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April 1, 2026

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Notice Regarding the Formulation of Long-term Vision "YUASA vision 370"  
and Medium-term Management Plan "Reborn 2031"

YUASA CO., LTD. hereby announces that it has formulated its long-term vision "YUASA vision 370," looking ahead to the 370th anniversary of its founding in 2036, and its medium-term management plan "Reborn 2031," covering the five-year period from April 2026 to March 2031.

Notes

1. Overview of "YUASA vision 370"

Looking toward 2036, the 370th anniversary of its founding, we have defined the society it newly aims to realize as "supporting the foundations of society through the power of connection to realize a prosperous and resilient future," and its ideal vision as "Cultivating employee creativity and expertise to address social challenges through our people and solutions. " Centering on "human capital," which is one of the strengths of us, we will aim to improve corporate value by realizing corporate culture reform that allows employees to play an even more active role than before and by promoting sustainability management.

2. Overview of Medium-term Management Plan "Reborn 2031"

Reborn 2031 is positioned as "strengthening the foundation for offensive strategies" to achieve continuous growth by systematizing the experience and expertise cultivated to date and by strengthening human capitals and functions. With a duration of five years, we will establish a medium- to long-term growth model by strengthening the three foundations of "business foundation, human capital foundation, and management foundation" to achieve high "growth, profitability, and efficiency."

3. Quantitative Targets

Fiscal year ending March 31, 2036:

Ordinary profit of 30 billion yen or more, ROIC of 10% or more, overseas net sales of 100 billion yen or more

Fiscal year ending March 31, 2031:

Ordinary profit of 20 billion yen or more, ROIC of 8% or more, overseas net sales of 40 billion yen or more

#### 4. Investment and Capital Policy

##### (1) Investment

Based on operating cash flow, we plan to invest a total of approximately 40 billion yen during the period of Reborn 2031 (April 2026 to March 2031), consisting of approximately 20 billion yen for strengthening the business foundation, approximately 17 billion yen for strengthening the management foundation, and approximately 3 billion yen for strengthening the human capital foundation. In addition, regarding strategic additional investments, we will carefully examine the content and timing and execute them actively and flexibly, including through external financing.

##### (2) Shareholder Returns

During the period of Reborn 2031 (April 2026 to March 2031), we will, in principle, provide progressive dividends, aiming for a consolidated shareholder return ratio of 35% or more, and setting a dividend on equity ratio (DOE) of 3.5% or more as the lower limit for dividends.

\*For details on the long-term vision "YUASA vision 370" and the medium-term management plan "Reborn 2031," please refer to the attached materials.

End

つなぐ、未来へ。 YUASA

# YUASA vision 370 Reborn 2031



**YUASA CO.,LTD.**

April 1, 2026

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# 01

## Top Message

## **New Trade Name "YUASA Co., Ltd."**

In April 2026, which marks the 360th anniversary of its founding, the YUASA TRADING Group will change its trade name from "YUASA TRADING CO., LTD." to "YUASA CO., LTD." This change is not merely a rebranding of the trade name. While taking pride in the experience accumulated over 360 years, it embodies our unwavering determination for the future to go beyond existing frameworks and "strengthen global expansion and create greater value than ever before together with our business partners through product development and solution proposals." In a turbulent world, we will clearly distinguish between "what must be changed" and "what must not be changed" as we move forward to the next stage.

## **Past Achievements and "What Must Not Be Changed"**

Under the previous Mid-Term Management Plan "Growing Together 2026," despite being in a harsh environment characterized by geopolitical risks and rising prices, we pushed forward our core businesses, centered on the Green business, and achieved growth in new areas such as Long-term Care & Medical, Agriculture Process, and Food Equipment, achieving steady results. What we reaffirmed here is the fact that "continuing to challenge the resolution of social challenges" is the very reason for YUASA's existence, no matter how the business environment evolves, and is something that "must not be changed." We will maintain this unwavering axis in the new plan as well.

## **To Further Heights, Key Issues "To Be Changed"**

On the other hand, "things that must be changed" for sustainable growth have also come to light. In terms of financial aspects, these include the pursuit of profitability and growth potential with a strong awareness of the cost of capital, and the fundamental strengthening of overseas businesses. In terms of non-financial aspects, these include the reform of organizational culture, promotion of women's participation, development of next-generation Human Capital, and further sophistication of governance and risk management. We will not turn our eyes away from these issues and will achieve self-transformation into a stronger management structure.

## **Creating Value Through the "Power to Connect"**

As our new vision, we have set forth "supporting the foundations of society with the power to connect, and realizing a prosperous future that is resilient to change. YUASA's strength lies in its "power to connect." However, simply connecting does not create new value. We create new value by accurately grasping market needs and "combining people, goods, money, information, data, and technology in diverse ways to meet each need." Through this process, our social role is to materialize solutions to potential issues. By placing "people" at the center and maximizing the creativity and experience of our employees, we aim to provide value where people and solutions are integrated.

## **Strengthening the Foundation for Proactive Growth**

The new Mid-Term Management Plan will cover a period of five years and is positioned as 'strengthening the foundation for proactive growth' with an eye toward the 400th anniversary of our founding. We will pursue "growth potential, profitability, and efficiency" and develop a foundation through systematization, organization, and digitalization that does not depend on individual capabilities, aiming for 'accelerated growth' from April 2031 onward.

## **Sustainable Society and Enhancement of Corporate Value**

Driven by "the creativity and experience of our employees," we will promote sustainability management centered on strengthening our business foundation, Human Capital foundation, and management foundation, and together with all our stakeholders, we will do our utmost to realize a sustainable society and further enhance corporate value. We sincerely ask for your continued support and encouragement in the future.



**YUASA CO., LTD. President and CEO**  
**Hiroyuki Tamura**

# 02

## Review of Long-Term Vision "YUASA vision 360"

## Ongoing Issues for the Next Plan

Internal Environment	Business	<ul style="list-style-type: none"> <li>Financial base and capital efficiency continue to be in good condition, but there is still room for improvement</li> <li>Redefine strategies based on a review of growth strategies and future market environments, with a particular focus on overseas strategy</li> <li>To respond to diversifying market needs, demonstrate the comprehensive strength of the entire Group more than ever and enhance synergy effects</li> <li>As uncertainty in the market environment further intensifies, further speed-up is required for functional enhancement and development of new businesses and fields</li> </ul>
	Human Capital	<ul style="list-style-type: none"> <li>Promoting diversity and creating an environment for active participation is a priority. Radical reforms are needed from both the system and awareness perspectives to promote challenges and nurture employee experience</li> <li>It is important to break away from work methods that rely on individual know-how and consider evaluation and organizational reform</li> <li>Phase 1 of the YUASA PRIDE Project has been completed Commenced system design (Phase 2) based on the results of hearings with employees</li> </ul>
External Environment	<ul style="list-style-type: none"> <li>Serious impact in all business areas due to labor shortages and high costs (delays in delivery, delays in construction periods, shortage of craftsmen, etc.)</li> <li>Decrease in new housing starts, decrease in consumption due to a decrease in the number of households, increase in urban redevelopment, and aging infrastructure</li> <li>Major transformation of the automotive industry as seen in "CASE" and "MaaS" and a shift in competition toward software and data</li> <li>Transformation of business models (shift from ownership to sharing, shift to a circular economy, etc.)</li> <li>Intensifying competitive environment due to AI, practical application of physical AI, and increasing demand for data centers</li> <li>Structural changes in human capital and the labor market, diversification of risks (geopolitics, cyberattacks, etc.), and changes in requests from capital markets</li> </ul>	



Future Direction	1	View the uncertain and rapidly changing environment as an opportunity, create new value, and rebuild the foundation for solving various issues.
	2	Break away from dependency on specific individuals, promote reforms in systems and awareness that allow diverse human capital to take on challenges, and nurture the growth and experience of employees.

