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June 20 2025

Company Name	Wakita & Co., LTD.
Name of Representative	Teiji Wakita, President and Representative Director
Code Number:	8125, Tokyo Stock Exchange Prime Market
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Notice Regarding Efforts to Align Management With Capital Costs and Share Price

At a meeting held on June 20, 2025, the Wakita & Co., Ltd. Board of Directors reviewed and evaluated the current progress of initiatives under *Efforts to Align Management With Capital Costs and Share Price*, announced in the previous fiscal year. The board updated these actions with future initiatives for improvement by incorporating the direction and strategies set forth in the 2028 Medium-Term Management Plan, with the aim of supporting the sustainable growth of the Wakita Group and enhancing corporate value over the medium to long term.

Refer to the attached document, *Efforts to Align Management With Capital Costs and Share Price*, for more information.

End



WAKITA

Efforts to Align Management With Capital Costs and Share Price

Wakita & Co., LTD.

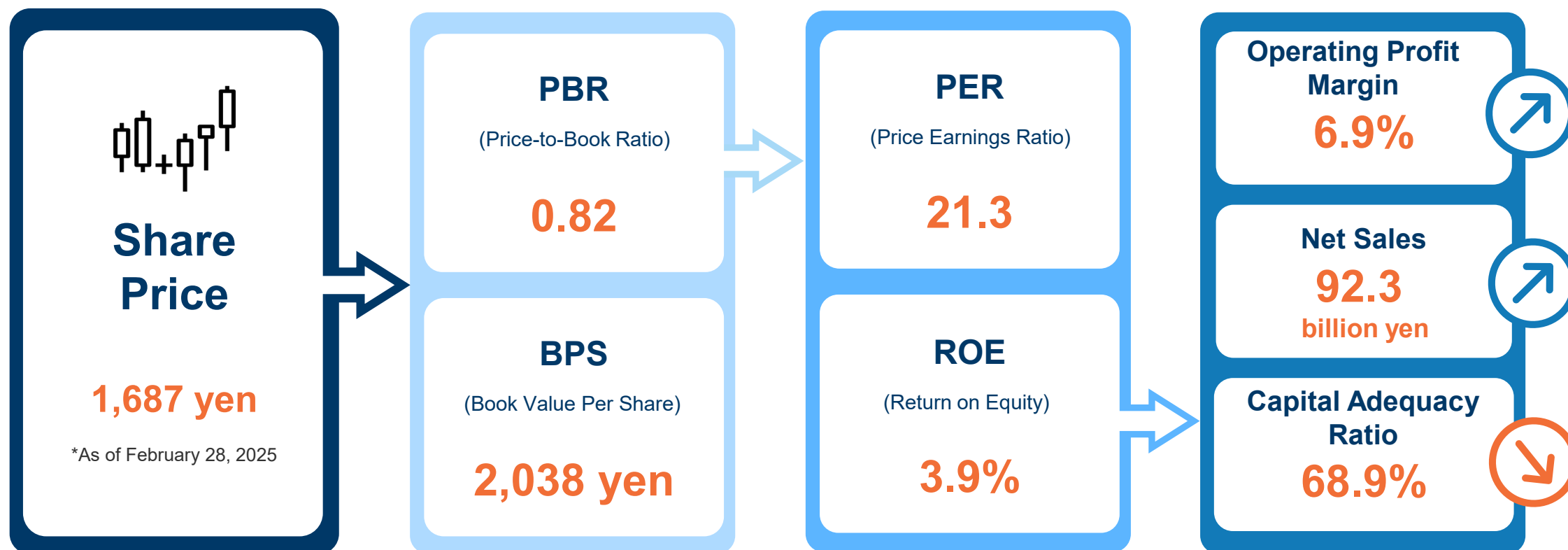
June 20 2025

TSE Prime
8125

UD FONT
by MORISAWA

Current Status Analysis and Evaluation

- Although the Wakita Group continues to see sustainable growth as a solution-providing company that responds to solving issues faced by customers and society across our Construction Equipment, Commercial Affairs, and Real Estate businesses, our PBR ratio remains below 1 at 0.82.
- Our PER stands at 21.3, above the TSE Prime average of 16.3 (as of February 28, 2025), while ROE remains low at 3.9%.
- We must strengthen our business foundation and shareholder returns to improve ROE and maintain and enhance our high PER level.



