



May 9, 2024

Company name: Neturen Co., Ltd.  
Name of representative: Katsumi Omiya, Representative Director, Member of the Board, President and Chief Executive Officer (Securities code: 5976; Prime Market of the Tokyo Stock Exchange)  
Inquiries: Naoki Hisada, Executive Officer, Head of Corporate Planning Office (Telephone: +81-3-3443-5441)

## **Basic Directions for Capital Policy and Financial Strategy of the Neturen Group and Course of Action to Achieve PBR of 1.0 or More**

### **— Action for the Realization of Management Conscious of the Cost of Capital and Share Price —**

The Neturen Group (the “Group”) has set forth its basic directions for capital policy and financial strategy as described below. By implementing initiatives for the early achievement of PBR of 1.0 or more and ROE of 8% or more, the Group will make progress toward the achievement of its 16th Medium-term Management Plan, “Aggressive Challenge One NETUREN 2026,” which was announced on May 9, 2024, and the long-term management vision, “NETUREN VISION 2030,” which was formulated in May 2021.

#### 1. Basic directions for capital policy and financial strategy

The Group has set forth the following as its basic directions for capital policy and financial strategy:

- We will aim for the early achievement of PBR of 1.0 or more and ROE of 8% or more and an equity ratio of 60-65% as stated in the target balance sheet.
- While striving for strategic investments oriented toward future growth and stable business operations, we will continue to strengthen our shareholder returns (purchase of treasury shares and dividend policy).

Specifically, by executing the following four actions:

- (1) implementation of strategic investments;
- (2) early achievement of ROE of 8% or more;
- (3) optimization of financial base; and
- (4) strengthening of shareholder returns,

we will aim for management that is conscious of the cost of capital, the sustainable improvement of corporate value, and the early achievement of PBR of 1.0 or above.

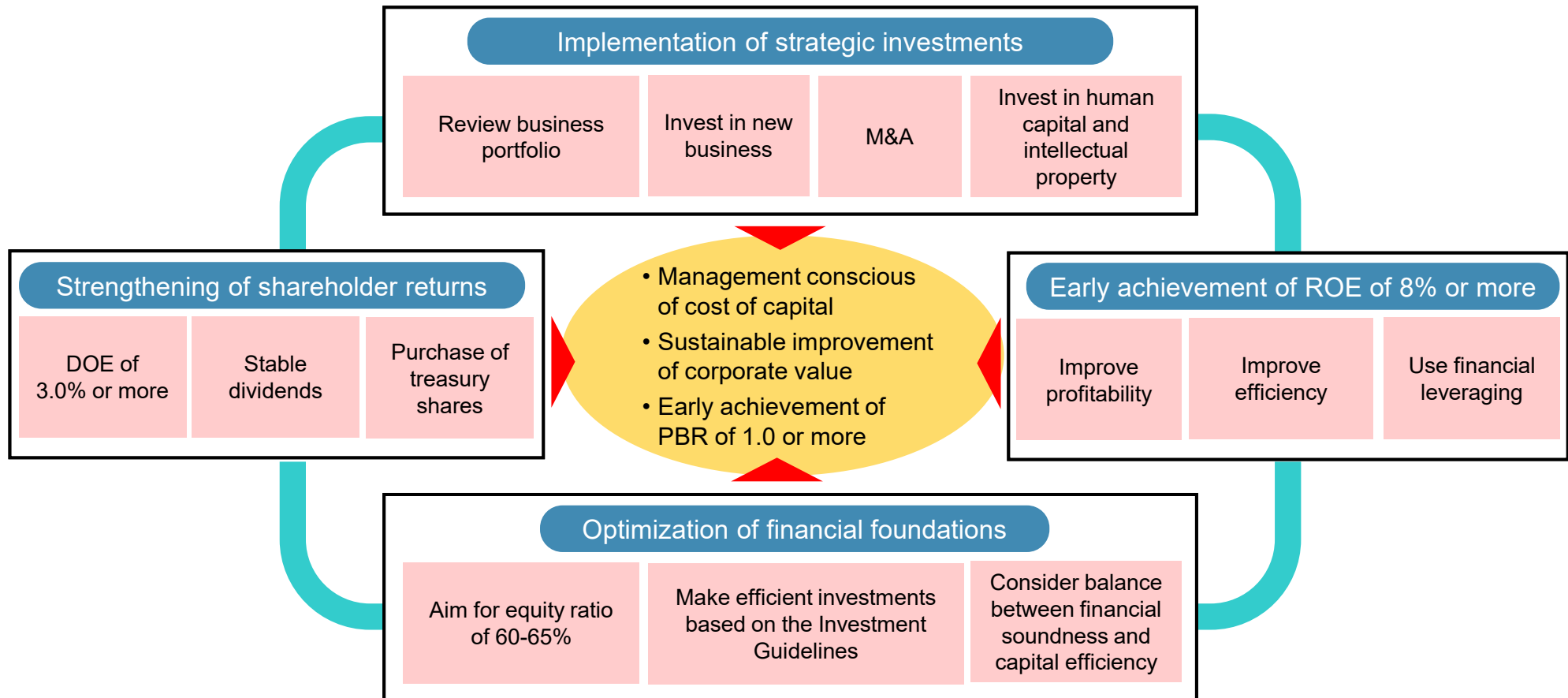
#### 2. Course of action for achieving PBR of 1.0 or above

The Group considers the fact that PBR remains at 1.0 or less to be its most important management issue. Recognizing the background to the current situation and the issues involved, the Group will proceed with concrete measures to realize the early achievement of PBR of 1.0 or more and ROE of 8% or more and the medium- to long-term improvement of corporate value.

# 1. Neturen Group Basic Directions for Capital Policy and Financial Strategy

## Basic Directions

- Early achievement of PBR of 1.0 or above and ROE of 8% or more and equity ratio of 60-65% as stated in the target balance sheet
- While striving for strategic investments oriented toward future growth and stable business operations, continue to strengthen shareholder returns (purchase of treasury shares and dividend policy)



## 2. Course of Action for Achieving PBR of 1.0 or Above

We consider the fact that PBR remains at 1.0 or below to be our most important management issue. Recognizing the background to the current situation and the issues involved, we will proceed with concrete measures to realize the early achievement of PBR of 1.0 or more and ROE of 8% or more and the medium- to long-term improvement of corporate value.