# 03

## New Long-Term Vision "YUASA vision 370"

**Our new corporate name, effective April 1, 2026**



**YUASA CO.,LTD.**

## **Three Commitments Behind the New Name**

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### **Moving Beyond "Trading"**

Determination to evolve into a "comprehensive specialized trading company that continues to create new value," going beyond conventional trading functions

### **The Spirit Within the New Logotype**

The letter "Y" was created as an original. This represents the determination to continue to change flexibly in line with the needs of the times by "connecting" various things without being bound by conventional models

### **Adopting a Global Standard with English Lettering**

Determination to establish a simpler brand that is recognized worldwide in an increasingly globalized market, and to achieve even greater growth than ever before

## Establishing a new vision for our 400th anniversary

### Vision for Society

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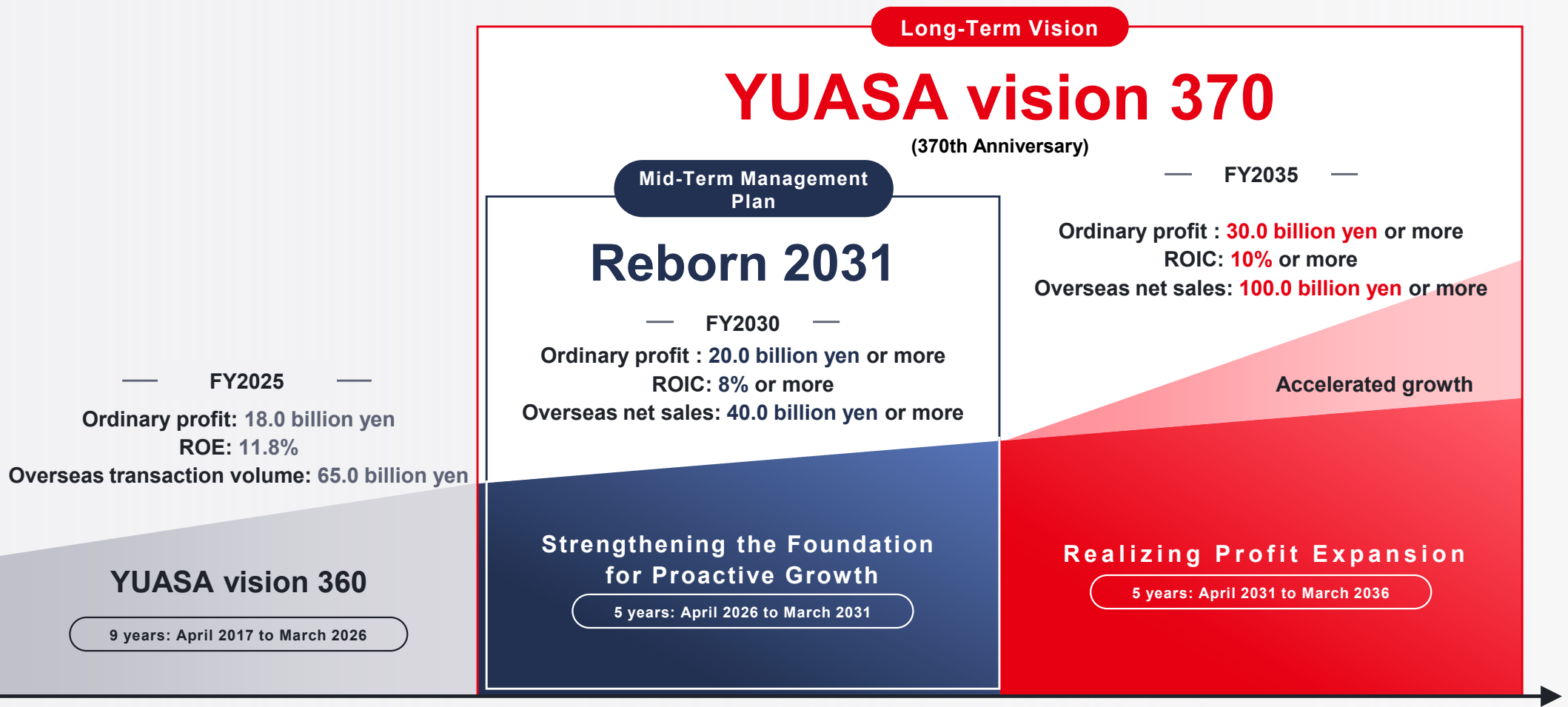
**Empowering the foundations of society through the power of connection,  
realizing a prosperous and resilient future**

### Ideal State

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**Cultivating employee creativity and expertise  
to address social challenges through our people and solutions**

During the five years of Reborn 2031, we will institutionalize the experience and expertise cultivated through YUASA vision 360, strengthen Human Capital and functions, and create a foundation for achieving continuous growth.



※ \* [Overseas Strategy] Target changed from overseas transaction volume (imports and overseas sales) to overseas net sales (overseas sales)  
 ※ \* [From ROE to ROIC] Active investment and verification of effectiveness to achieve growth with a steep slope / Awareness reform regarding "capital efficiency" at the field level / Strengthening portfolio management (visualization of earning power)

# 04

## New Mid-Term Management Plan "Reborn 2031"

Promote the strengthening of the three foundation -Business, Human Capital, and Management- and by establishing a medium- to long-term growth model, realize the enhancement of corporate value and contribute to the creation of a sustainable society