*Indicators based on consolidated financial figures for the fiscal year ended February 2025

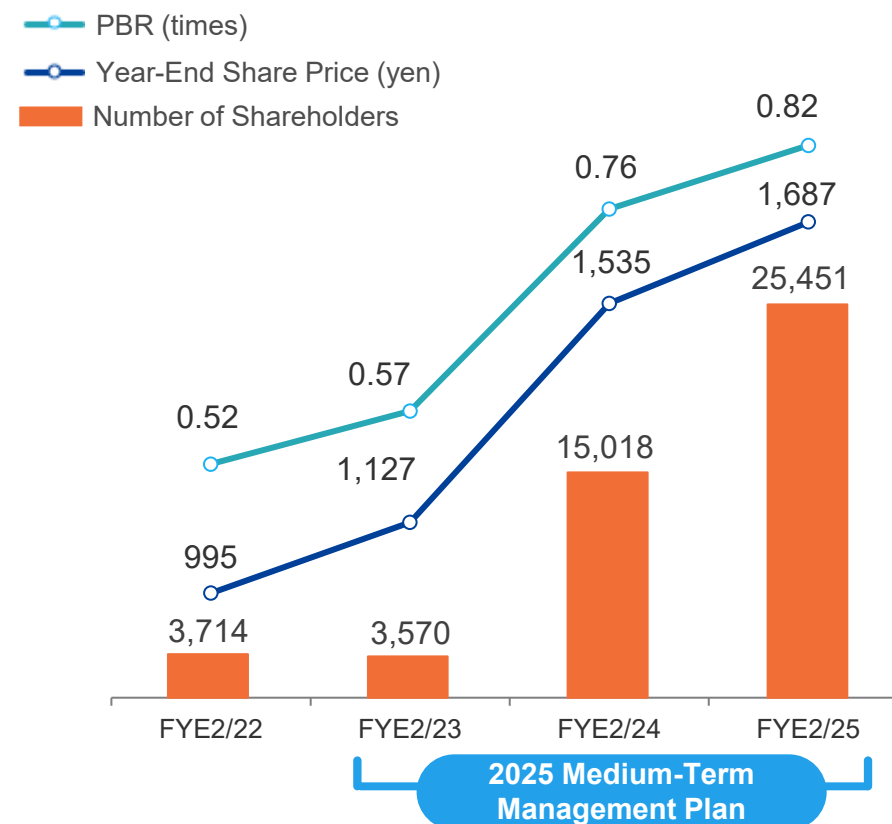
PBR, Share Price, and Number of Shareholders

- We advanced our growth strategy for the 2025 Medium-Term Management Plan. Our efforts focused on enhancing investor relations and shareholder returns, resulting a solid PBR, share price, and number of shareholders. These outcomes suggest that the stock market showed a certain level of support for our actions and direction.

Advance Growth Strategy



PBR, Year-End Share Price, and Number of Shareholders



- Identify challenges related to improving PBR and incorporate countermeasures into the 2028 Medium-Term Management Plan.
- Continue efforts to improve PBR and enhance corporate value by advancing our growth strategy, enhancing investor relations, and improving shareholder returns.
- We aim to build a solid foundation for future growth, achieve a milestone of ROE of 5%, and improve PBR.

2028 Medium-Term Management Plan

**Advance
Growth
Strategy**

1. Expand store network
2. Pursue digital transformation
3. Expand business domains
4. Improve asset efficiency

**Enhance
Investor
Relations**

**Improve
Shareholder
Returns**

FYE2/2028 Targets

PER

(Price Earnings Ratio)

×

ROE

(Return on Equity)

5.0%

=

PBR

(Price-to-Book Ratio)

Improvement

Efforts to Improve PBR

01

Advance Growth Strategy

Expand business domain and store network to achieve sales growth

Pursue digital transformation and improve asset efficiency to strengthen earning power

Advance human resources strategy to establish a cycle with corporate growth

02

Enhance Investor Relations (Dialogue With Investors)

Hold investor relations briefings three times a year
(For institutional investors: 1 time)
(For individual investors: 2 times)

