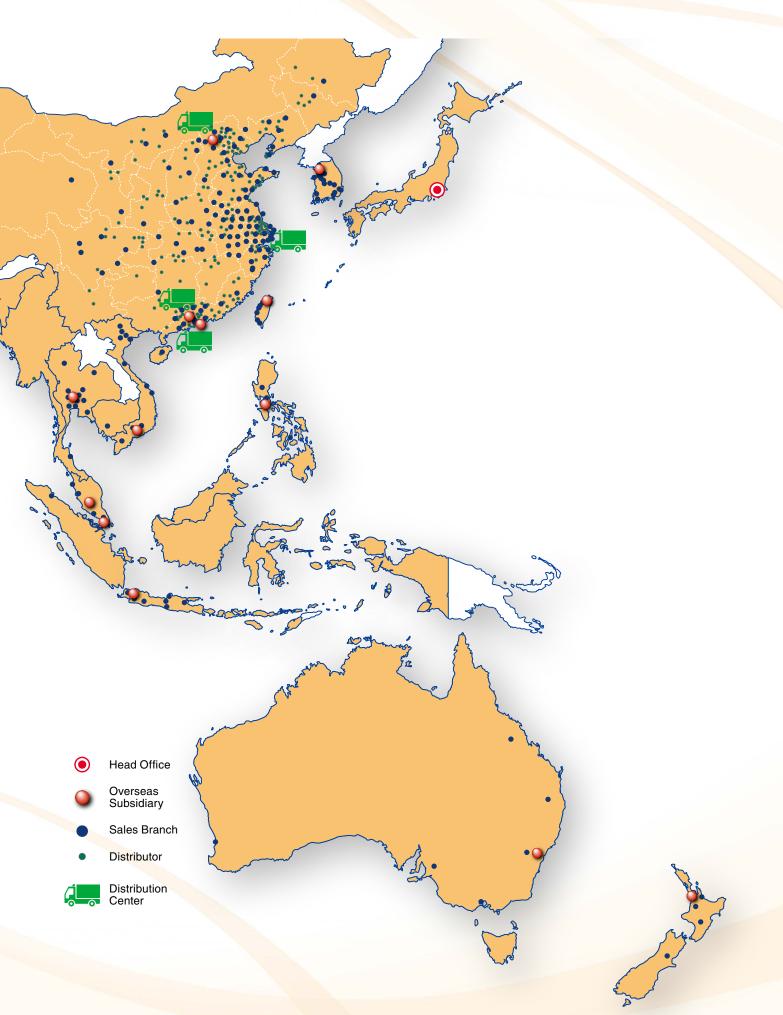
United Arab Emirates



Vietnam

Cambodia (Under the jurisdiction of Singapore)
Myanmar (Under the jurisdiction of Thailand)

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Providing the global market with products of the utmost quality

To enable our customers throughout the world to use our products with even greater confidence, SMC has obtained certification stating compliance with international standards ISO 9001 and ISO 14001, guaranteeing a reliable system of quality assurance and environmental management. SMC strives to create products that both meet customer expectations and make contributions to society.

Quality Management System

ISO9001

This is an international standard for quality control and quality assurance. SMC has obtained a large number of certifications in Japan and overseas, providing assurance to our customers throughout the world.









Environmental Management System

ISO14001

This is an international standard related to environmental management systems and environmental inspections. While promoting environmentally friendly automation technology, SMC is also making diligent efforts to preserve the environment.





SMC's Quality Control System

Quality Policies

1. Customer First

To quickly respond to customer requests and provide highquality products and services that meet customer expectations

2. Source Control

To identify issues at an early stage by conducting 5-Why analyses to trace issues back to their root causes, allowing for issues to be fixed immediately and for the establishment of a quality assurance system

3. Full Participation

To implement quality improvement activities with the participation of all employees, each remaining aware of their own responsibilities, keeping "quality first" in mind

4. Plan Initiative

To commit to prioritizing quality and reliably following the plan-do-check cycle

Quality Control Activities

Sales Coordination

- •Market Research
- Product Planning
- After-sales Service

Research, Design, Development

- New Product
 Evaluation
- Reliability Design
- •Reliability Testing
- New Technology
 Development

Production

- Process Control
- •Inspection, Testing, etc.
- Initial Production
- Quality Control

Education, Training

- Quality SystemEducation
- Technical Skills and Qualifications Management

Status of Acquisition of ISO Certification

■ Applicable Products and Services (The design, development, and manufacturing of the following products)

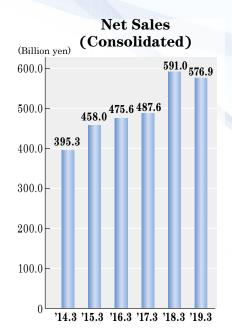
Air Preparation Equipment Air Line Equipment Directional Control Valves Actuators Temperature Control Equipment Sensors Fittings and Tubing Filters Vacuum Equipment Silencers Static Neutralization Equipment