**Enhancing Corporate Value**

**Realization of Sustainability Management**

**Corporate Culture Reform**

← April 2026 – March 2031 (5 years) →

**Reborn 2031**

**Strengthening the Foundation for Proactive Growth**



**Strengthening Business Foundation**



**Strengthening the Management Foundation**



**Strengthening Human Capital Foundation**

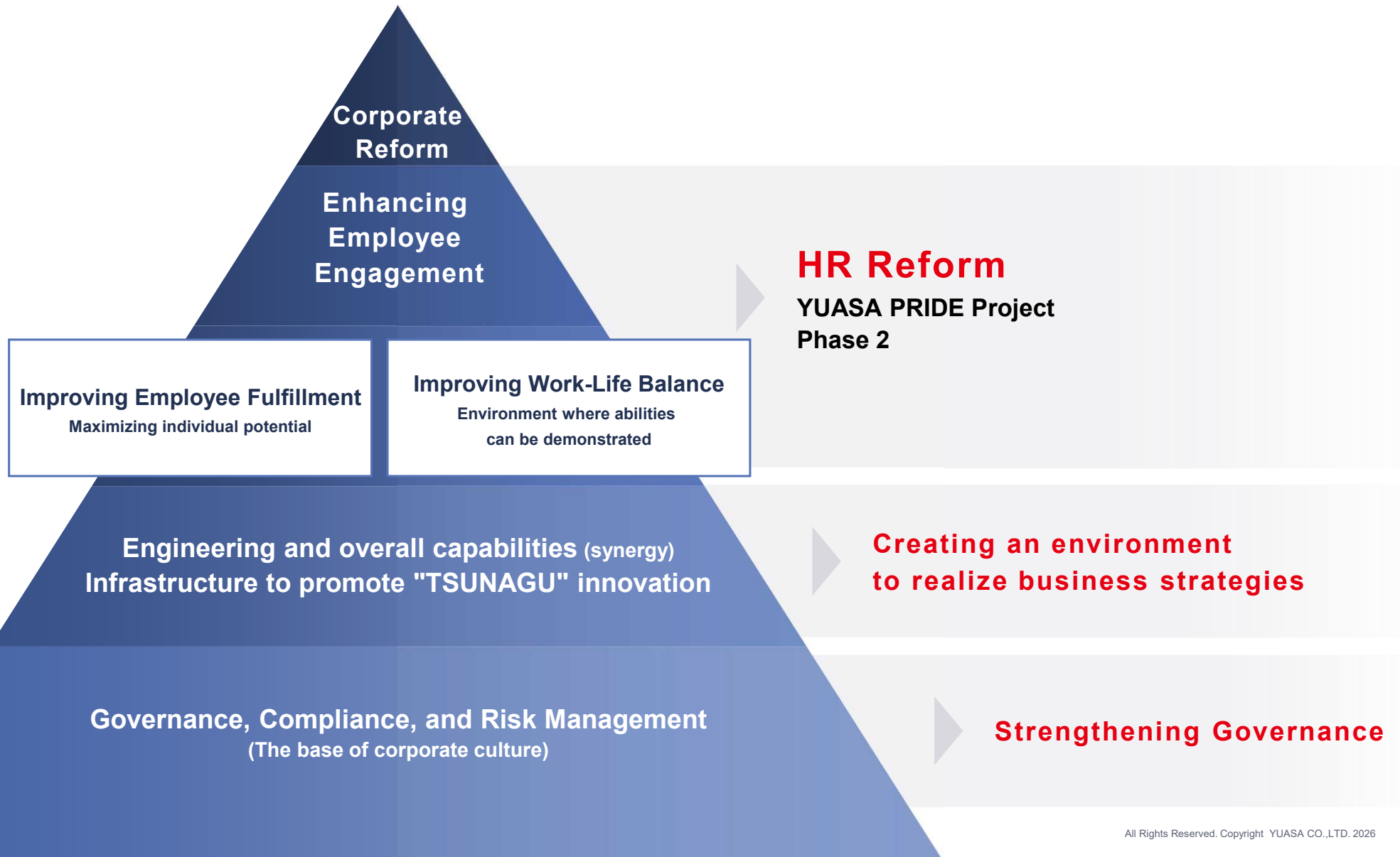
← April 2031 – March 2036 (5 years) →

**Realizing Profit Expansion**

**High-Growth Trajectory**



Promoting corporate culture reform, continuing from Growing Together 2026  
Revamping HR and evaluation systems through the second phase of the YUASA PRIDE Project



## Domestic and Overseas Business Fields to Focus On

Reorganizing the following business fields promoted in Growing Together 2026

As "environment building" is promoted across all business fields, it will be incorporated into each field and continuously strengthened.

Define markets directly linked to daily life, such as long-term care & medical, agriculture process, food equipment, and new distribution, as "Lifestyle Innovation" and aim for greater expansion than ever before



## Reborn 2031

### Manufacturing



- Manufacturing site DX and physical AI
- Smart factories
- Construction of next-generation logistics systems

### Housing Solutions



- Optimization of energy costs
- Smart homes and smart buildings
- Utilization of existing and used housing, renovation systems

### Urban Development



- Strengthening urban resilience and infrastructure redevelopment
- Overseas expansion of Japanese building materials and exterior products
- Regional co-creation and resource-recycling town development

### Lifestyle Innovation



- Support for people working on-site
- Agriculture, food tech, etc. "Food Safety"
- Solutions that enrich lives

## Functions to Focus On

### 01 Development of Value-Creating Human Capital

- Strengthen relationships of trust with business partners
- Capture manifest and latent needs
- Propose benefits and value rather than just features



### 02 Strengthening Engineering and Maintenance Functions

- Unified management of Group construction and information functions
- Expand work types and areas through M&A and alliances
- Provide energy-saving diagnosis and subsidy information
- Secure and develop engineers and management personnel through active recruitment



### 03 Promotion of Circular Economy

- Expand YUMAC (used equipment auction) functions to all business areas
- Promote recycling and resale by strengthening refurbishment functions



# 05

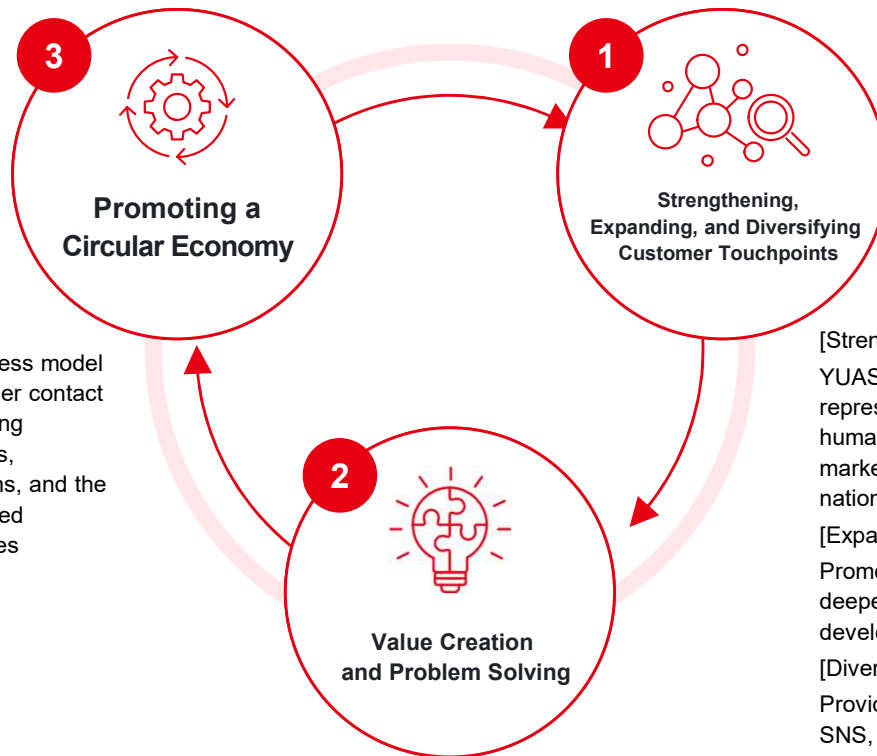
## Strengthening Business Foundation

## Realizing Growth Potential, Profitability, and Efficiency

### Core of Strengthening Business Foundation

- Realize long-term growth together with business partners by rotating an endless loop of solving social and market challenges
- Continuously improve profitability and efficiency by systematizing, organizing, and digitalizing sales processes to increase reproducibility, without depending on individual employee abilities

### Target Business Model



- Build a "circular business model that maintains customer contact points" by strengthening maintenance functions, sharing/rental functions, and the purchase/resale of used equipment and facilities

[Strengthening]  
YUASA CO., LTD. sales representatives (value-creating human capital) collect social and market challenges from the nationwide customer network

[Expansion]  
Promote growth strategies, deepening existing markets and developing new markets

[Diversification]  
Provide value through exhibitions, SNS, and websites

- Create new value and solutions to solve issues by leveraging collective strengths such as engineering functions, group company functions, diverse employee knowledge and experience, and customer networks to "connect" various goods and technologies
- Increase reproducibility by systematizing, organizing, and digitalizing problem-solving methods, rather than relying solely on individual employee abilities

By continuing to rotate the loop of (1) to (3) on the left, we will achieve the following results:

### Realizing Growth Potential

Rotate an endless loop of solving social and market challenges

### Realizing Profitability

Secure profitability through differentiation with YUASA TRADING CO., LTD.'s unique "connecting" function and collective strength