Meetings with institutional investors: 35 companies
(FYE2/2025 Results)

Report discussion outcomes to the board of directors

03

Improve Shareholder Returns

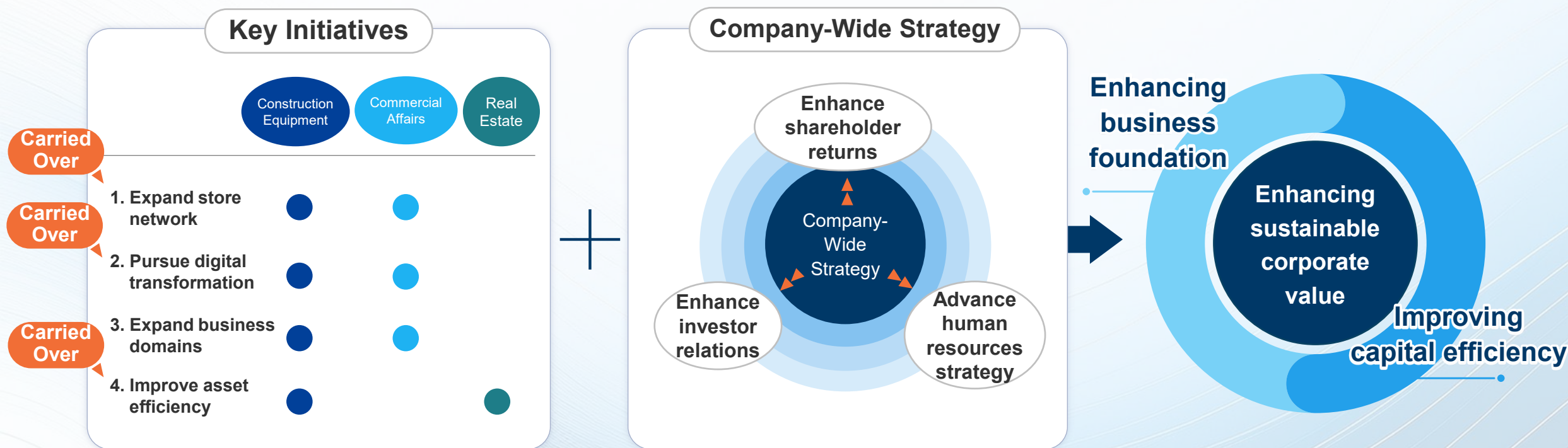
Set a three-year dividend policy targeting a dividend of 100 yen or more per share.

Limit equity for the time being and aim to improve ROE

Appendix

2028 Medium-Term Management Plan (FYE2/2026 - FYE2/2028)

Groundwork for Our Future Growth



Quantitative Targets (Consolidated)

- Position the three-year period as a foundation-building phase for long-term growth through upfront investment in people and assets
- Aim for stronger earning power, enhanced shareholder returns, and continuous improvement of quantitative performance targets
- Position each quantitative target as a milestone toward further long-term growth and improvement

(100 million yen)

	FYE2/2025 (Actual)		FY2028 (Plan)		vs. FYE2/2025	
	Amount	% of Total	Amount	% of Total	Change (Yen)	Change (%)
Net sales	923.2	-	1,110.0	-	+186.7	+20.2%
Operating profit	63.9	6.9%	77.0	6.9%	+13.1	+20.5%
EBITDA	144.4	15.7%	161.0	14.5%	+16.5	+11.8%
ROE	3.9%	-	5.0%	-	+1.1 pp	-

