



May 13, 2025

Press Release

SUZUKEN CO., LTD.

Shigeru Asano, President and CEO

(Stock Code: 9987)

Securities Traded: Prime Markets of the Tokyo and Nagoya Stock Exchanges, and the Sapporo Securities Exchange

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Suzuken Announces Partial Revision to its Policy on Cost of Capital and Stock Price-Conscious Management

Suzuken Co., Ltd. (hereinafter, “the Company”) hereby announces that it has reviewed a key financial indicator included in its Medium-Term Management Plan, which was updated and disclosed on November 10, 2023, in line with its policy formulated in response to the *Action to Implement Management that is Conscious of Cost of Capital and Stock Price*, as outlined below.

1. Revision of Key Financial Indicator (changes underlined)

<Previous announcement>

Item	Term	Target
ROE	Each fiscal year	ROE of 5% or more (Levels above capital costs)
Operating income ratio	FY2025	Consolidated: 1.5% or more * Wholesale segment: 1.0% or more
Investment	3-year cumulative total	¥100 billion or more
Shareholder return	3-year average	Continuation of stable dividends Total payout ratio of 100% or more
Reduction of cross-shareholdings	<u>End of FY2024</u>	10% or less of consolidated net assets

<After revision>

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2. Reason for the Revision

To achieve sustainable growth and enhance its medium- to long-term corporate value, the Company formulated a policy in response to the *Action to Implement Management that is Conscious of Cost of Capital and Stock Price* and has concurrently promoted both structural reforms of existing businesses and the creation of new ones to maximize profitability. Additionally, as part of its financial and capital strategies, the Company has advanced initiatives aimed at optimizing its capital structure, including reducing cross-shareholdings and enhancing shareholder returns.

Although efforts to reduce cross-shareholdings have been ongoing, the initial target level was not achieved within the original timeframe due to an increase in the market value of the remaining shares.

In light of this, the Company has revised the target period for reducing cross-shareholdings to the end of FY2025.

The latest progress under the Company's policy in response to the *Action to Implement Management that is Conscious of Cost of Capital and Stock Price* will be included in the presentation materials for the financial results briefing. These materials will be available for download from the Company's website at 10:30 a.m. on Wednesday, May 14, 2025.

[\(https://www.suzuken.co.jp/en/ir/library/explanation/\)](https://www.suzuken.co.jp/en/ir/library/explanation/)

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