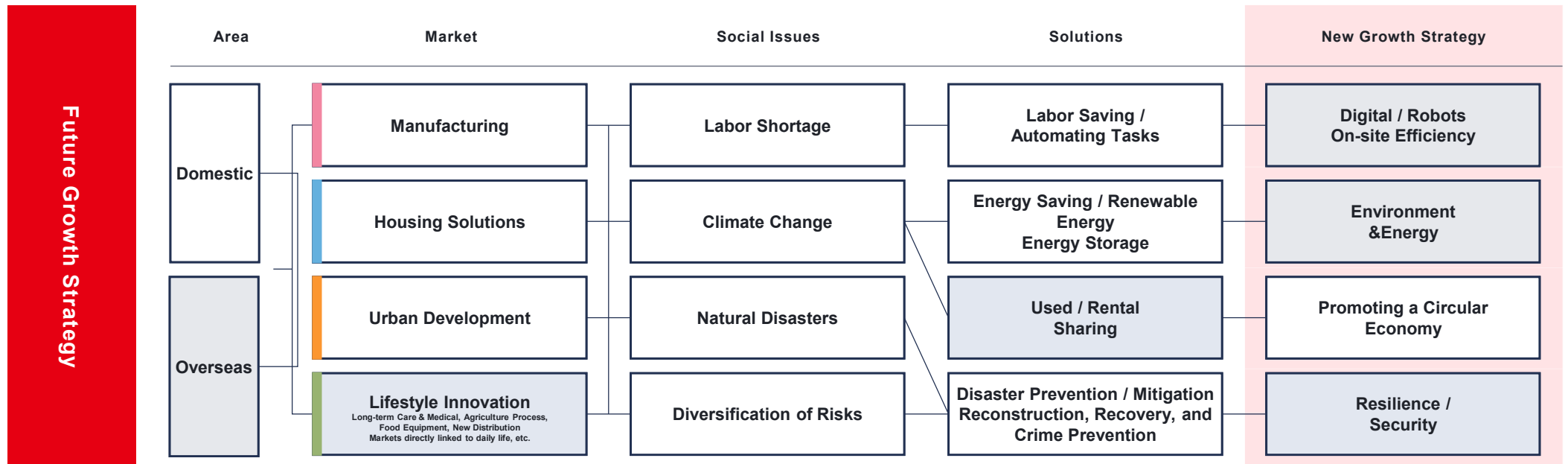
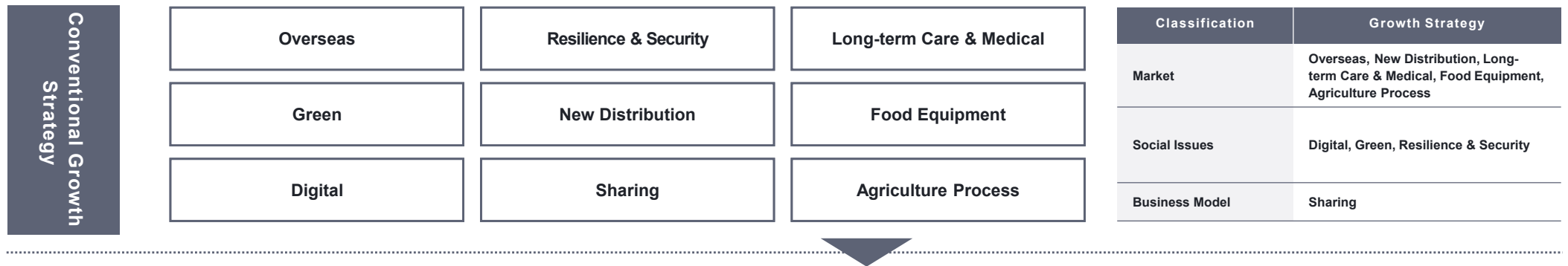
### Realizing Efficiency

Thorough institutionalization through organizational strength and digitalization

## Growth Strategy

Reorganizing the growth strategies promoted under YUASA vision 360 and ultimately consolidating them into four strategies

Reborn2031 will promote these four strategies. From this point, "Life-related" has been added to the market, including "Long-term Care & Medical, Food Equipment, Agriculture Process, and New Distribution," to promote the development of markets directly linked to daily life.



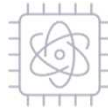
## Basic Policy

Promote "deepening of existing markets" and "development of new markets" as the two pillars, with four priority strategies as growth drivers

### Four Growth Strategies (Growth Drivers)

#### 1 Digital, Robots, and On-site Efficiency

- Improving productivity through AI utilization and automation
- On-site DX, labor-saving construction solutions, etc.



#### 2 Environment and Energy

- Energy-saving equipment, renewable energy, and energy storage equipment
- Decarbonization solutions, etc.



#### 3 Promotion of Circular Economy

- Strengthening handling of used and refurbished products
- Maintenance, sharing, and rental functions, etc.



#### 4 Resilience · Security

- Disaster prevention, mitigation, reconstruction/recovery, crime prevention, soundproofing, and deodorization
- Cybersecurity, heatstroke countermeasures, etc.



By using the four strategic drivers to simultaneously accelerate the evolution of existing businesses and the creation of new businesses, we will achieve growth for the entire Group.



Maximizing driving force / Creating synergies

### Strengthening the Stable Earnings Base Deepening and Expanding Existing Markets

- Deepen relationships with existing customers and expand market share in the manufacturing, housing solutions, urban development, and lifestyle innovation

### Challenge for the Future New Market Development

- Taking on challenges in unexplored areas and business models that go beyond traditional frameworks

## Overseas Strategy

### Business Foundations



Demonstrating comprehensive capabilities and expanding locations



Strengthening engineering and construction functions



Expanding procurement and sales networks through alliances with local companies



Strengthening handling of used and refurbished products



Exporting Japanese products and technologies for Food Tech



Strengthening information dissemination through exhibitions (cross-divisional displays) and SNS



### Human Capital Foundations



Strengthening local hiring



Developing local managers



Expanding the overseas selection system



Enhancing training systems in Japan



Active recruitment of foreign national human capital



- ▶ Demonstrating comprehensive capabilities at overseas locations
- ▶ Horizontal expansion of initiatives in Thailand to other countries (Vietnam, India, USA, etc.)

Experience-based showroom utilizing the Head Office building



Local Subsidiary Head Office / Bangkok

Equipped with the latest Japanese-made equipment  
The 1st floor is fully equipped with a showroom where test processing and other activities can be performed

Developing renovation business utilizing Japanese products



Model house in Bangkok

Opened SAKURA HOUSE, where visitors can fully experience Japanese housing solutions

- ▶ Utilizing YUMAC, our unique used equipment auction platform (Currently focused on construction and agricultural machinery, but will expand to products in all business areas in the future)

#### Location Policy

Focus on ASEAN (centered in Thailand), India, and North America

Expand to 8 locations in India by 2031

Target Setting

FY2030 Overseas Net Sales

**40** billion yen

FY2035 Overseas Net Sales

**100** billion yen

※ Targets have been revised from overseas transaction volume (imports and overseas sales) as stated in YUASA vision 360 to overseas net sales (overseas sales) only