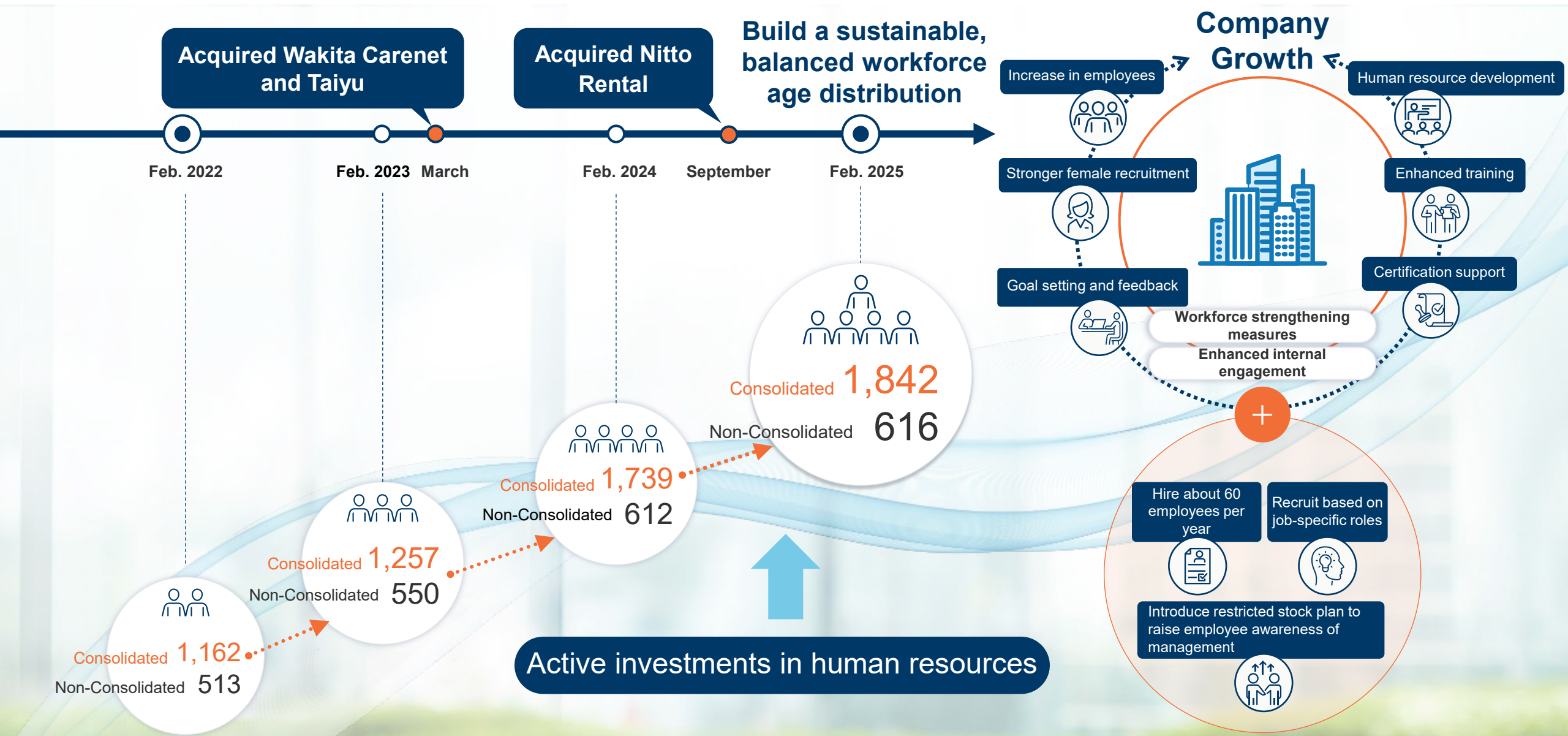
Quantitative Targets by Segment

- Construction Equipment Business: Continue optimizing rental and sales prices to drive net sales growth while improving profit margins
- Commercial Affairs Business: Improve operational efficiency in the nursing care business, carefully expanding the store network to capture growing demand
- Real Estate Business: Enhance asset value through renovation; consider property sales based on future potential while maintaining portfolio balance

