



# PBR Improvement Plan

**SANYO SHOKAI LTD.**

6 October 2023



# Results, Challenges and Solutions

Improve PBR through ROE improvement by taking measures to achieve ROE target that exceeds cost of shareholder's equity (CSE), further strengthening of IR and planning/execution of next Medium-term Business Plan.

## Results and challenges

### Under PBR 1x

FY Feb/2023 results  
(consolidated)  
0.55x

### ROE fell below cost of shareholder's equity

FY Feb/2023 results  
(consolidated)  
6.1%, below-cost of  
shareholder's equity

## Solutions

### Theory

PBR  
improvement

=

ROE  
improvement

×

PER  
increase

### Solutions

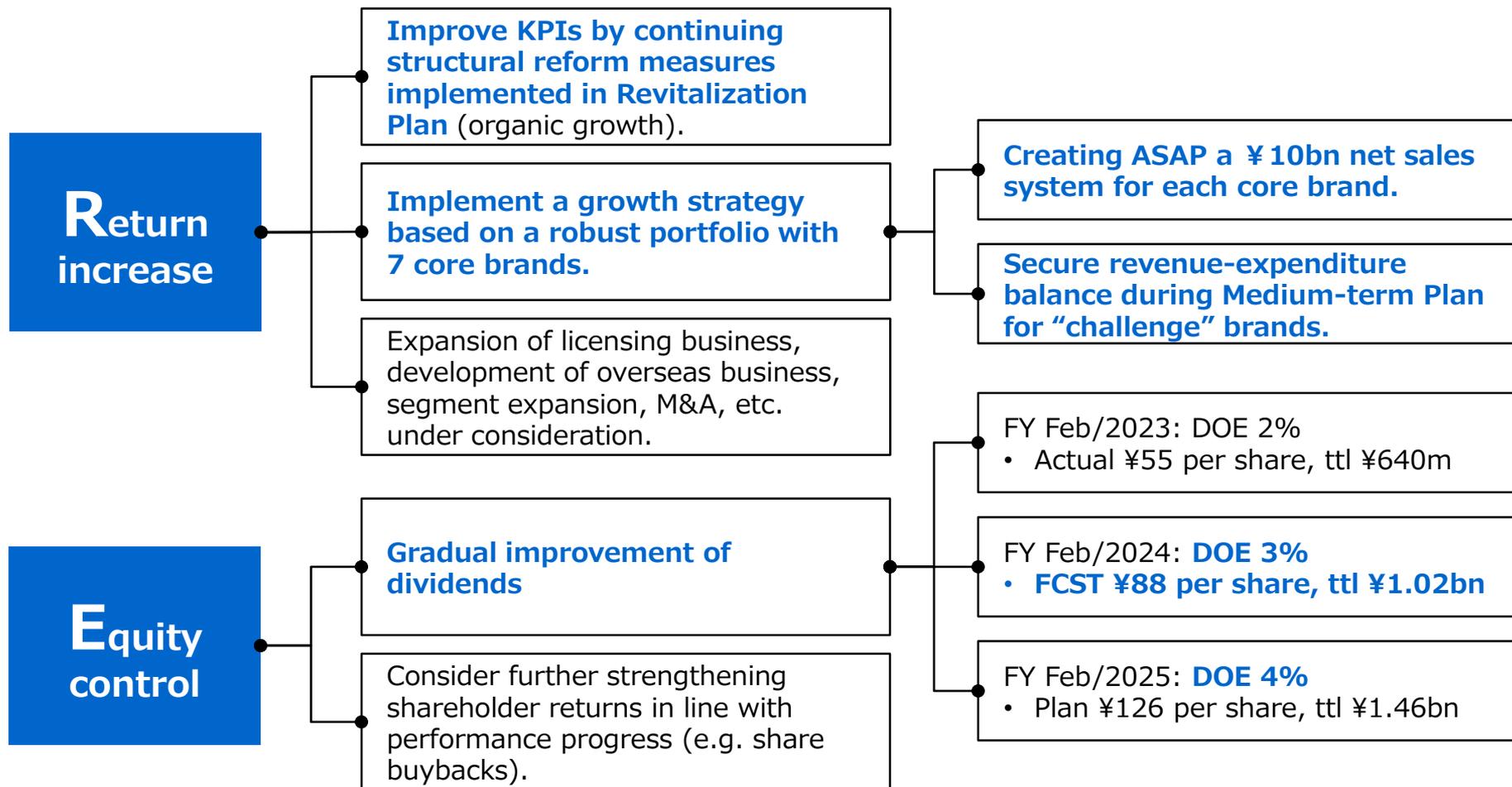
Take measures to achieve ROE  
target that exceeds CSE

Further strengthening of IR

Formulation and execution of  
next Medium-term Business  
Plan/growth strategy

# ROE Improvement

Aim to achieve ROE 8.5% by increasing Return through implementation of various measures in accordance with Medium-term Business Plan and controlling Equity, such as gradually improving level of dividends.