# Strengthening Business Foundations - Further Strengthening "TSUNAGU" Innovation -

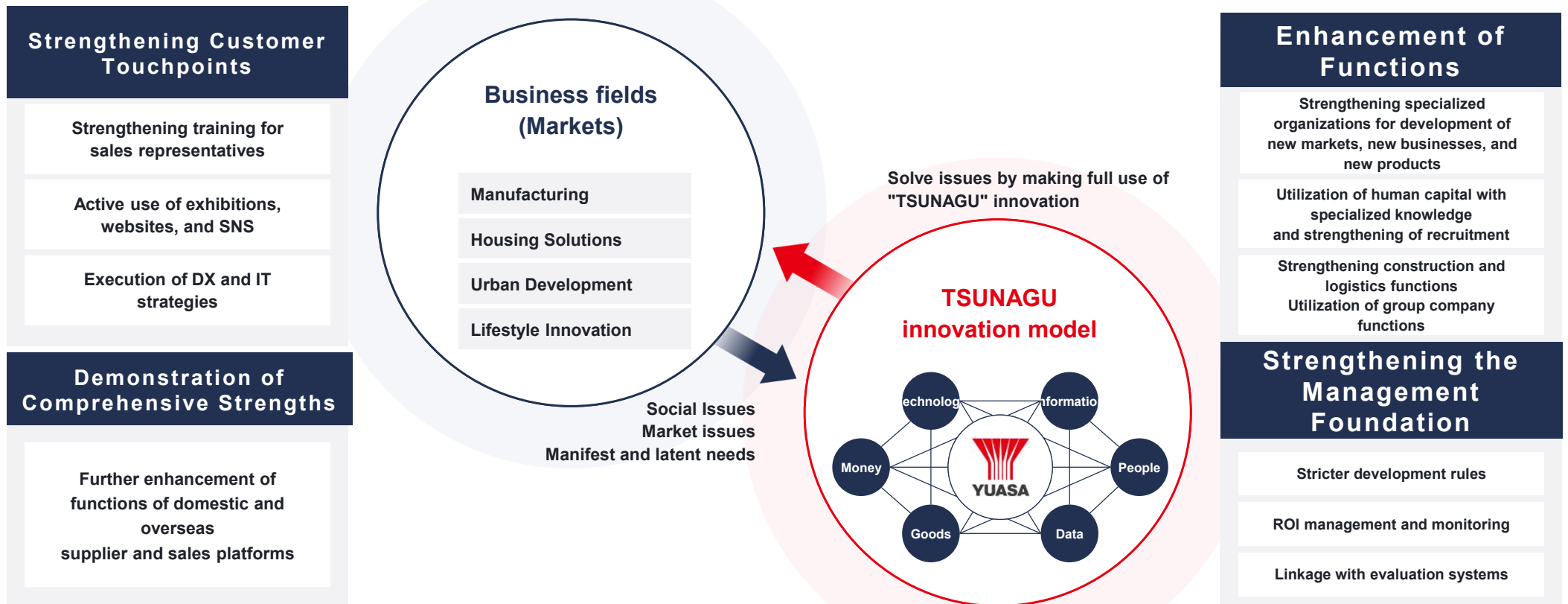


## New Business, New Fields, New Products

Solve social and market challenges by identifying manifest and latent needs from the market and creating new value by utilizing YUASA TRADING CO., LTD.'s comprehensive strengths and business partner platforms

## What is "TSUNAGU" innovation?

- 1 Solve issues that cannot be resolved by a single company or product by connecting and combining various things
- 2 Develop and solve issues through original products and services - creating "TSUNAGU" (connecting) solutions by integrating diverse elements



# Strengthening Business Foundation - Initiatives Toward Carbon Neutrality -



**Focus on reducing the environmental impact of society as a whole through business activities, and link environmental initiatives to solid growth opportunities**

Based on the fact that over 98% of the CO2 emissions of the entire business are emitted from the value chain (Scope 3), we have revised our environmental targets based on the perspective of materiality.

## Scope 1 & 2 Carbon Neutrality

**FY2030**



**FY2050**

\* Aligned with Japanese government targets

**Focus on reducing the environmental impact of the entire value chain (Scope 3) and contribute to CO2 emissions reduction through business**

### Environment-contributing products and services

- Solar power generation equipment, storage batteries, power conditioners
- High-efficiency air conditioners and water heaters
- Energy-saving machine tools
- Energy-saving equipment for factories
- Low-carbon construction machines
- Energy efficiency support
- Used, rental, sharing, etc.



Estimated annual reduction contribution for the fiscal year ending March 31, 2031

**Approx. 1 million tCO2**

# 06

## Strengthening Human Capital Foundation

# Strengthening Human Capital Foundation - Direction of Corporate Culture Reform -



Establish a 'proactive culture' to take on challenges autonomously by bringing together the power of diverse Human Capital and producing 'Value-creating Human Capital' to increase employee engagement


## Issues identified from Phase 1

ISSUE Current issues and bottlenecks	CHECK Review of Growing Together 2026
<ul style="list-style-type: none"> <li>① Lack of a sense that challenges directly lead to results and evaluations hinders proactive action</li> <li>② Lack of collaboration mechanisms to leverage diverse individual strengths into organizational strength</li> <li>③ Insufficient environmental preparation to bring out 'individuality' in line with the diversification of values</li> </ul>	 <p>Started the 'YUASA PRIDE Project,' an all-employee participation project aimed at corporate culture reform. Conducted a total of 88 workshops and studies by a task force to materialize the 'ideal Human Capital profile.'</p> <p>In the next plan, we will move toward <b>'YUASA PRIDE Project Phase 2'</b> aimed at reforming the evaluation system</p>

## Direction for resolving issues


✓ **Pursuit of 'Job Satisfaction'**

Provide diverse careers that maximize individual abilities and provide a sense of 'self-efficacy'




✓ **From 'Individuals' to 'Organization'**

Sublimate from 'individuals' to 'organization' through the structuring of sales styles, and maximize 'organizational efficacy' through cross-organizational problem solving

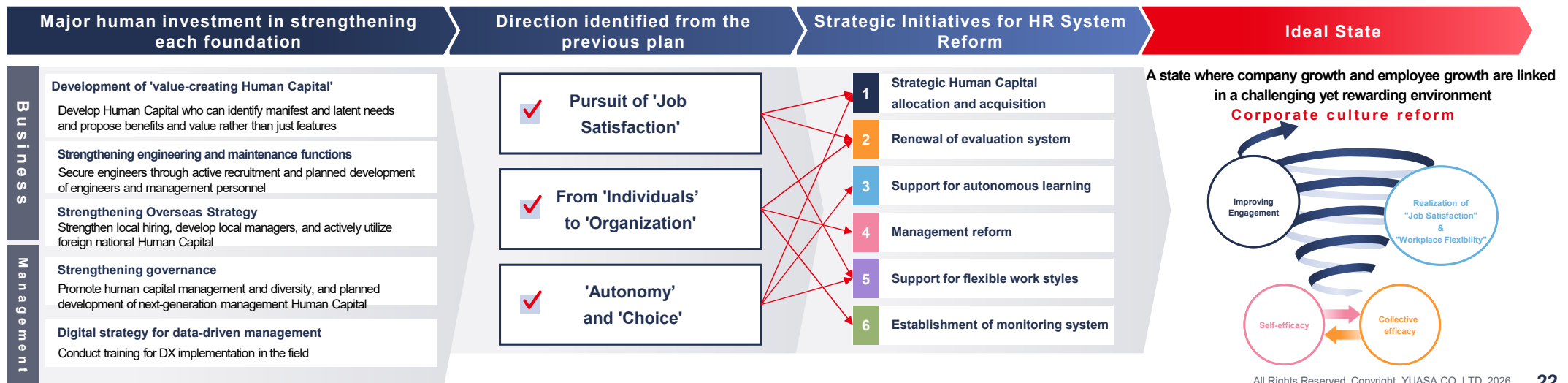


✓ **'Autonomy' and 'Choice'**

Provide 'options' that match changes in life stages and values, and support 'autonomy' in charting one's own career