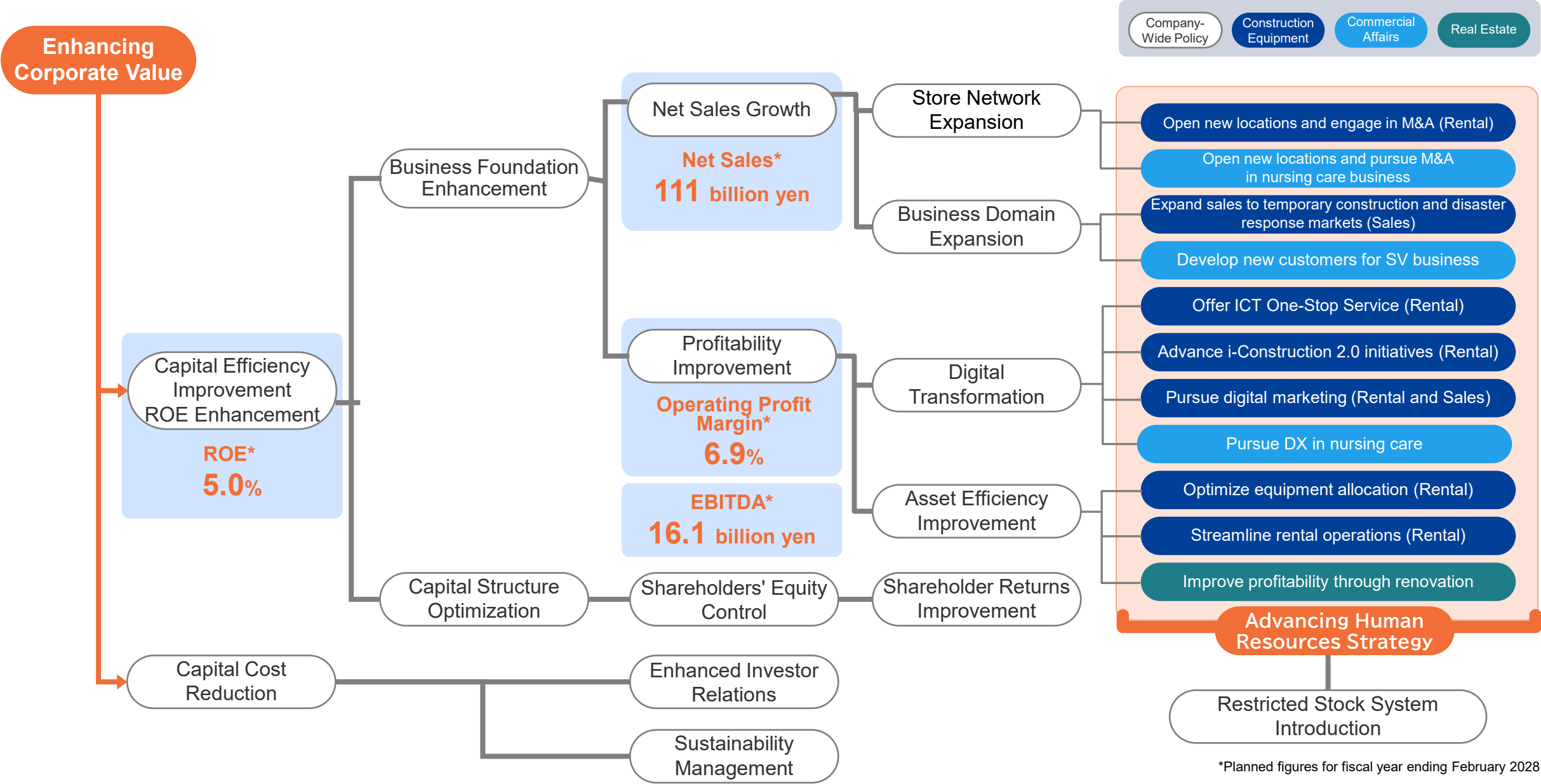
(100 million yen)

		FYE2/2025 (Actual)	FY2028 (Plan)	vs. FYE2/2025 (Actual)	
		Amount	Amount	Change (Yen)	Change (%)
Construction Equipment	Net sales	742.5	918.0	+175.4	+23.6%
	Operating profit	33.1	45.0	+11.8	+35.8%
	Operating profit margin	4.5%	4.9%	+0.4 pp	
Commercial Affairs	Net sales	105.7	130.0	+24.2	+22.9%
	Operating profit	5.7	10.0	+4.2	+74.8%
	Operating profit margin	5.4%	7.7%	+2.3 pp	
Real Estate Business*	Net sales	74.8	62.0	-12.8	-17.1%
	Operating profit	25.0	22.0	-3.0	-12.1%
	Operating profit margin	33.4%	35.5%	+2.1 pp	