# KPIs of FY Feb/2025

KPIs are ROE 8.5% that exceeds cost of shareholder's equity, ¥4.38bn (7%) of operating income and policy of DOE 4%.

KPIs of  
FY Feb/2025

**ROE 8.5%**

(exceeds cost of shareholder's equity)

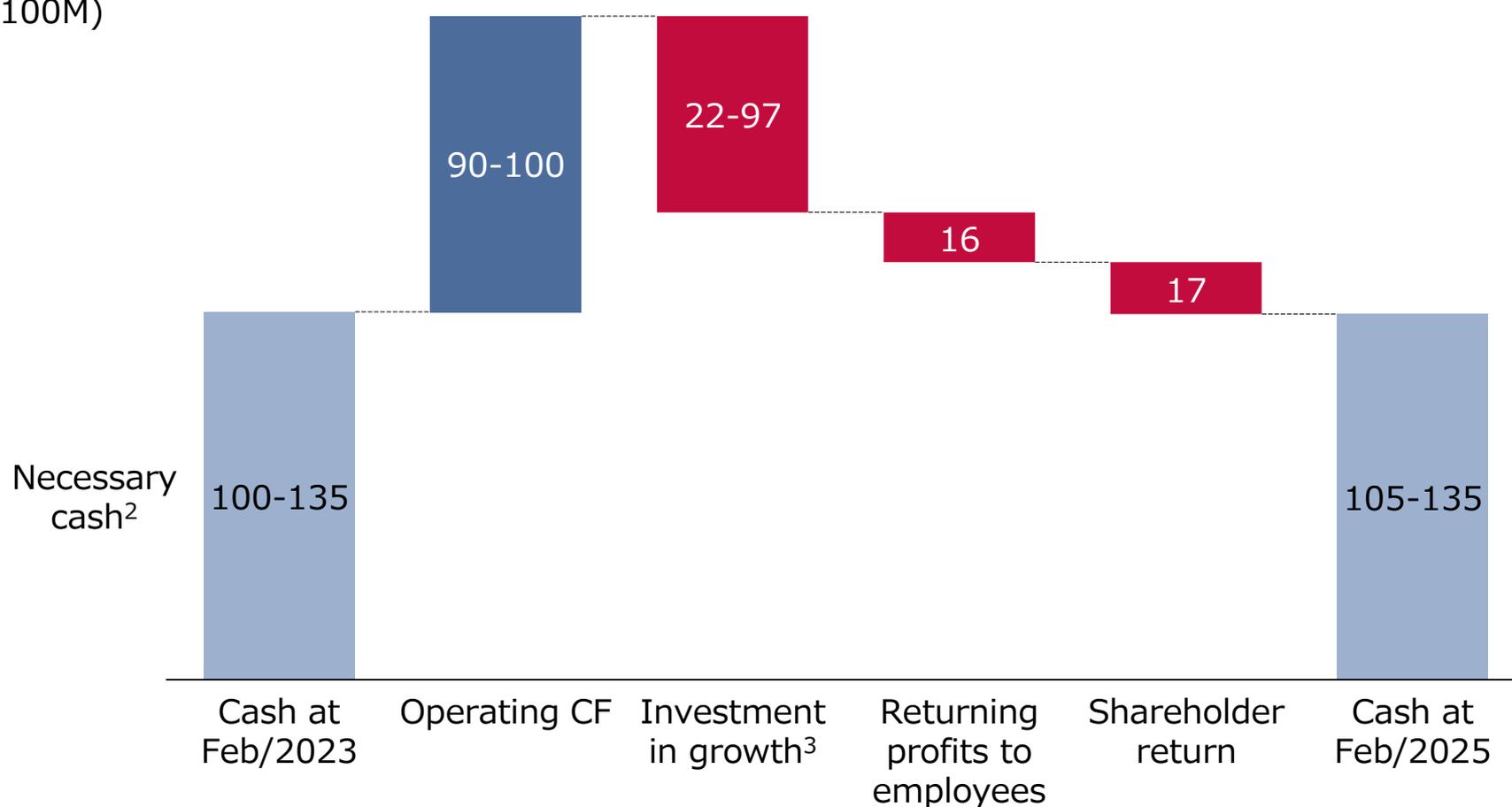
**Operating income ¥4.38bn**  
**Operating income ratio 7%**

**DOE 4%**

# Net cash allocation

Our particular concern is to put recovery from the 6th consecutive operating deficit up to FY Feb/2022 on a stable basis. Through the period of Medium-term Business Plan, we will improve capital efficiency by investing in growth and returning profits to investors, and correct the situation to an appropriate level of net cash<sup>1</sup>.