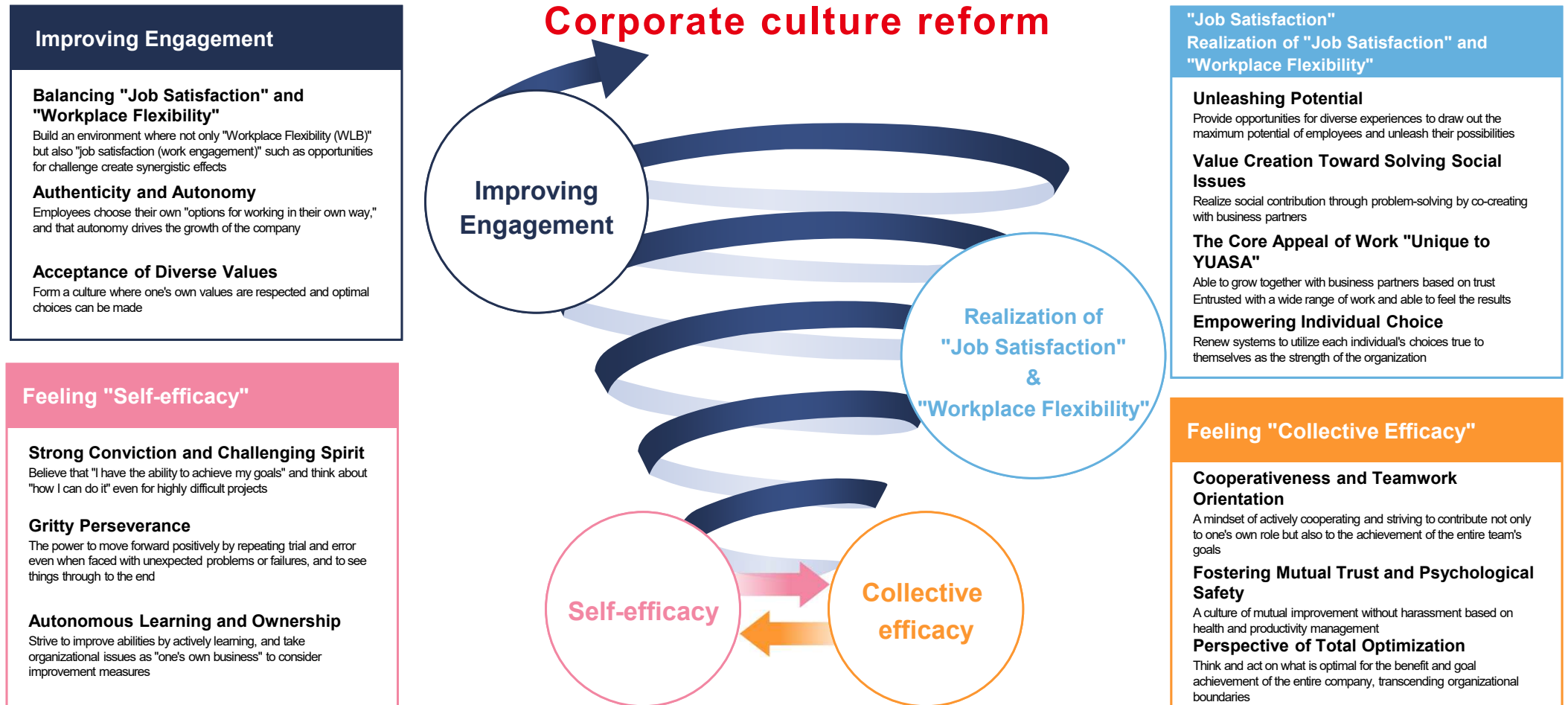


## Diverse Human Capital development roadmap leading to 'corporate culture reform'



Continue to maintain a virtuous cycle driven by the conviction that "I can do it, we can do it," and achieve corporate culture reform where autonomous challenges are interconnected

A state where company growth and employee growth are 'linked' in a challenging yet rewarding environment



To create a positive spiral, we have implemented six core initiatives and are investing in human capital to support each strategy



Three visions to realize

**3 Visions**

**INDIVIDUAL / Vision of the "Individual"**

**INDIVIDUAL: Talents who unlock their full potential**

Fulfilling expectations and responsibilities with knowledge and expertise that will be lifelong weapons Human Capital with the courage and determination to continue challenging themselves autonomously

**ORGANIZATION / Vision of the "Organization"**

**A group that creates innovative value**

A group where high productivity and innovation coexist, solving social challenges through co-creation with business partners

**ENVIRONMENT / Vision of the "Environment"**

**ENVIRONMENT: An environment that fosters mutual growth**

An environment that goes beyond ease of work to be challenging yet rewarding  
A state where personal choices become the strength of the organization

# 07

## Strengthening of Management Foundation

Establish a new structure to strengthen governance, compliance, and risk management as the foundation of our corporate culture.

## Building a Governance System of "Offense" and "Defense" to Support Sustainable Growth



### Establishment of "Risk Monitoring Committee" and "Risk Monitoring Office"

**Objectives**

- Promoting strategic "risk-taking" and defensive "risk hedging" across the entire Group

**Details**

- Risk analysis appropriate for each organization of YUASA TRADING CO., LTD.
- Identification of key monitoring indicators and establishment of a system
- Prior evaluation of investment and loan projects
- ROI management of developed products
- Strengthening Group governance in Japan and overseas, etc.



### Strengthening the Three-Line Model of Internal Audit

**First Line**

Identification and sharing of business risks through communication with business divisions, and sophistication of risk mitigation measures

**Second Line**

Strengthening the management functions of the corporate management division and each branch/sub-branch  
Strengthening cooperation between organizations

**Third Line**

Enhancement of internal audit functions and strengthening of cooperation with Audit & Supervisory Board Members



Human Capital Management and Promotion of Diversity



Systematic Development of Next-Generation Management Talent



Strengthening Data Governance



Ensuring Full Compliance



Continuous Monitoring System Utilizing IT

# Strengthening Management Foundation - Infrastructure to Realize Business Strategy -

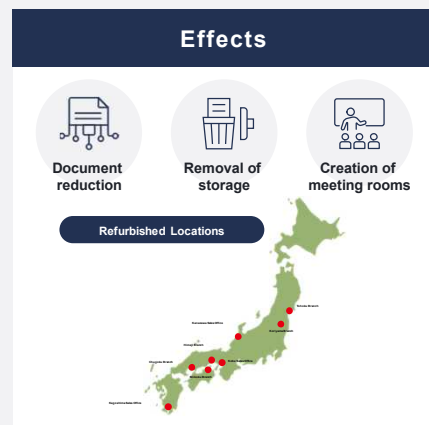
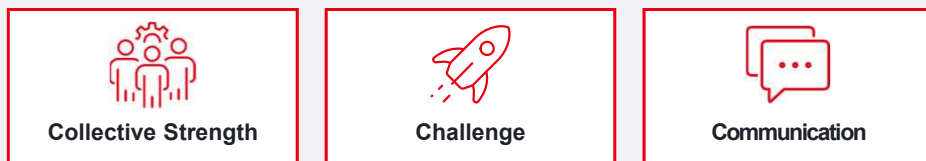


During the three years of Growing Together 2026, we refurbished the following 8 locations (Tohoku Branch, Koriyama Branch, Kanazawa Sales Office, Kobe Sales Office, Himeji Branch, Chugoku Branch, Shikoku Branch, and Kagoshima Sales Office)

Aiming for the evolution of "Work Environment" to realize business strategy

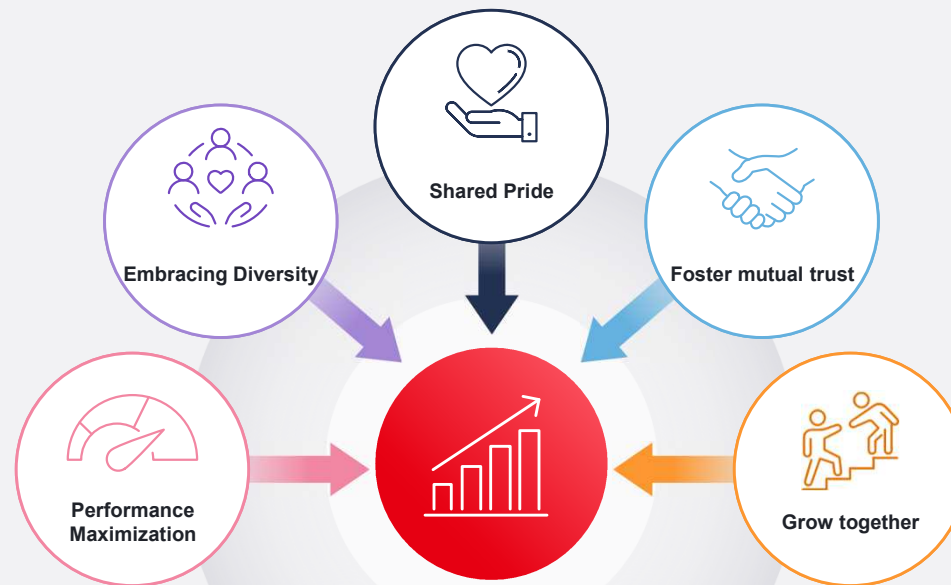


## Previous Mid-Term Management Plan (Growing Together 2026) Results of Infrastructure Development



## New Mid-Term Management Plan (Reborn 2031) Evolution of Infrastructure

Continue facility upgrades including group companies and overseas locations, and the new Head Office project