Human Resources Strategy

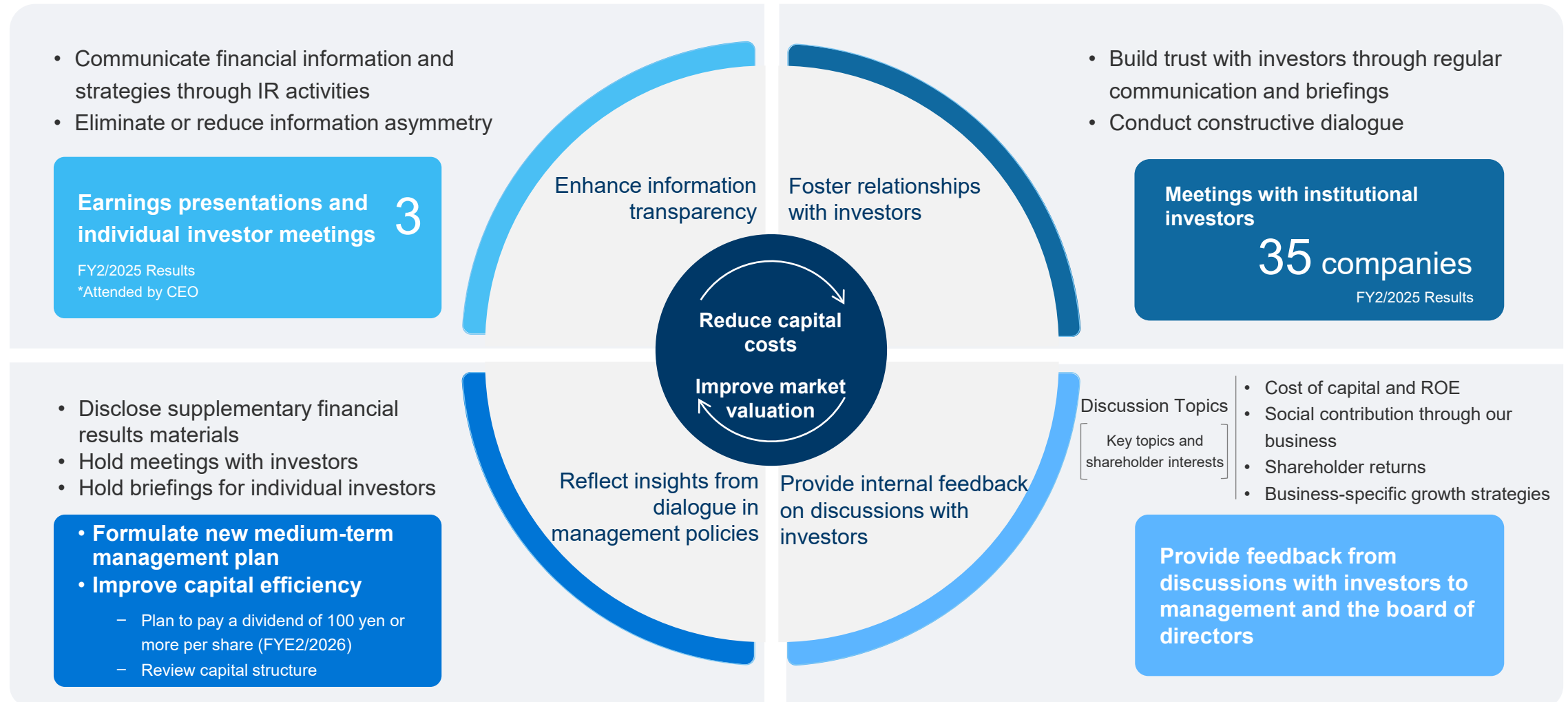


2028 Medium-Term Management Plan Summary



02.Enhance Investor Relations

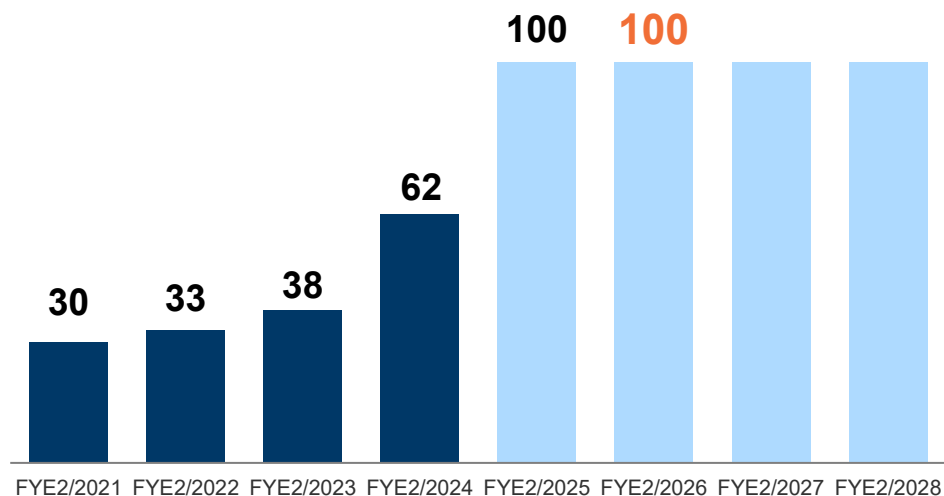
- Reduce capital costs by improving transparency and strengthening relationships with investors
- Use insights from investor dialogue to provide timely feedback to management and the board of directors, incorporating investor input into various initiatives aimed at enhancing corporate value



03. Improve Shareholder Returns

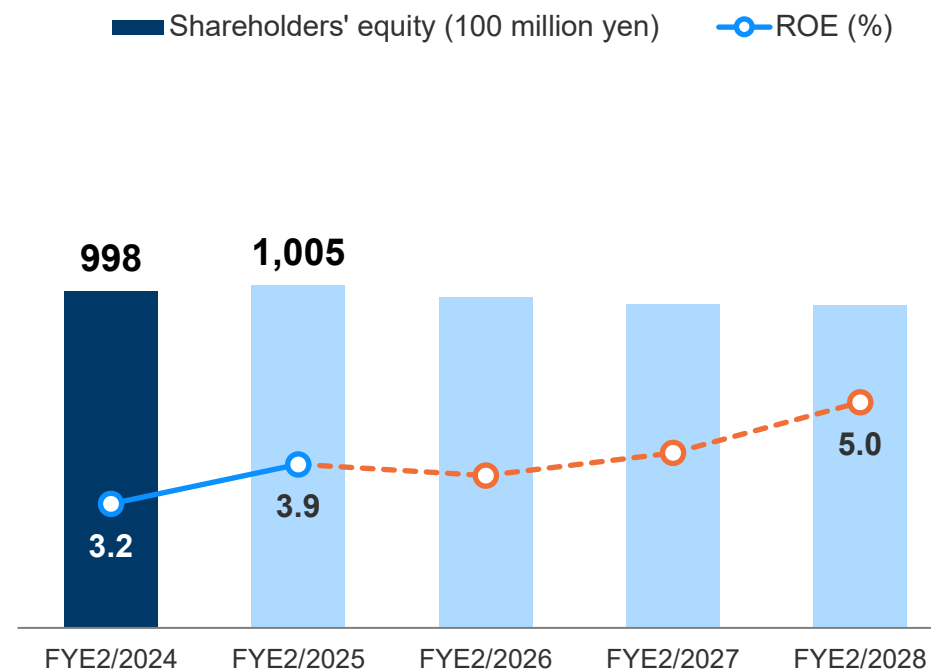
- Continue enhanced shareholder returns to control shareholders' equity, boost ROE, and increase corporate value
- Plan to maintain dividends of ¥100 or more per share during the medium-term management plan

Dividends (Yen)



Plan

Shareholders' Equity and ROE



Plan

These materials contain forward-looking statements based on information available at the time of preparation. Such forward-looking statements do not guarantee future results and involve risks and uncertainties. Actual outcomes may differ significantly due to changes in the business environment.

Such differences may be caused by a variety of factors, including but not limited to, economic conditions in Japan and overseas, and trends in industries related to Wakita.

Wakita assumes no obligation to update or revise any forward-looking statements contained herein in response to new information or future events.

Information contained in these materials regarding entities other than Wakita is from publicly available sources. While such information is believed to be reliable, Wakita makes no representations as to its accuracy or appropriateness.

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