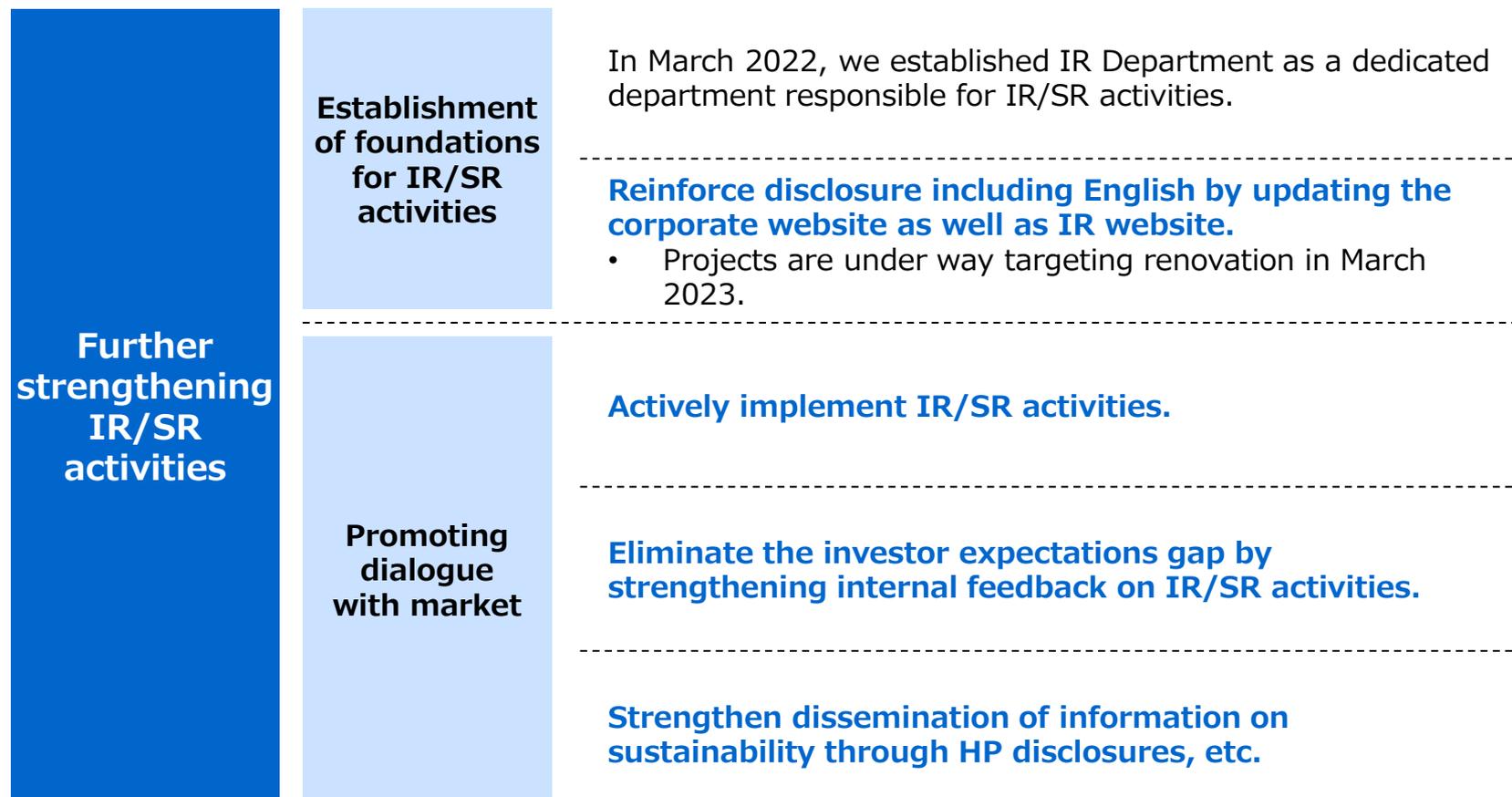
(¥100M)



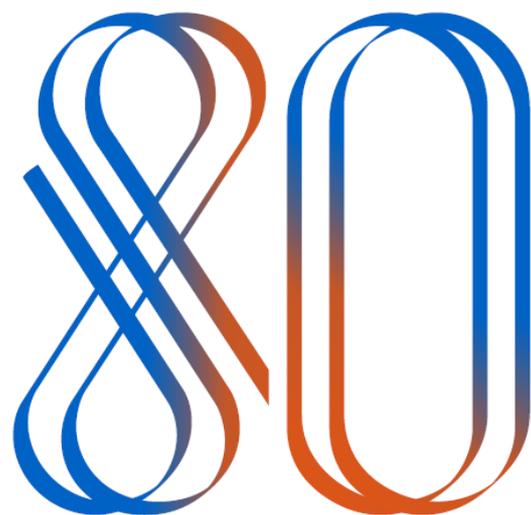
1. Net cash excluding debt and CB 2. Appropriate setting in light of business and investment environment and necessary liquidity on hand 3. Includes expansion of licensing business, development of overseas business, segment expansion, M&A, etc.

# Other PBR improvement measures

Promote improved PBR by further strengthening IR/SR activities in addition to business growth.



**Formulate next Medium-term Business Plan/growth strategy as well.**



## 80TH ANNIVERSARY SANYO

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