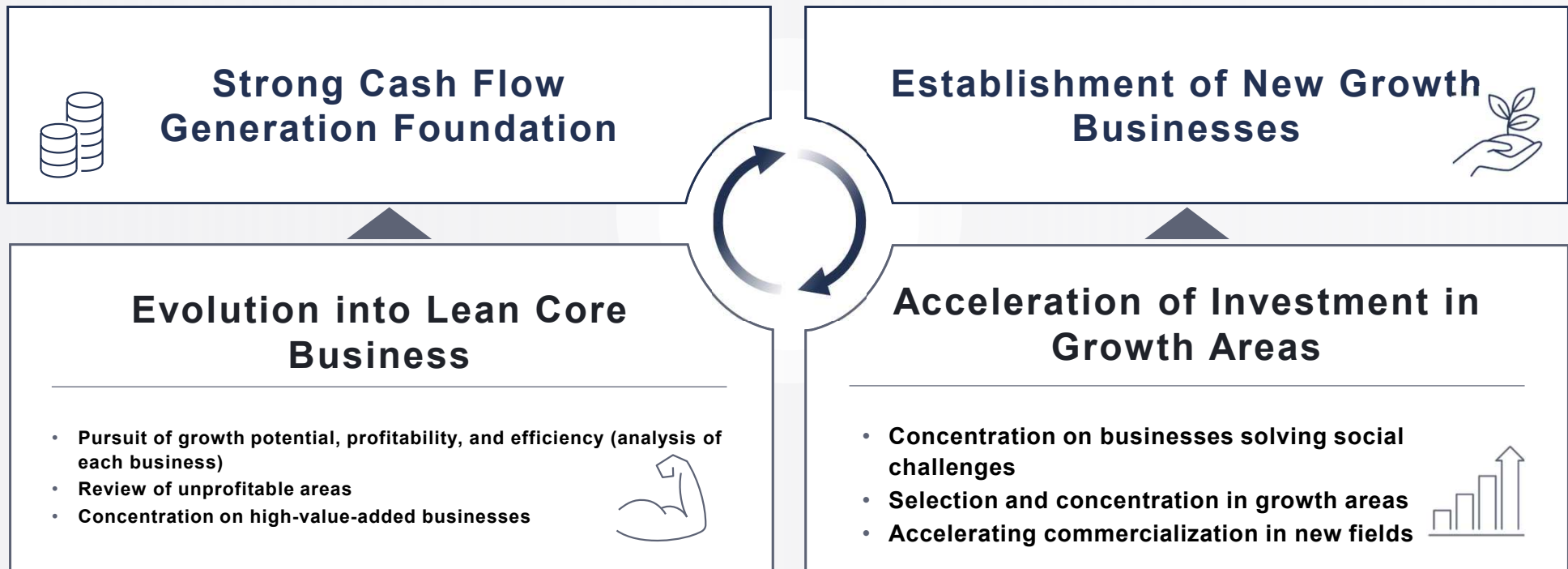


**Ideal State**

Maximizing individual and organizational performance to consistently deliver superior value to society through our collective strength.

Maximize corporate profit by efficiently allocating management resources and considering business reorganization and resource reviews  
Periodically verify the effectiveness of improvement strategies by breaking down KPIs and incorporating them into specific actions at sales sites

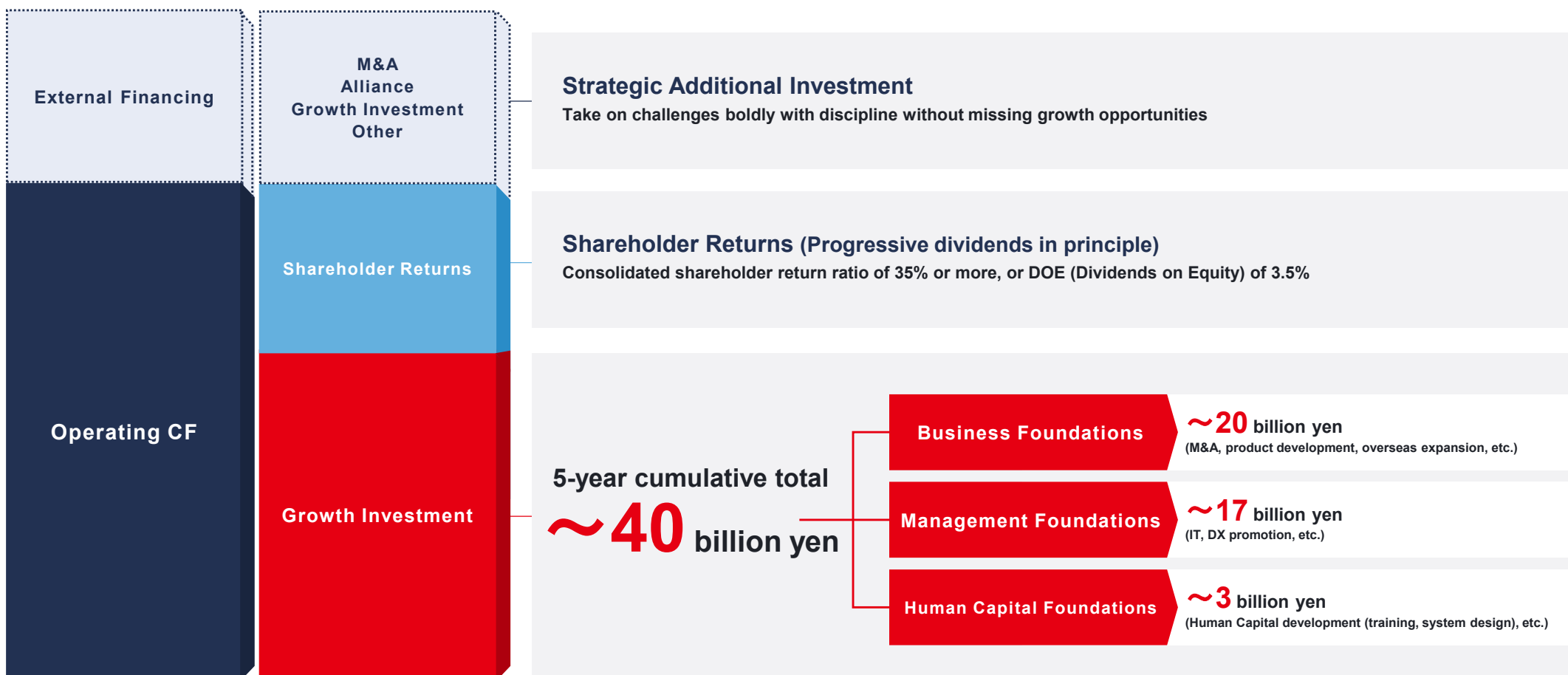
## Establishment of Management Foundation and Sustainable Growth Cycle Aimed at Earnings Growth



To build a solid foundation for the medium to long term, we will execute investments flexibly and proactively without missing growth opportunities.