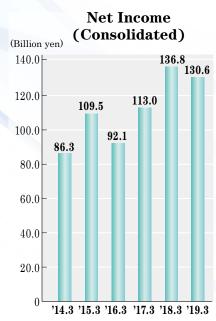
Corporate Summary

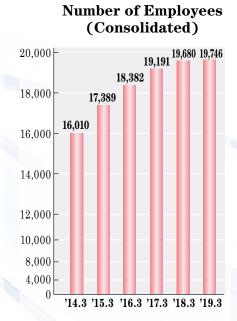


Company name	SMC Corporation
Head office	Akihabara UDX15F, 4-14-1 Sotokanda, Chiyoda-ku, Tokyo 101-0021, Japan Phone: +81(0)3-5207-8271 Fax: +81(0)3-5298-5361 https://www.smcworld.com
Established	April 27, 1959
President	Katsunori Maruyama
Executive vice president	Yoshiki Takada
Purpose of business	 Manufacture, processing and sales of automatic control equipment. Manufacture and sales of sintered filters and various types of filtration equipment.
Outstanding shares	67,369,359
Stock exchange listing	Tokyo Stock Exchange first section
Capital stock	61 billion yen
Net sales	576.9 billion yen (Consolidated)*
Net income	130.6 billion yen (Consolidated)*
Number of employees	19,746 (Consolidated)*
Equity ratio	89.3%*
Rating	AA [R&I (Rating and Investment Information, Inc.)]*

* As of the end of March 2019







Corporate History

 Established in Chiyoda-ku, Tokyo, Japan under the name of Shoketsu Kinzoku Kogyo Co., Ltd. (Sintered Corporation) with the business objective of the manufacture and sales of sintered metal filters by powder Started manufacture and sales of pneumatic air line equipment. (Air F.R.L. units) Manufacture and sales of automatic control equipment added to business objectives. Embarked on overseas operations with capital participation in SMC Pneumatics (Australia) Pty. I and incorporation into a wholly owned subsidiary in 1980. Soka 1st Factory completed. Started manufacture and sales of actuators (air cylinders). Started manufacture and sales of directional control equipment (direct operated solenoid valves). Soka 2nd Factory completed. SMC Pneumatics (S.E.A.) Pte. Ltd., a wholly owned subsidiary established in Singapore. 	metallurgy.
 1964 Manufacture and sales of automatic control equipment added to business objectives. 1967 Embarked on overseas operations with capital participation in SMC Pneumatics (Australia) Pty. I and incorporation into a wholly owned subsidiary in 1980. 1968 Soka 1st Factory completed. 1970 Started manufacture and sales of actuators (air cylinders). 1971 Started manufacture and sales of directional control equipment (direct operated solenoid valves). 1973 Soka 2nd Factory completed. 	Ltd.
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1974 SMC Proumatics (S.E.A.) Pto Ltd. a wholly owned subsidiary established in Singapore	
The Healthattes (b.E.M.) The Bud, a wholly owned substituty established in olingapore.	
1977 SMC Corporation of America (changed name from SMC Pneumatics, Inc. in 2001), a wholly owner subsidiary established in the U.S.A.	i
SMC Pneumatics (U.K.) Ltd. in the U.K. and SMC Pneumatik GmbH in Germany, wholly owned subsidiaries established.	
1981 Capital participation in SMC Italia S.p.A. in Italy and incorporation into a consolidated subsidiar	y.
1983 Tsukuba Factory completed.	
Company name changed to SMC Corporation. SMC Manufacturing (Singapore) Pte. Ltd., a wholly owned subsidiary established.	
1987 Stocks listed on the second section of the Tokyo Stock Exchange.	
1988 Tsukuba 2nd Factory completed.	
1989 Stocks listed on the first section of the Tokyo Stock Exchange.	
1991 Kamaishi Factory and Japan Technical Center completed.	
1994 Yamatsuri Factory completed and SMC (China) Co. Ltd., a wholly owned subsidiary established.	
1995 SMC Pneumatics Korea Co., Ltd., a wholly owned subsidiary established.	
1997 Tono Factory completed.	
1998 • Acquired ISO 9001 certification.	
1999 • Acquired ISO 14001 certification.	
Completed the 2nd building of the Japan Technical Center. European Technical Centre established U.K. and SMC (Beijing) Manufacturing Co., Ltd. in China, a wholly owned subsidiary established	
Completed the rebuilding of the 3rd building of the Soka 1st Factory.	
The U.S. Technical Center established in the U.S.A.	
2005 Completed the rebuilding of the 1st building of the Soka 1st Factory and the Distribution Center.	
2006 Moved Head Office to Akihabara UDX building, Chiyoda-ku, Tokyo.	
Completed the rebuilding of the Soka 2nd Factory and China Technical Center established in Chi	na.
2009 Completed the New Head Office and Factory of SMC Corporation of America.	
One of the Tono Factory. ■ Shimotsuma Factory completed. ■ Completed the new factory building of the Tono Factory.	
2014 SMC Manufacturing (Vietnam) Pte. Ltd., a wholly owned subsidiary established.	
2016 SMC (Tianjin) Manufacturing Co., Ltd. in China, a wholly owned subsidiary established.	
2017 The Yamatsuri 2nd Factory completed.	

SMC Corporation

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