## Key Points of Investment Strategy

- Continue proactive investment in functional enhancement and development of new fields and products
- Establish a new allocation for human capital investment in addition to conventional business and IT investments
- Execute additional investments flexibly after carefully examining content and timing



- | Transformation through digitalization and AI Adoption
- | Enhancing profitability through a dual "defensive" and "offensive" approach

## Building a Next-Generation Management Foundation

### [Defensive IT / Digital Platform]

Optimization of high-availability infrastructure and business platforms

- 1 Establishment of Zero Trust Security**  
Protecting the company from advanced cyber threats and ensuring regulatory compliance.
- 2 Modernization of Core Systems**  
Break away from legacy systems and achieve the introduction and stable operation of SAP, which will be the foundation of data-driven management.
- 3 Advanced AI for IT Operations**  
Convert help desks and other functions into a knowledge base to Mitigating key-person risk and achieve a dramatic speed-up.
- 4 Back-Office Automation**  
Digitalize billing and reconciliation through API integration with external SaaS to significantly reduce man-hours and risks.

### [Offensive DX / AX]

Automation of operations and Empowering the sales force with AI "Buddies".

- 1 AI-Powered Sales Support**  
Learn from past business negotiations and proposals to immediately support proposals that cater to customers' latent needs.
- 2 Ultra-Fast Response**  
AI instantly analyzes vast amounts of faxes and emails to speedily and automatically generate optimal quotes and delivery date responses.
- 3 Proactive Proposal Generation**  
Formulate hypotheses for "next capital investment" based on external information and industry trends, and automatically generate unique proposals (key points) to beat competitors.
- 4 Dynamic Demand Forecasting**  
Predict future demand from market trends and contribute to inventory reduction and cash flow maximization for the entire supply chain, including customers.

# 08

## Initiatives for the Enhancement of Corporate Value

## Management Focused on Capital Cost and Share Price

Changed KPI from ROE (Return on Equity) to ROIC (Return on Invested Capital) to understand the efficiency of total invested capital

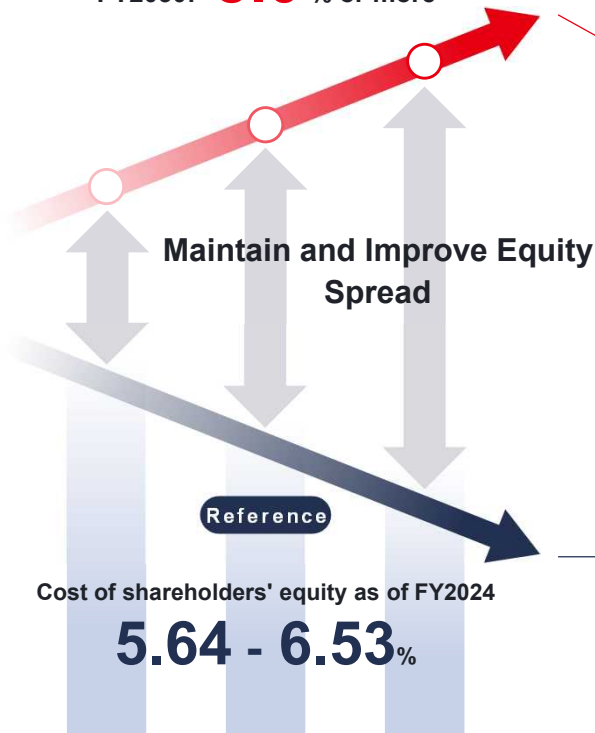
Aim to maximize corporate value through management-side initiatives such as promoting optimal allocation of management resources and clarifying investment decisions, as well as mindset shifts at the operational level focused on pursuing efficiency and the ROIC tree

### Basic Policy

Through improvement of ROIC and Reducing the Cost of Capital  
Maintain and improve a positive equity spread (ROIC > WACC)

In the Mid-Term Management Plan  
ROIC Target

FY2030: **8.0** % or more



### Initiatives to Improve ROIC

- **Enhancing profitability**  
Strengthening profitability of existing businesses, promoting growth strategies, and reducing fixed costs
- **Improvement of capital efficiency**  
Shortening the cash conversion cycle and reducing cross-shareholdings  
Resource allocation to the business portfolio and effective use of interest-bearing debt
- **Promotion of growth investment**  
Human capital-related investment, investment for medium- to long-term growth, productivity improvement, and Enhancing organizational capabilities

### Initiatives to Reduce Cost of Capital (WACC)

- **Strengthening active dialogue with capital markets and information disclosure**  
Promotion of IR (expansion of investor meetings, participation in events, etc.) and disclosure of various information including sustainability-related data
- **Implementation of stable and continuous shareholder returns (Refer to separate dividend policy)**
- **Enhancing creditworthiness by strengthening financial position**

# 09

## Shareholder Return Policy

During the period of the Mid-Term Management Plan, maintain a policy of progressive dividends, with a target consolidated shareholder return ratio of 35% or more, and a dividend on equity (DOE) of 3.5% set as the lower limit for dividends.

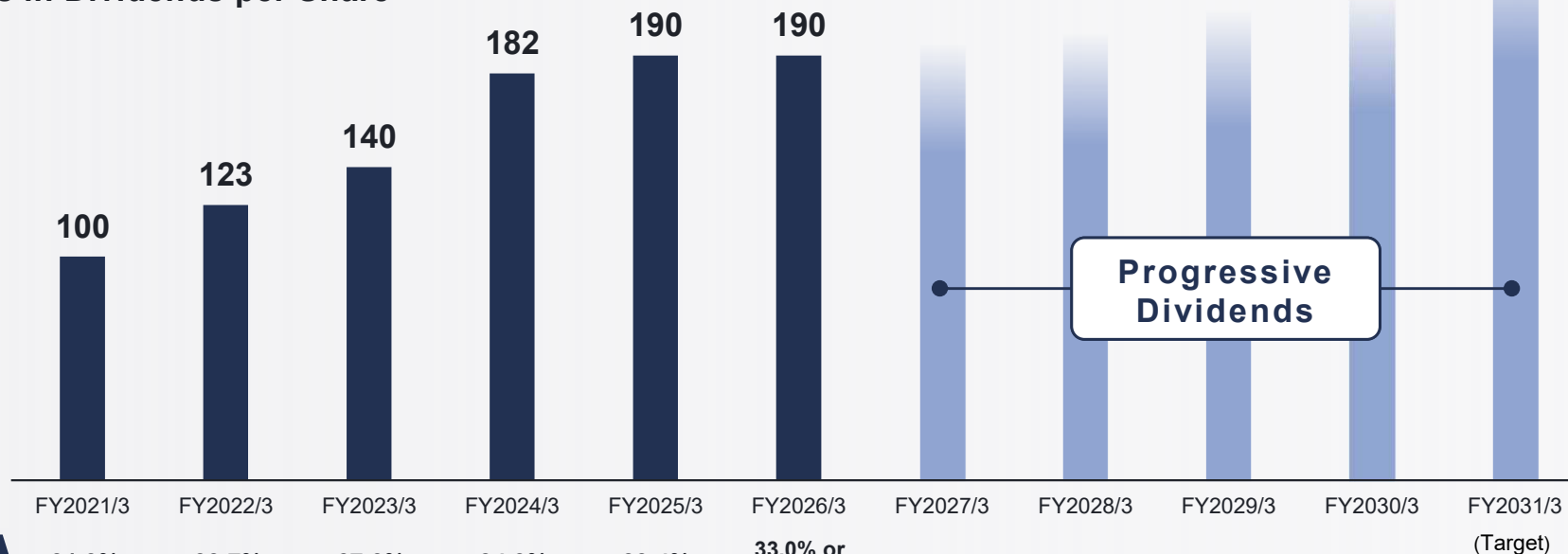
## Continuation of Stable and Flexible Shareholder Returns

Mid-Term Management Plan  
**Reborn 2031**

Shareholder return ratio  
**35% or more**

Dividend on equity (DOE)  
**3.5% or more**

### Trends in Dividends per Share



Consolidated shareholder return ratio

31.9%    33.7%    67.0%    34.9%    39.4%    33.0% or more    (Target)

Dividends on Equity (DOE)

2.8%    3.3%    3.5%    4.1%    4.0%    3.5% or more